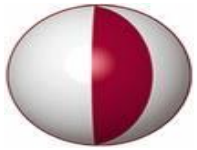

Near East University

MARKETING RESEARCH

MARK 401

Understanding The Marketing Research Process

Defining the marketing research problem and developing a research approach

SESSION 3

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Source:Malhotra and Birks, et al. Chp 2

Dr Eric Shiu lecture notes

Chapter outline

1) Marketing research process
2) Research design classification
3) Descriptive Research
   a) Cross-sectional design
   b) Longitudinal design
   c) Relative advantages and disadvantages of longitudinal and cross-sectional designs
4) Causal research
5) Relationships between exploratory, descriptive, and causal research
6) Potential sources of error in research designs
   a) Random sampling error
   b) Non-sampling error
      i. Non-response error
      ii. Response error

Steps in marketing research process

1. Define marketing research problem
2. Develop research approach
3. Develop research design
4. Carry out fieldwork
5. Prepare and analyze data
6. Prepare report and present

Step 1: Define the marketing research problem

If you want to design and conduct the marketing research properly you should define marketing research problem properly

THINK: You have a toothache; If dentist do not define which tooth has bruise, the treatment will not end your pain.

CONS;

- Preoccupied with the symptoms
- Defining too broadly or too narrowly
- Unfamiliarity with the environment in which marketing research problem is to be defined

HOW TO DEFINE A MARKETING RESEARCH PROPLEM

- WHAT IS THE CAUSE?
- GENERAL TERMS OF THE CAUSES? WHAT ARE THE COMPONENETS?
- UNDERSTAND THE ENVIRONMENT

- **COMMUNICATION, COMMUNICATION, COMMUNICATION HOW…?**
  - RESEARCH BRIEF
  - QUALITATIVE INTERVIEWS
  - ANAYSIS OF REDILY AVAILABLE SECONDARY DATA

Step 2: Define Research Approach

Results of the research approach development process should comprise any of the four component:

1.Objective/Theoretical framework
2.Analytical model
3.Research question
4.Hypothesis

Ex: Rolex is considering advertising its products on flyers make it to be considered as a ‘down market’ for its high status brand.
Three hypothesis:

- Rolex is perceived to be an expensive brand
- Users of Rolex have high-than-avarage incomes
- Users of Rolex see the products as presence of their status.

Step 3: Research design

There are a huge array of alternative research designs that can satisfy research objectives. The key is to create a design that enhances the value of the information obtained, whilst reducing the cost of obtaining it.

Research design definition

- A **research design** is a framework or blueprint for conducting the marketing research project. It details the procedures necessary for obtaining the information needed to structure or solve marketing research problems.

Research design from the marketer's perspective

- Accurate
- Current
- Sufficient
- Available
- Relevant

Figure 3.1 Responses to interviewing

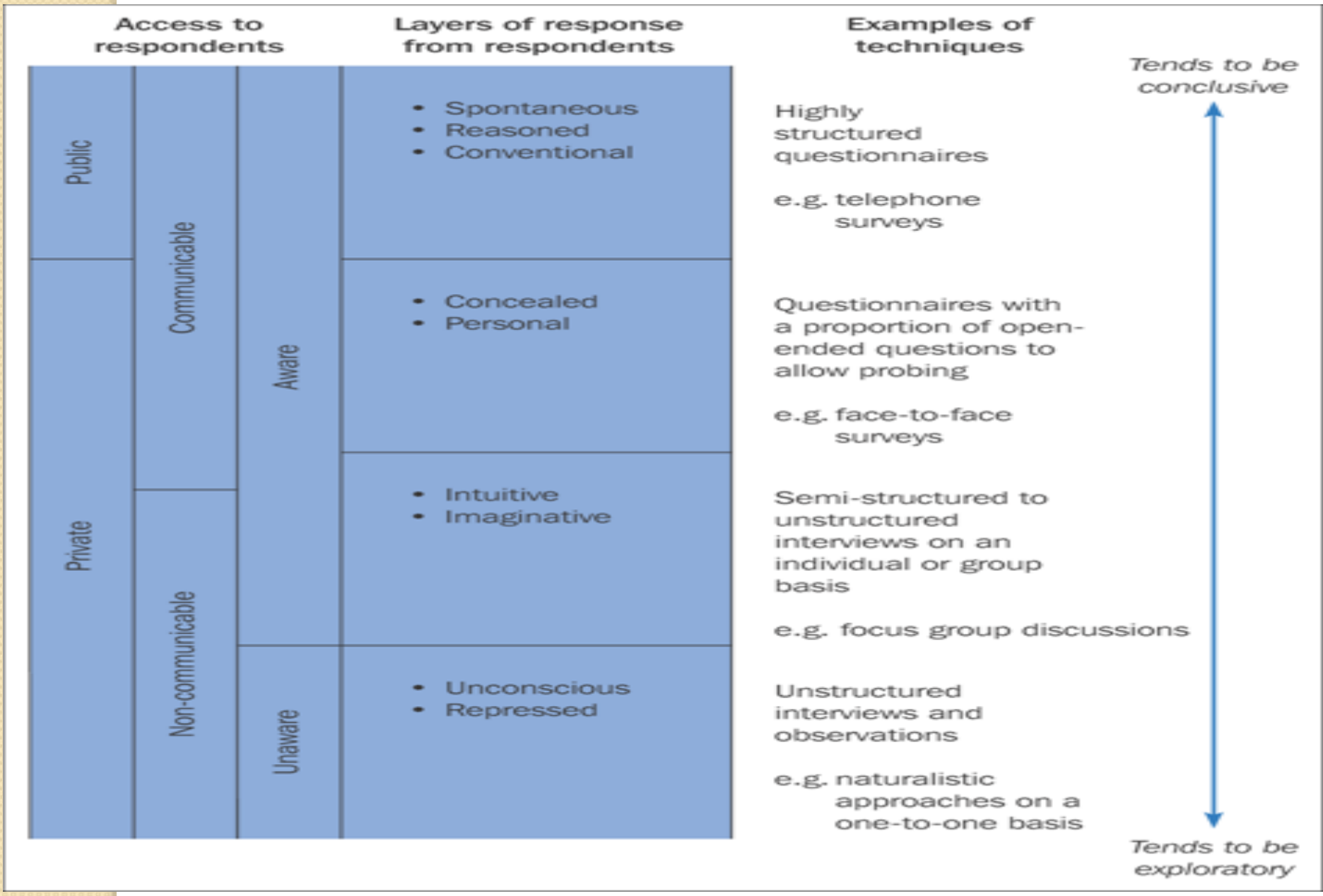


Figure 3.2 Understanding respondents – to help choose optimum research techniques

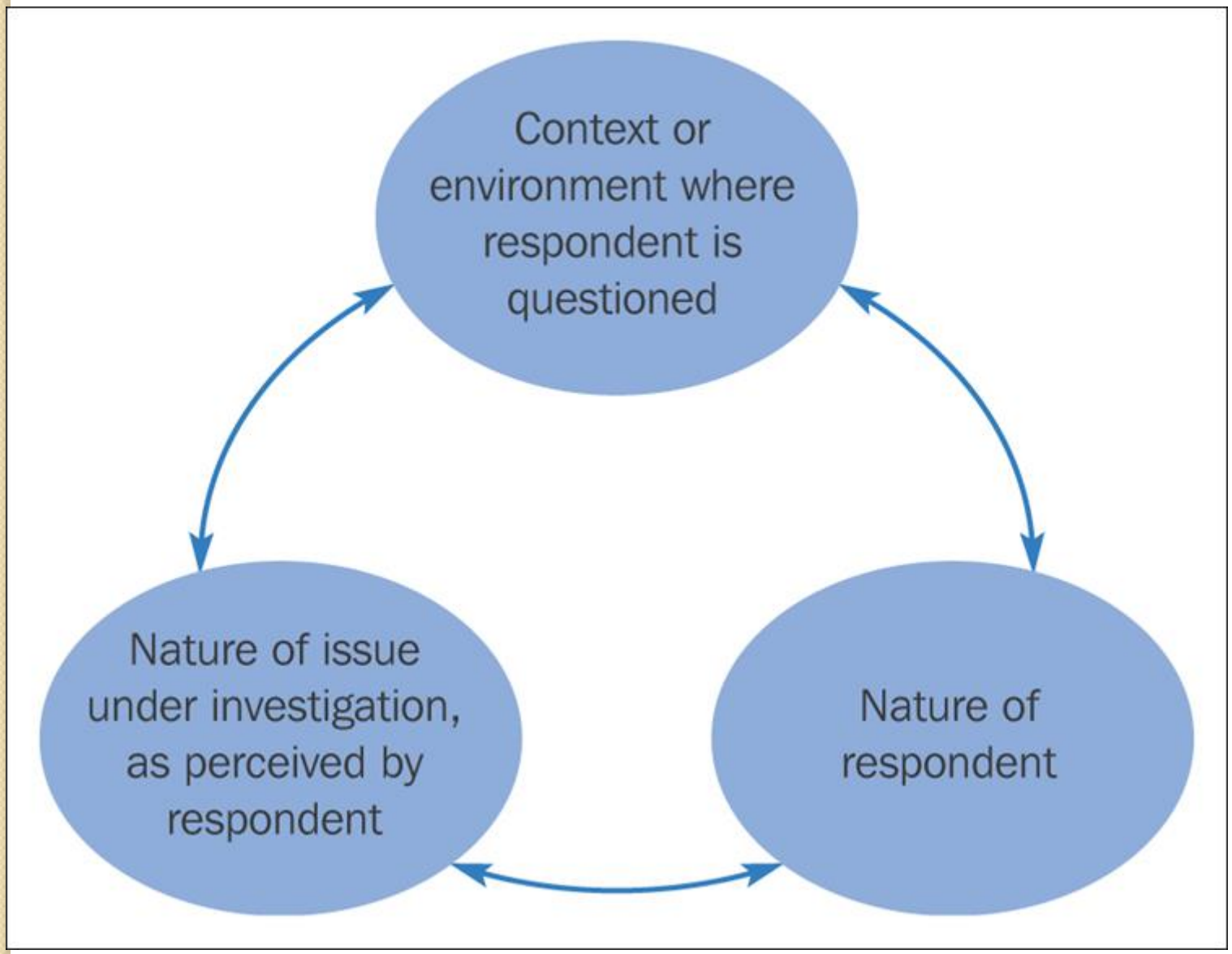
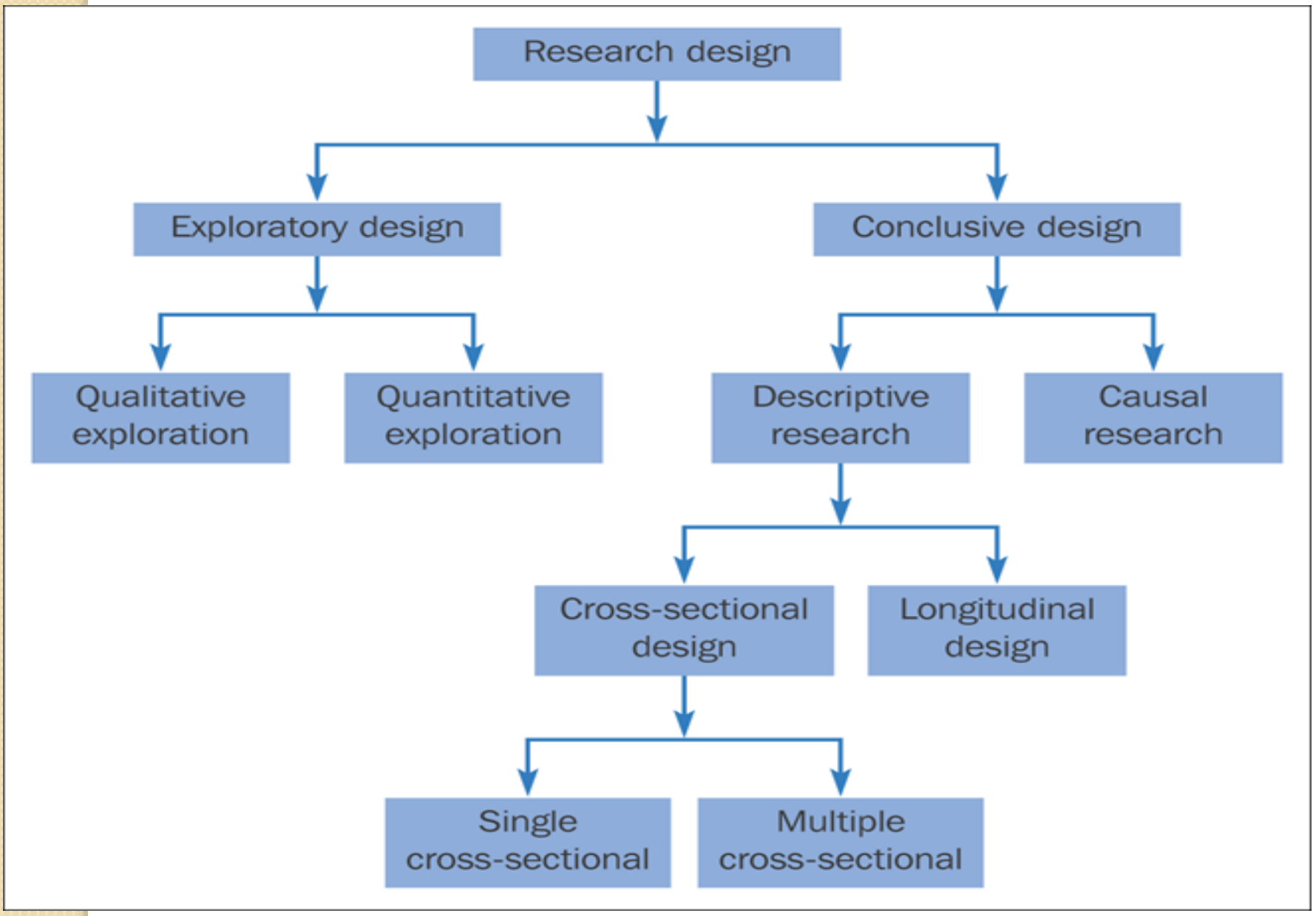


Figure 3.3 A classification of marketing research designs



Summary of the uses of exploratory research designs

- Background information
- Formulate hypotheses
- Concept identification
- Screening
- Salient behaviour and attitude patterns
- Belief and attitude structures
- Explore statistical differences
- Sensitive issues
- Difficult to articulate
- Data mine

Summary of the uses of conclusive research designs

- Describe relevant groups
- Percentage exhibiting behaviour
- Counting frequencies
- Representing larger populations
- Integrate findings from different sources
- Perceptions of products and services
- Compare findings over time
- Measure in a consistent manner
- Determine association among variables
- To make specific predictions

Table 3.1 Differences between exploratory and conclusive research

	Exploratory	Conclusive
Objectives	To provide insights and understanding of the nature of marketing phenomena	To test specific hypotheses and examine relationships
Characteristics	To understand •Information needed may be loosely defined •Research process is flexible, unstructured and may evolve •Samples are small •Data analysis can be qualitative or quantitative	To measure • Information needed is clearly defined • Research process is formal and structured • Sample is large and aims to be representative • Sample is large and aims to be representative • Data analysis is quantitative
Findings/results	Can be used in their own right May feed into conclusive research May illuminate specific conclusive findings	Can be used in their own right May feed into exploratory research May set a context to exploratory findings
Methods	•Expert surveys •Pilot surveys •Secondary data •Qualitative interviews •Unstructured observations •Quantitative exploratory multivariate methods	• Surveys • Secondary data • Databases • Panels • Structured observations • Experiments

Cross-sectional designs

- Involve the collection of information from any given sample of population elements only once.
- In **single cross-sectional designs,** only one sample of respondents and information is obtained from this sample only once.
- In **multiple cross-sectional designs**, there are two or more samples of respondents, and information from each sample is obtained only once. Often, information from different samples is obtained at different times.
- **Cohort analysis** consists of a series of surveys conducted at appropriate time intervals, where the cohort serves as the basic unit of analysis. A cohort is a group of respondents who experience the same event within the same time interval.

Longitudinal designs

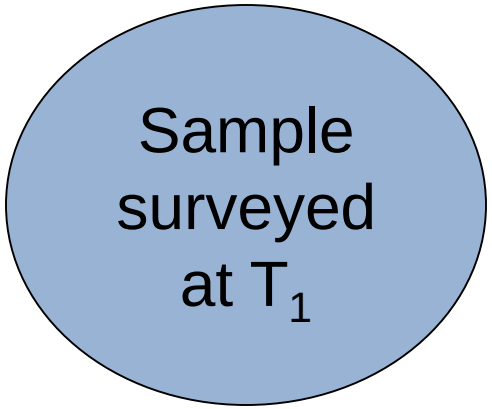
- A fixed sample (or samples) of population elements is measured repeatedly on the same variables.
- A longitudinal design differs from a cross-sectional design in that the sample or samples remain the same over time.

Uses of casual research

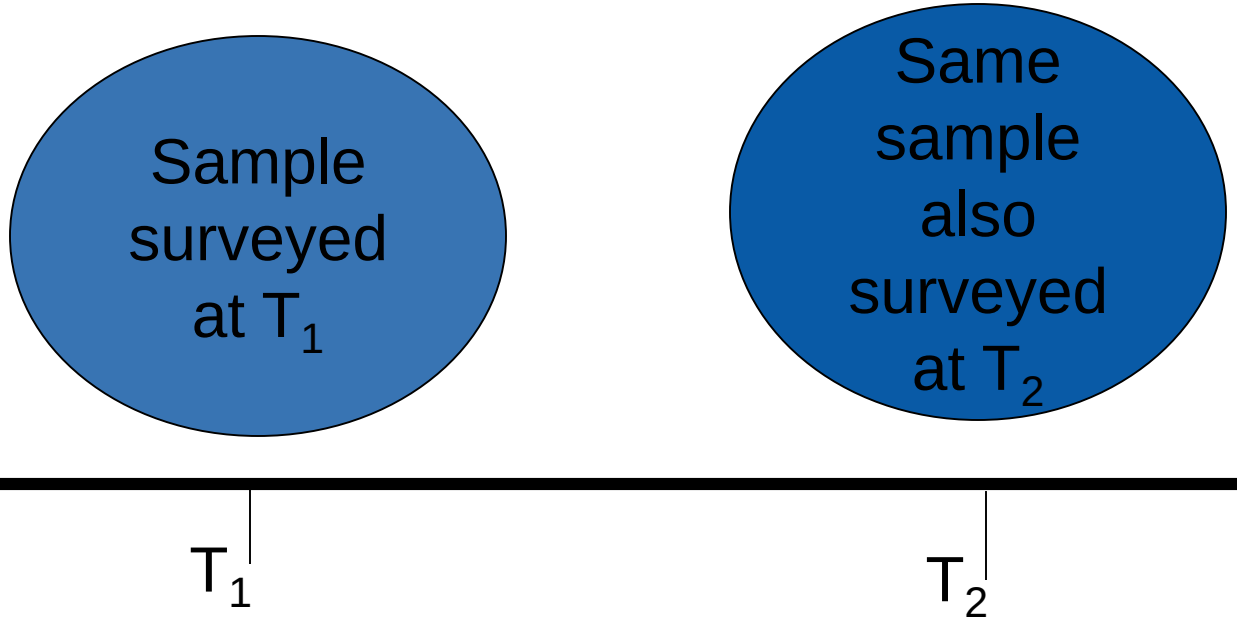
- To understand which variables are the cause (independent variables) and which variables are the effect (dependent variables) of a phenomenon.
- To determine the nature of the relationship between the causal variables and the effect to be predicted.
- Method: experiments

Cross-sectional vs. Longitudinal

Cross-sectional design



Longitudinal design



Relative advantages and disadvantages of longitudinal and cross-sectional designs

Evaluation criteria	Cross-sectional design	Longitudinal design
Detecting change	-	+
Large amount of data collection	-	+
Accuracy	-	+
Representative sampling	+	-
Response bias	+	-

Note: A '+' indicates a relative advantage over the other design, whereas a '-' indicates a relative disadvantage.

Cross-sectional data may not show change

Brand purchased	Time period	
	Period 1 survey	Period 2 survey
Brand A	200	200
Brand B	300	300
Brand C	500	500
Total	1000	1000

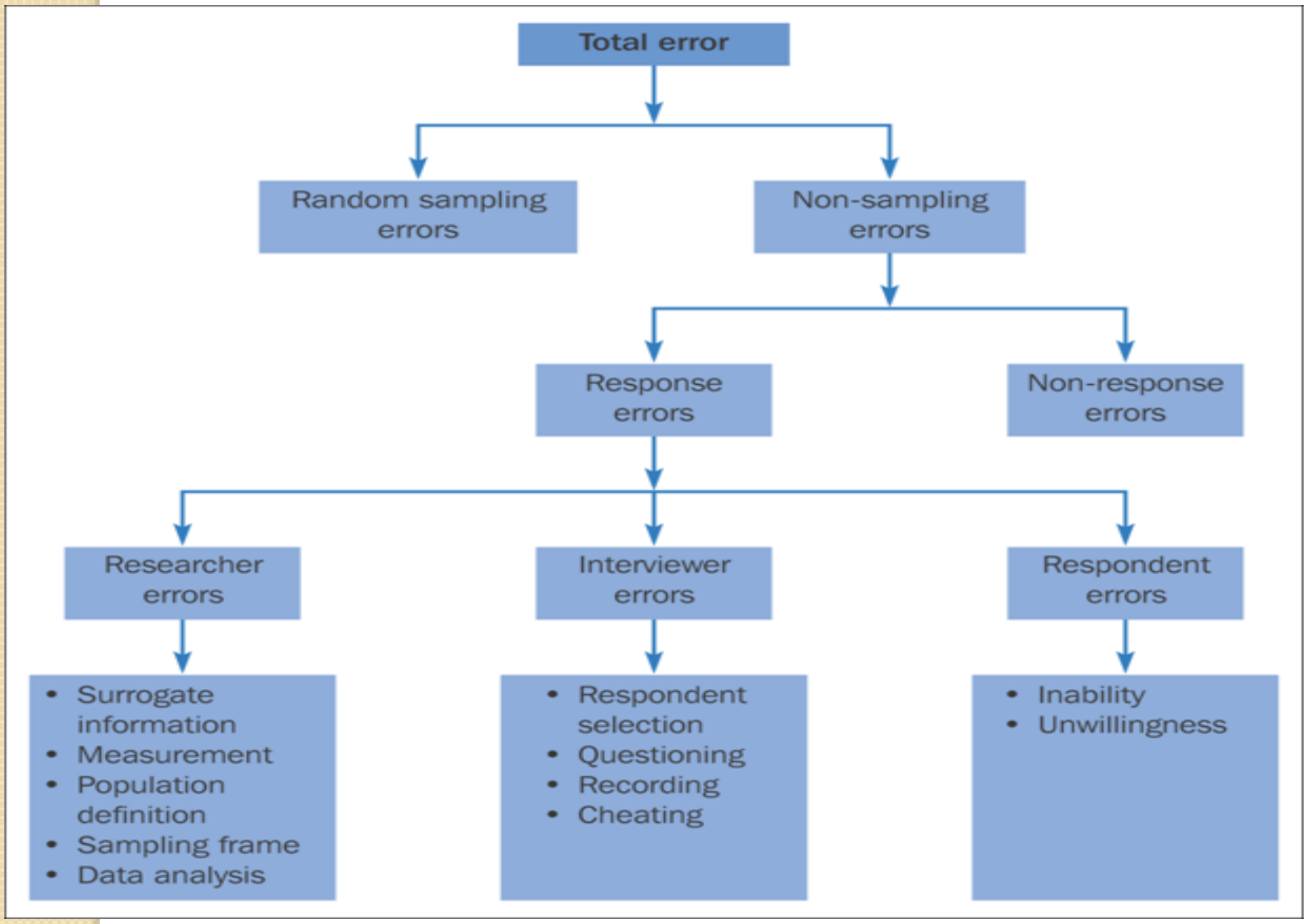
Longitudinal data may show substantial change

Brand purchased in period 1	Brand purchased in period 2			
	Brand A	Brand B	Brand C	Total
Brand A	100	50	50	200
Brand B	25	100	175	300
Brand C	75	150	275	500
Total	200	300	500	1000

Table 3.4 Consumption of soft drinks by various age cohorts *(Percentage consuming on a typical day)*

Age	1950	1960	1970	1980	
8–19	53	63	73	81	
20–29	45	61	76	76	C8
30–39	34	47	68	71	C7
40–49	23	41	59	68	C6
50+	18	29	50	52	C5
		C1	C2	C3	C4
C1: cohort born prior to 1900 C2: cohort born 1901–1910 C3: cohort born 1911–1920		C4: cohort born 1921–1930 C5: cohort born 1931–1940 C6: cohort born 1941–1950		C7: cohort born 1951–1960 C8: cohort born 1961–1970.	

Figure 3.5 Potential sources of error in research designs



3. Carry out fieldwork
4. Prepare and analyze data
5. Prepare report and present

HOW IS YOUR GROUP PROJECT PROCESS????