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Chapter 10

Marketing Research

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Today

- Identify the five steps of the marketing research process.
- Describe the various primary and secondary data sources.
- Summarize the differences between secondary data and primary data.
- Describe data collection methods

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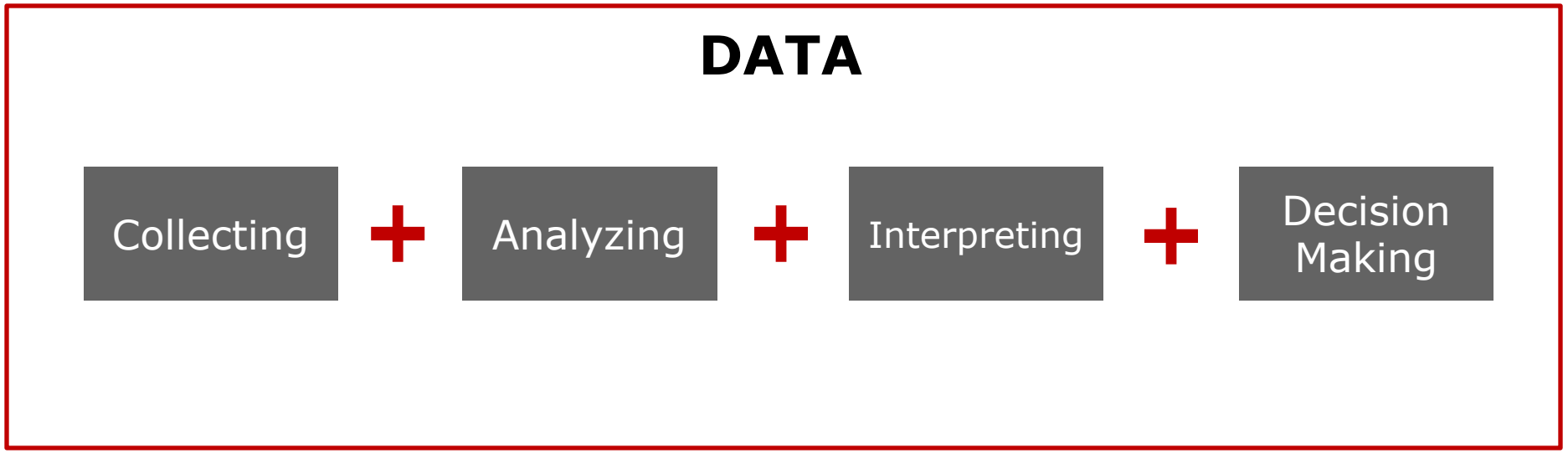
Marketing Research



The Marketing Research Process

- Always define a direction first!
- You'll notice that these "processes" or "progressions" in your text always begin with a definition of objectives.
- Defining objectives leads to more effective use of your resources (funds, talent, etc.)

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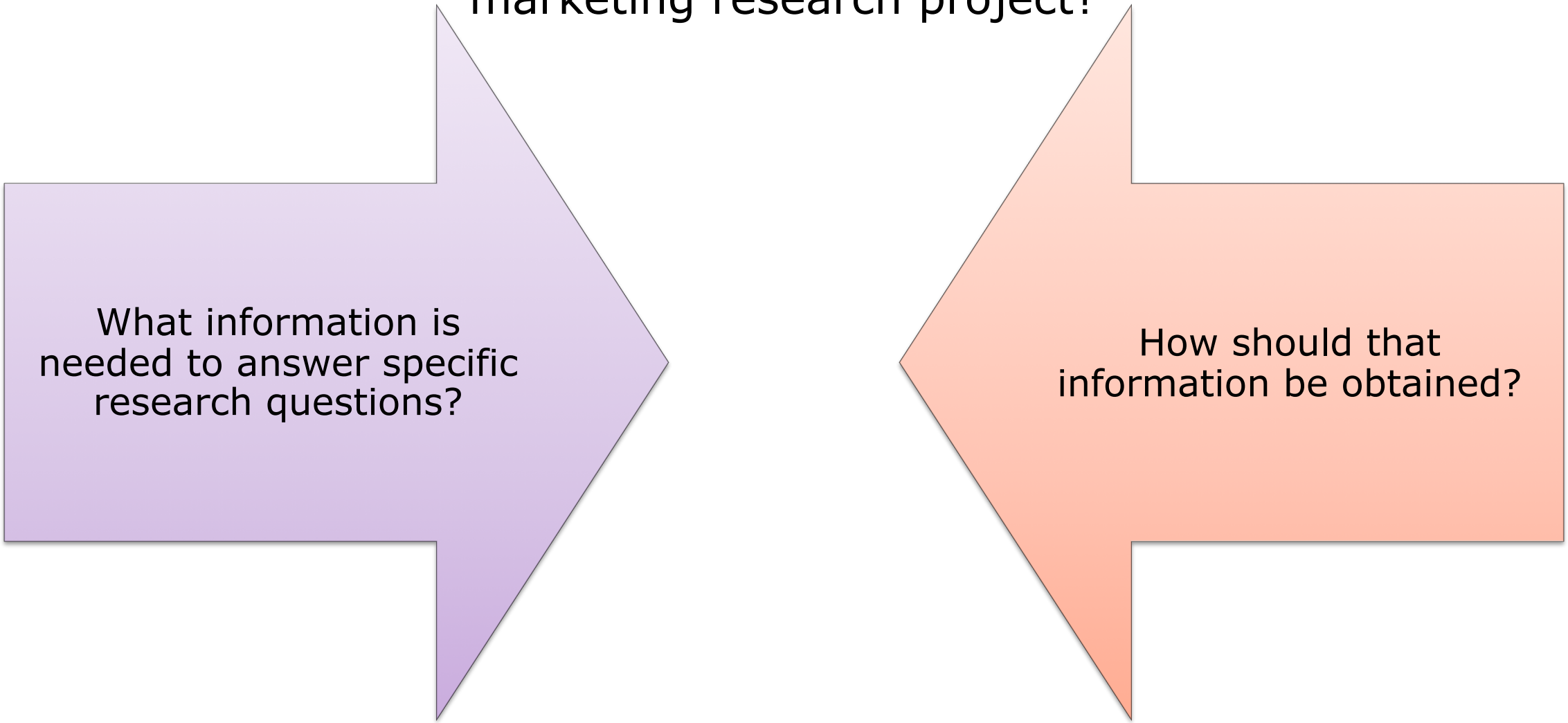
Step 1: Defining the Objectives and Research Needs

What exactly are we trying to accomplish with this marketing research project?



Step 2: Designing the Research

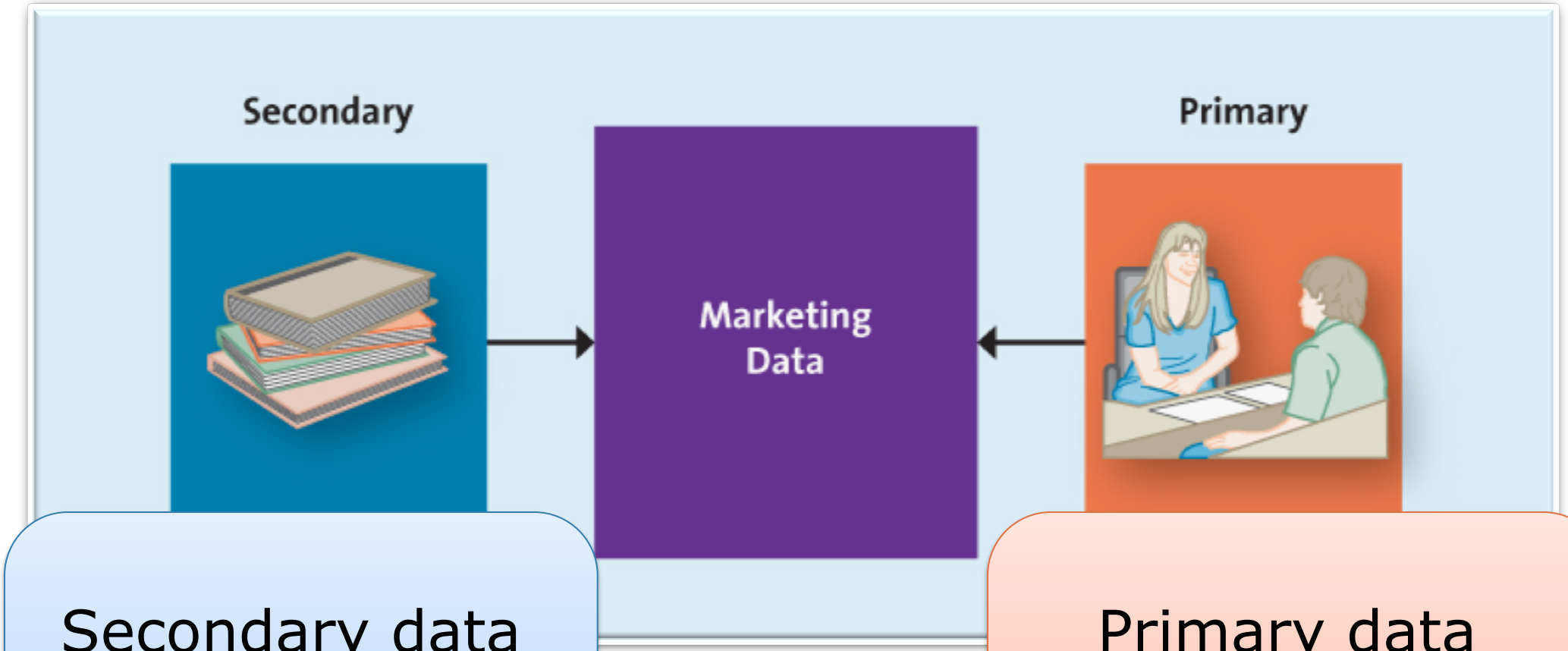
Type of data

- Qualitative
- Quantitative
- Over time
- One instance

Type of research

- The age of your car (Quantitative).
- The number of files on your PC (Quantitative).
- The softness of a cat (Qualitative).
- The color of the sky (Qualitative).
- The number of pennies in your pocket (Quantitative).

Step 3:Data collection process



Secondary data

- It already exists
- Not specific to the study
- Internal or external

Primary data

- Specifically collected for the study
- Internal or external

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Secondary data – A closer look at some examples

Syndicated Data

Scanner Data

Panel Data

Syndicated data are data available for a **fee** from commercial research firms such as Information Resources Inc. (IRI), National Purchase Diary Panel (now NPD Group), and Nielsen.

Scanner data is a type of quantitative data obtained from scanner readings of UPC codes at check-out counters.

Panel data is a type of quantitative data collected from a group of consumers (the panel) over time.

https://www.npd.com/wps/portal/npd/us/home/
http://www.iriworldwide.com/
http://www.nielsen.com/us/en.html

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Internal Secondary Data – A Closer Look at Some Examples

Whole Foods

- Uses their **scanner data** to determine shoppers' favorite brand of sliced bread.
- They make inventory decisions on the basis of their findings.
- The data used in this case is **secondary**, but it is **internal**.

Netflix

- Very advanced use of data/data analytics:
  - **Machine learning** → Netflix
  - **Deep learning**

https://www.nbcnews.com/mach/video/why-netflix-s-algorithm-is-so-binge-worthy-929058883854

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Advantages and Disadvantages of Secondary and Primary Data

Type	Examples	Advantages	Disadvantages
Secondary Data	❑ Census data ❑ Sales invoices ❑ Internet information ❑ Books ❑ Journal articles ❑ Syndicated data	❑ Saves time in collecting data because they are readily available ❑ Free or inexpensive (except for syndicated data)	❑ May not be precisely relevant to information needs ❑ Information may not be timely ❑ Sources may not be original, and therefore usefulness is an issue ❑ Methodologies for collecting data may not be appropriate ❑ Data sources may be biased
Primary Data	❑ Observed consumer behavior ❑ Focus group interviews ❑ Surveys ❑ Experiments ❑ Demand of products from retailers ❑ Competitors information	❑ Specific to the immediate ❑ Data needs and topic at hand ❑ Offers behavioral insights generally not available from secondary research	❑ Costly = Time consuming ❑ Requires more sophisticated training and experience to design study and collect data

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A Closer Look at Primary Data Collection Techniques

How is a Hollywood Blockbuster "researched"? (An example of Qualitative, Primary Data)

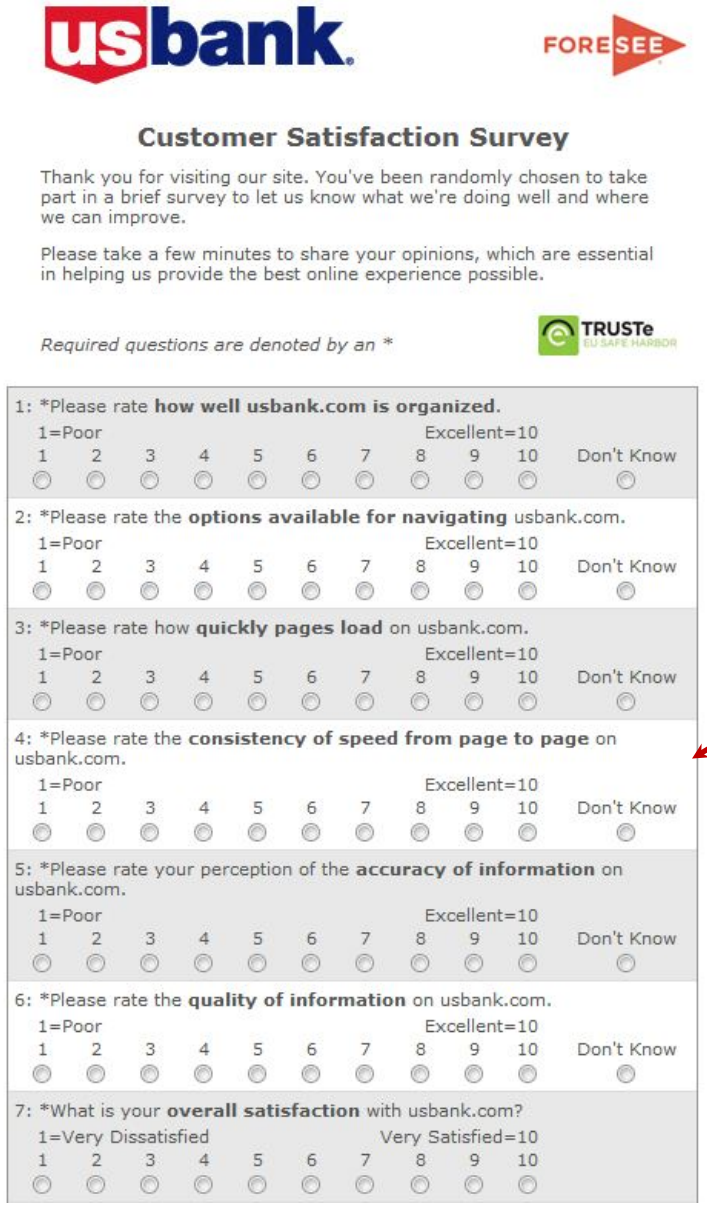
Conventional wisdom divides moviegoers as follows:

1. Women younger than 25
2. Women older than 25
3. Men younger than 25
4. Men older than 25

Great examples of **observational data** in this context:

- Test screenings
- When does the audience laugh?
- When are they silent?
- Microphones in the theater
- Measure laughter in decibels for more exact data

Surveys



usbank

FORESEE

Customer Satisfaction Survey

Thank you for visiting our site. You've been randomly chosen to take part in a brief survey to let us know what we're doing well and where we can improve.

Please take a few minutes to share your opinions, which are essential in helping us provide the best online experience possible.

*Required questions are denoted by an **

TRUSTe EU SAFE HARBOR

1: *Please rate **how well usbank.com is organized**.
1=Poor Excellent=10
1 2 3 4 5 6 7 8 9 10 Don't Know

2: *Please rate the **options available for navigating** usbank.com.
1=Poor Excellent=10
1 2 3 4 5 6 7 8 9 10 Don't Know

3: *Please rate how **quickly pages load** on usbank.com.
1=Poor Excellent=10
1 2 3 4 5 6 7 8 9 10 Don't Know

4: *Please rate the **consistency of speed from page to page** on usbank.com.
1=Poor Excellent=10
1 2 3 4 5 6 7 8 9 10 Don't Know

5: *Please rate your perception of the **accuracy of information** on usbank.com.
1=Poor Excellent=10
1 2 3 4 5 6 7 8 9 10 Don't Know

6: *Please rate the **quality of information** on usbank.com.
1=Poor Excellent=10
1 2 3 4 5 6 7 8 9 10 Don't Know

7: *What is your **overall satisfaction** with usbank.com?
1=Very Dissatisfied Very Satisfied=10
1 2 3 4 5 6 7 8 9 10

How often could you find a use for this [Product/Service]?

- Once a week or more often
- 2-3 times a month
- Once a month
- Every 2-3 months
- 2-3 times a year
- Once a year
- Do not use

Structured

Please describe your ideal vacation in the space below:

Unstructured

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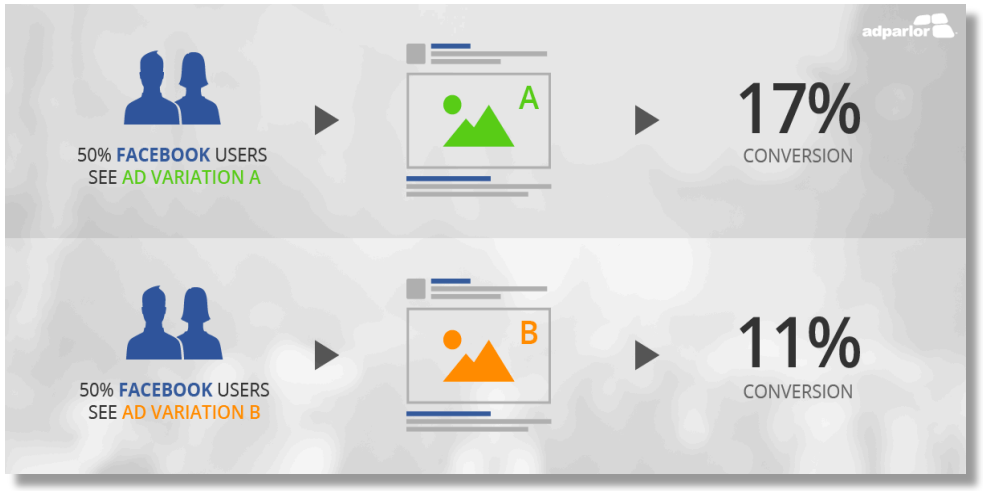
Creating web surveys

Useful for the group projects!

Experimental research

A/B Testing



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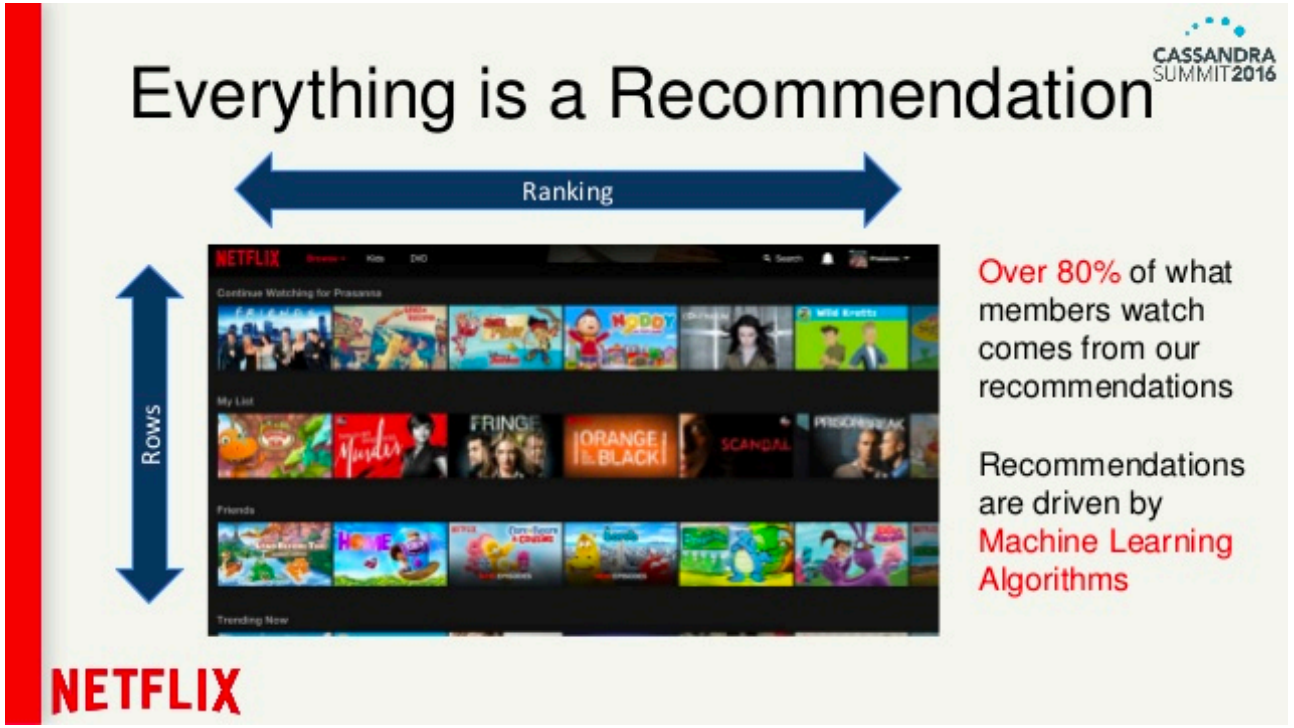
Step 4: Analyzing data and developing insights

Converting data into information to explain, **predict**, and/or evaluate a particular situation.



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Step 5: Action plan and implementation

1. Executive summary
2. Body
3. Conclusions
4. Limitations
5. Supplements including tables, figures, etc.

Data ethics

What happens when an algorithm labels you as mentally ill?

Social media platforms such as Twitter, Facebook and Instagram have also implemented or been used to deploy algorithms attempting to identify or even prevent people at risk of suicide from self-harm by directing them to the appropriate health services.