

# Classification of marketing research designs



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A research design is a model or blueprint for concluding the marketing research project. It details the procedures necessary for obtaining the information needed to structure or solve marketing research problems. Although a broad approach to the problem has already been developed, the research specifies the details- the nuts and bolts- of implementing the approach. A research design lays the foundation for conducting the project. A good research design will ensure that the marketing research project is conducted effectively and efficiently.

## **Classification of Marketing Research Designs**

Research Design

Conclusive Research Design

Exploratory Research Design

Descriptive Research

Casual Research

Cross-sectional Design

Longitudinal Design

Single Cross sectional Design

Multiple Cross Sectional Design

Exploratory Research: It is a type of research design whose primary objective is the provision of insights into and comprehension of the problem situation confronting the researcher.

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**Conclusive Research:** Research designed to assist the decision maker in determining, evaluating and selecting the best course of action to take in a given situation.

**Cross-sectional Design:** A type of research design involving the collection of information from any given sample of population elements only once.

**Single cross-sectional design:** A cross-sectional design in which one sample of respondents is drawn from the target population and information is obtained from this sample once.

**Multiple cross-sectional designs:** A cross-sectional design in which there are two or more samples of respondents and information from each sample is obtained only once.

**Longitudinal designs:** A type of research design involving a fixed sample of population elements that is measured repeatedly on the same variables. The sample remains the same over time, thus providing a series of pictures which, when viewed together, portray a vivid illustration of the situation and the changes that are taking place over time.

**Panel:** A sample of respondents who have agreed to provide information at specified intervals over an extended period

No

Is the need for marketing research justified?

Yes

Define the research objectives

Identify data needs

No

Are suitable data resources available?

Identify data sources

Yes

No

Are some secondary resources capable of providing all data needed

Yes

Choose appropriate design and data collection method

Obtain the secondary data

Design research instrument

Identify the sample

Collect data including any relevant secondary data

Analyze and interpret data

Terminate project

Present research findings.

## **Step 1: Justify the Need for Marketing Research**

A logical starting point for discussing the marketing research process is the issue of whether to conduct a proposed research project. Four considerations influence the decision: the potential usefulness of the research results: management's attitudes toward the research: the resources available for implementing the research results: and the costs of the research projects versus the benefits.

## **Step 2: Define the Research Objective**

Questions about what we want to find out and why are crucial to the effectiveness of any project. Indeed, our discussion of whether or not of research project is worthwhile assumed that the research purpose was well defined. We cannot meaningfully evaluate the costs and potential benefits of research unless we have clearly established the answers to what and why.

## **Step 3: Identify Data Needs**

Identifying specific data needs means scrutinizing the research purpose and listing the kinds of data required to accomplish that purpose.

## **Step 4: Identify Data Sources**

After identifying data needs, the next logical step is to locate sources capable of providing the data. The relative ease or difficulty of locating data sources will depend on the nature of the information desired.

Secondary Data are data that have already been collected by and are readily available from other sources.

Primary data are data collected for specific research needs.

The importance of time frame. If no resource is available for the kinds of data needed in a particular project within the time frame, the company should abandon the research project at this stage rather than pursue it further: the results will undoubtedly be worth it.

### **Step 5: Choose an Appropriate Research Design and Data Collection Method**

After determining the research objectives and the nature of the data to be collected, the researchers must choose an appropriate research design, which in turn will influence what tasks they will perform in the remainder of the project. The research design may be exploratory or conclusive.

Exploratory Research helps researchers gain some initial insights and may pave the way for future research. For instance, an industrial product firm wishing to generate some ideas for improving its product line can do so through informal discussions with selected customers and distributors.

Conclusive Research helps researchers verify insights and select the appropriate course of action. Conclusive research can be either descriptive or experimental.

A research proposal is a document that briefly describes the purpose and scope, specific objectives, sample designs, data collection procedures, data analysis plan, timetable and estimated cost for the contemplated project.

### **Step 6: Design the Research Instrument**

The step of developing the data collection instrument or form is relevant when a research project requires primary data collection. Although designing

a data collection form may appear easy, certain aspects of the form, if not handled carefully, can seriously affect the quality and nature of the data.

## **Step 7: Identify the Sample**

Designing a sample to collect primary data means clearly specifying who, or which units, should provide the needed data. This step may offer some general guidance for designing the sample. The method of choosing individuals depends on whether a profitable or non profitable sampling method is used.

In a Profitable Sample, each component in a population has a known, non-zero chance of inclusion.

Non Profitable Sampling is a subjective procedure in which the probability of selection for each population unit is known beforehand.

## **Step 8: Collect the Data**

Once the data collection form and sample research are ready the next step is to collect the data. Before data analysis can begin, the responses generated by the data collection procedures must be checked for completeness, consistency and adherence to pre specified instructions. The process of examining the responses and taking the necessary corrective action to ensure they are of high quality is called editing. The edited responses also need to be put into a form that is ready for analysis. This transformation is called coding.

## **Step 9: Analyze and Interpret the Data**

Analysis and interpretation are integral parts of marketing research. The types of analysis permissible in a project depend on the nature of the data, which in turn can be affected by factors such as the type of data collection used.

## **Step 10: Present Research findings**

The last step in the marketing research process is to prepare a report that communicates the result of the research to decision makers. This step is critical to the process. Only through a clear and convincing report can the findings and conclusions reached by the market researcher be implemented.

## **Marketing Research for the BK Broiler Chicken Sandwich**

### **Step 1: Justify the need for Marketing Research**

In 1998 the BK Broiler chicken sandwich was suffering from low sales. BK needed research to identify and develop a winning positioning strategy that would appeal to women. In short, the proposed research project appeared to be worthwhile not only because the results were needed, but also because adequate resources were available to implement the research results.

### **Step 2: Define the Research Objective**

The main objective of the research project was to find out what would be the best way to position a new broiled chicken sandwich among the target market. The proposed sandwich was smaller than the current one, had fewer fat grams and used “ whole muscle” product as opposed to the existing formed-chicken patty. The sandwich was made with a corn-dusted bun, used Savory Grill sauce, and was topped with shredded vegetables. Thus the



primary purpose was to obtain consumer reactions to four different ways to position the new chicken sandwich in the marketplace.

The four positioning considered for the concept/taste test were:

Choice White Meat/Chicken Breast

Backyard BBQ Taste

Marinated Special Blend/Home style Taste

Competitive Claim (concept only)

### **Step 3 and 4: Identify Data Needs and Data Sources**

BK's data requirements fell into four classes:

**Purchase Intention Measures**-The purchase intention measure was to be used to assess the likelihood that respondents would buy the sandwich.

**Overall Product Diagnostics**-BK wanted to obtain data to understand the reasons underlying the intended purchase measures. Of interest to BK's product management were consumers overall judgements of the product concept, measuring uniqueness or differentiation from other products, inherent interest, and value for the money.

**Attribute Diagnostics**-To focus further positioning and development efforts. BK needed data about specific product attributes that led people to buy chicken sandwiches.

**Respondent Profiling Variables**-Data on demographics were deemed important to understanding customers' fast-food eating habits.

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## **Step 5: Choose an Appropriate Research Design**

BK hired an outside research agency to design and execute the marketing research study. The project was basically conclusive experimental research. BK and the research agency were clear about the types of information they wanted.

Step 6: Design the Research Instrument or Form- The agency developed a well structured questionnaire to collect the necessary data about the concept and the respondents. It consisted the following:

Pre-recruiting screening questions

Concept evaluation questions (only for qualified respondents)

Taste test (only for those who gave neutral or positive responses to the concept)

Classification questions

## **Step 7: Identify the Sample**

The sample for this study was identified earlier as a group who had eaten chicken in a fast-food restaurant at least once in the past 3 months. The sample consisted of the following:

Approximately 65% female and 35% male(skewed toward women to reflect the expected user base for the new broiled chicken sandwich)

Approximately 50% ages 18 to 34 and 50% ages 35 to 54

Approximately 50% BK users and 50% non-BK users(within the past 4 weeks)

## **Step 8: Collect the Data**

A total of 835 interviews were conducted among pre-recruited consumers at malls in 10 different geographic locations. Approximately 150 taste tests were conducted for the first three positioning.

## **Step 9: Analyze and Interpret the Data**

The study found that interest in trying the product was driven by a positive pre-disposition toward the chicken sandwich, as well as how appetizing the product looked (in the picture). In the Taste Test Study, consumers rated the product very favorably.

## **Step 10: Present Research Findings to Decision Makers**

Based on these findings, BK's Consumer Research Group recommended the "Choice White Meat/Chicken Breast" positioning. The sandwich performed well among women (the intended target market) and among non-BK users and the 35 to 54 age group rated the sandwich very favorably. However, the researchers also suggested that additional studies were needed to determine the best name and price for the sandwich.

Purchase intent for BK Broiler Chicken Sandwich – "choice White Meat/Chicken Breast" Positioning – Among Key Subgroups

Choice White Meat/Chicken Breast positioning generated the highest level of "definitely would buy/ probably would buy" purchase intent scores. Of the total 208 respondents who were exposed to the "Choice White Meat" positioning, 43% rated it as "definitely would buy" and 83% rated it as "definitely or probably would buy."

To measure purchase intention, the respondents were asked: How likely would you be to buy this product if it were available at Burger King?

Definitely would buy 5

Probably would buy 4

Might or might not buy 3

Probably would not buy 2

Definitely would not buy 1

## **TYPES OF RESEARCH DATA**

### **PRIMARY VERSUS SECONDARY DATA**

Primary data are originated by at researcher for the purpose of addressing the problem at hand. The collection of primary data involves all six steps of the marketing research process. Obtaining primary data can be expensive and time consuming.

Secondary data are data that have already been collected for purposes other than the problem at hand. These data can be located quickly and inexpensively.

### **A comparison of primary and secondary data**

#### **Primary Data**

#### **Secondary Data**

Collection Purpose

For the problem at hand

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For other problems

Collection Process

Very involved

Rapid and easy

Collection Cost

High

Relatively low

Collection Time

Long

Short

## **ADVANTAGES AND USES OF SECONDARY DATA**

Identify the problem.

Better define the problem.

Develop an approach to the problem.

Formulate an appropriate research design.

Answer certain research questions and test some hypothesis.

Interpret primary data more insightfully.

The general rule that is followed is: Examination of available secondary data is a prerequisite to the collection of primary data. Start with secondary data. Proceed to primary data only when the secondary data resources have been exhausted or yield marginal returns.

## **DISADVANTAGES OF SECONDARY DATA**

The objectives, nature, and methods used to collect the secondary data may not be appropriate to the present situation.

It may be lacking in accuracy.

It may not be completely correct or dependable.

Before using secondary data, it is important to evaluate them on the above mentioned factors.

## **Classification of Secondary Data**

Ready to Use

Syndicated Services

Computerized Databases

Requires further Processing

Published Materials

External

Internal

Secondary data

Internal Data are those generated within the organization which conducts the research. This information may be available in a ready-to use format, such as information routinely supplied by the management decision support system.

### **For example:**

Extensive analysis was conducted on internal secondary data in the department store patronage project. This provided several rich insights. For example, sales were analyzed. To obtain:

Sales by product line.

Sales by major department.

Sales by specific stores.

Sales by geographical region.

Sales by cash versus credit purchases.

Sales in specific time periods.

Sales by size of purchase.

Sales trends in many of these classifications.

External Data are those generated by sources outside the organization. These data are present in the form of published material, databases or information that are available by syndicate services. Before collecting external secondary data, it is useful to analyze internal secondary data.

Database Marketing involves the usage of computers to attract and identify customer and purchase details. This secondary information serves as the foundation for marketing programs or as an internal source of information related to customer behavior. For many companies, the first step in creating a database is to transfer raw sales information.

## **Published Secondary Data**

### **Published Secondary Data**

General Business Sources

Government Sources

Indexes

Directories

Census Data

Other Government Publications

Statistical Data

Guides

### **General Business Data**

Businesses publish a lot of information in the form of books, periodicals, journals, magazines, news papers and trade literature. This information can be located by using guides, directories and indexes. Sources are also available for identifying statistical data.



## **Guides**

Guides are an excellent source of standard or recurring information. A guide may help identify other major sources of directories trade associations and trade publications. Guides are one of the first sources a researcher should consult. Some of the most useful are the American Marketing Association Bibliography Series, Business Information Sources, Data Sources for Business and Market Analysis, and Encyclopedia of Business Information Sources.

## **Directories**

Directories are helpful for identifying individuals or organizations that collect specific data. Some of the important directories include Directories in Print, Consultants and Consulting Organizations Directory, Encyclopedia of Associations, Studies and Surveys, and Research Services Directory.

## **Indexes**

It is possible to locate information on a particular topic in several different publications using an index. Indexes can, therefore, increase the efficiency of the search process.

## **Other Government Publications**

In addition to the census, the federal government collects and publishes a great deal of statistical data. The more useful publications are Business Conditions Digest Business Statistics, Index to Publications, Statistical Abstract of the United States, and Survey of Current Business.

## **Classification of Computerized Databases**

Computerized Databases

Bibliographic Databases

Numeric Databases

Full-text Databases

Special-Purpose Databases

Directory Databases

Internet

Offline

Online

Online database consist of a central data bank, which is accessed with a computer via a telecommunications network.

Internet Databases can be accessed, located, and analysed on the internet. The data can be downloaded from the internet and stored in a computer or an auxiliary storage device.

Offline databases make the information available on diskettes and CD-ROM disks. Thus, offline databases can be accessed at the user's location without the use of an external telecommunications network.

## **Sources of International Secondary Data**

International Secondary Data

International Organizations

Domestic Organizations in the U. S.

Organizations in Foreign Countries

International Organizations in the U. S,

Government Sources

Non Government Sources

Governments

Trade Associations

A wide variety of secondary data are available for international marketing research. As in the case of domestic research, the problem is not one of lack of data but of the plethora of information available, and it is useful to classify the various sources as shown in the diagram above. Domestic organizations in the United States, both government and non-governmental source, can provide valuable secondary international data. The important government sources are The Department of Commerce, The Agency for International Development, The Small Business Administration, the Export-Import Bank of the United States, The Department of Agriculture Department of State, Department of Labor, and The Port Authority of New York and New Jersey. The Department of Commerce offers not only a number of publications, but also a variety of services as illustrated in the above diagram.

## **Classification of Marketing Research Data**

Marketing Research Data

Secondary Data

Primary Data

Quantitative Data

Qualitative Data

Descriptive

Survey Data

Experimental Data

Observational and Other Data

Casual

Qualitative Research provide a clear perception of a situation and understanding of the problem setting using unstructured, exploratory research methodologies based on little samples.

Quantitative Research is a research methodology that looks out to quantify a particular data and apply some of statically analysis.

## **Quantitative versus Qualitative Research**

### **Qualitative Research**

### **Quantitative Research**

Objective

To gain a qualitative objective of the underlying reasons and motivations.

To quantify the data and generalize the results from the sample to the population of interest.

Sample

Small number of no representative cases.

Large number of representative cases.

Data Collection

Unstructured

Structured

Data Analysis

Non statistical

Statistical

Outcome

Develop an initial understanding

Recommend a final course of action.

## **Classification of Qualitative Research Procedures**

### **Qualitative Research Procedures**

#### **Indirect (Disguised)**

#### **Direct (No disguised)**

#### **Projective Techniques**

#### **Depth Interviews**

#### **Focus Groups**

#### **Association Techniques**

#### **Expressive Techniques**

#### **Completion Techniques**

#### **Construction Techniques**

#### **Direct Approach**

A type of research in which the purposes of the project are made known to the respondent or are obvious, given the nature of the interview

#### **Indirect Approach**

A type of research in which the main purposes of the project are masked from the respondents

#### **Focus Group Interview**

An interview conducted by a well trained moderator in a nonstructural and natural manner with a very little group of respondents. The moderators lead the discussion. The main purpose of focus groups is to gain insights by listening to a group of people from the appropriate target market talk about issues of interest to the researcher.

## **Characteristics**

### Group Size

8 to 12

### Group Composition

Homogeneous; respondents prescreened

### Physical setting

Relaxed, informal atmosphere

### Time duration

1 to 3 hours

### Recording

Use of audiocassettes and videotapes

### Moderator

Observational, interpersonal, and communication skills of the moderator.

## **Depth Interviews**

An unstructured, straight forward, personal interview in which a single respondent is probed by a highly trained interviewer to uncover fundamental motivations, beliefs, attitudes, and feelings on a topic

## **Focus Groups versus Depth Interviews**

### **Characteristic**

#### **Focus Groups**

#### **Depth Interviews**

Group synergy and dynamics

+

-

Peer pressure/group influence

-

+

Client involvement

+

-

Generation of innovative ideas

+

-

In-depth probing of individuals

-

+

Uncovering hidden motives



-

+

Discussion of sensitive topics

-

+

Interviewing respondents who are competitors

-

+

Interviewing respondents who are professionals

-

+

Scheduling of respondents

-

+

Amount of information

+

Bias in moderation and interpretation

+

Cost per respondent

+

## **Projective Techniques**

An unstructured and indirect form of questioning encourages the respondents to project their fundamental motivations, beliefs, attitudes, or feelings regarding the issues of concern.

## **Advantages and Disadvantages of Projective Techniques**

Projective techniques have a major advantage over the unstructured direct techniques. They may elicit responses that subjects would be unwilling or unable to give if they knew the purpose of the study. At times, in direct questioning, the respondent may intentionally or unintentionally misunderstand or mislead the researcher. In these cases, projective techniques can increase the validity of responses by disguising the purpose. This is particularly true when the issues to be addressed are personal, sensitive or subject to social norms. Projective techniques are also helpful when underlying motivations, beliefs and attitudes are operating at a subconscious level.

Projective techniques suffer from many of the demerits of unstructured direct techniques, but to a greater extent. These techniques generally require personal interviews with highly trained interviewers. Skilled interpreters are also required to analyze the responses. Hence, they tend to be expensive. Some projective techniques, such as role playing, require respondents to engage in unusual behavior. In such cases, the researcher may assume that respondents who agree to participate are themselves unusual in some way. Therefore, they may not be representative of the population of interest.

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## **Association Techniques**

It is a type of technique where the respondent is presented with a stimulus and asked to react with the first thing that comes to the respondents' mind

### **Word Association**

A projective technique in which respondents are presented one at a time with a list of words. After each word, they are asked to give the first word that comes to mind.

## **Completion Techniques**

In completion techniques, the respondent is asked to complete an incomplete stimulus situation. Common completion techniques in marketing research are sentence completion and story completion.

### **Sentence Completion**

It is similar to word association. Respondents are given incomplete sentences and asked to complete them. Generally, they are asked to use the first word or phrase that comes to mind.

### **Story Completion**

A projective technique in which the respondents are provided with part of a story and required to give the conclusion in their own words

## **Construction Techniques**

They are closely related to completion techniques. Construction techniques require the respondent to construct a response in the form of a story, dialogue, or description. In a construction technique, the researcher provides

less initial structure to the respondent than in a completion technique. The 2 main construction techniques are

(1) Picture response

(2) Cartoons

## **Picture Response**

A projective technique in which the respondent is shown a picture and asked to tell a story describing it

## **Cartoon Tests**

Cartoon characters are shown in a specific situation related to the problem. The respondents are asked to indicate the dialogue that one cartoon character might make in response to the comments of another character.

## **Expressive Techniques**

In expressive techniques, respondents are presented with a verbal or visual situation and asked to relate the feelings and attitudes of other people to the situation. The respondents express not their own feelings or attitudes, but those of others. The 2 main expressive techniques are role playing and third-person technique.

## **Role Playing**

In role playing, respondents are asked to play the role or assume the behavior of someone else. The researcher assumes that the respondents will project their own feelings into the role. These can then be uncovered by analyzing the response.

## **Third-Person Technique**

A projective technique in which the respondent is presented with a verbal or visual situation and asked to relate the beliefs and attitudes of a third person to the situation. This third person may be a friend, neighbor, colleague, or a “typical” person.

## **INTRODUCTION**

### **History of Marketing Research**

#### **Pioneers**

Marketing Research as an organized business activity began between 1910 and 1920. The appointment of Charles Collidge Parlin as manager of the Commercial Research Division of the Advertising Department of the Curtis Publishing Company in 1911 is generally noted to be the beginning of marketing research. Parlin’s success led several industrial firms and advertising media to establish research divisions. In 1915, the United States Rubber Company hired Dr. Paul H. Nystrom to manage a newly established Department of Commercial Research. In 1917, Swift and Company hired Dr. Louis D. H. Weld from Yale University to become manager of their Commercial Research Department.

In 1919, Professor C. S. Duncan of the University of Chicago published *Commercial Research: An Outline of Working Principles*, considered to be the first major book on commercial research. In 1921, Percival White’s *Market Analysis* was published; the first research book to gain a large readership, it went through several editions. *Market Research and Analysis* by Lyndon O. Brown, published in 1937, became one of the most popular college textbooks

of the period, reflecting the growing interest in marketing research on the college campus. After 1940, numerous research textbooks were published and the number of business schools offering research courses grew rapidly.

Following World War II, the growth of marketing research increased dramatically. By 1948, more than two hundred Marketing Research organizations had been created in the United States. An estimated \$50 million was spent on marketing research activities in 1947. Over the next three decades this expenditure level increased more than tenfold (Kinnear, 1991).

## **Marketing Research vs. Market Research**

These terms often are used interchangeably, but technically there is a difference.

Market research deals specifically with the gathering of information about a market's size and trends. Marketing research covers a wider range of activities. While it may involve market research, marketing research is a more general systematic process that can be applied to a variety of marketing problems.

## **The Value of Information**

Information can be useful, but what determines its real value to the organization? In general, the value of information is determined by:

The ability and willingness to act on the information.

The accuracy of the information.

The level of indecisiveness that would exist without the information.

The amount of