

# Marketing Essentials



## Chapter 29

### conducting marketing research

#### Section 29.1 Marketing Research

#### Section 29.2 The Marketing Survey



## Before You Read

**REFLECT** What research do you do when you are planning to buy a new product?

## OBJECTIVES

- **Explain** the steps in designing and conducting marketing research.
- **Compare** primary and secondary data.
- **Collect** and interpret marketing information.
- **Identify** the elements in a marketing research report.

## **THE MAIN IDEA**

Marketing research provides insight for developing strategies that will increase sales and profits.

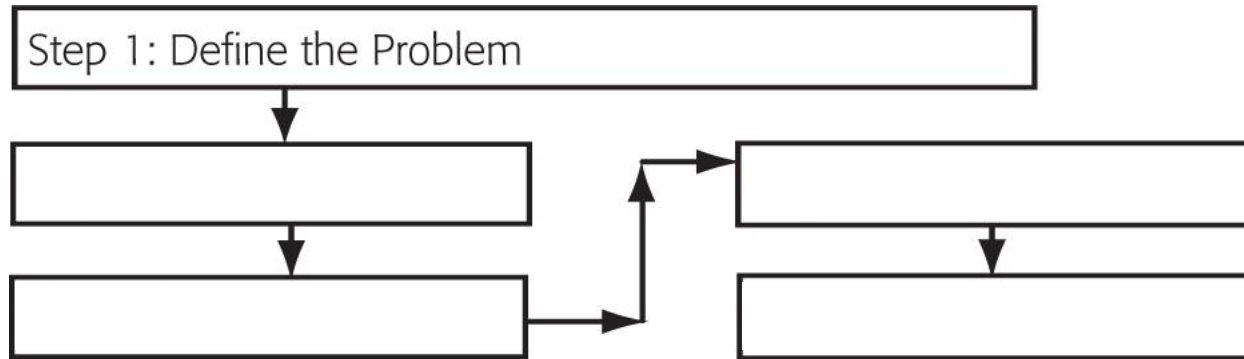


## VOCABULARY

- problem definition
- primary data
- secondary data
- survey method
- sample
- observation method
- point-of-sale research
- experimental method
- data analysis

# Graphic Organizer

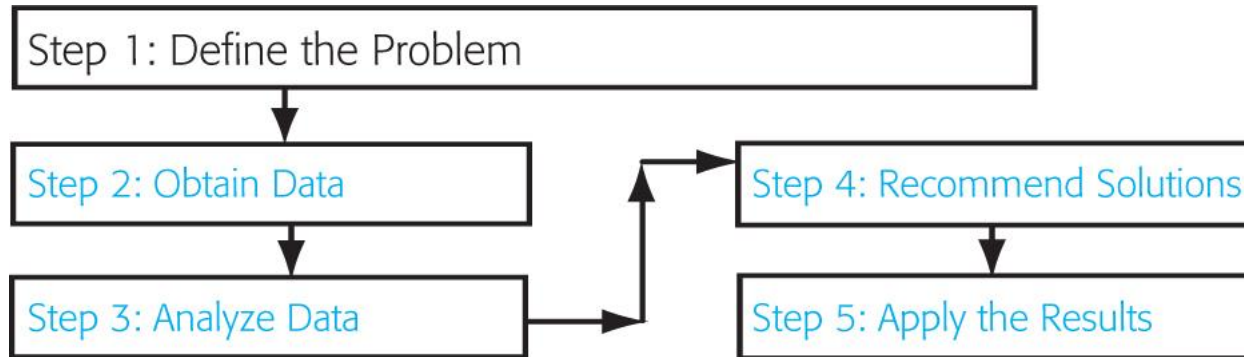
# The Marketing Research Process



# Marketing Research

## Graphic Organizer

### The Marketing Research Process



## The Marketing Research Process

1

Defining the  
Problem

2

Obtaining Data

3

Analyzing the  
Data

4

Recommending  
Solutions to the  
Problem

5

Applying the  
Results



## The Marketing Research Process

1

Defining the  
Problem

Problem definition



### **problem definition**

Occurs when a business clearly identifies a problem and what is needed to solve it.

## The Marketing Research Process

2

Obtaining Data

▶ Primary data

▶ Secondary data



### **primary data**

Data obtained for the first time and used specifically for the particular problem or issue under study.



### **secondary data**

Data already collected for some purpose other than the current study.

## The Marketing Research Process

Graphic  
Organizer

### Data Sources

#### Obtaining Data

#### Secondary Data

Data that have already  
been collected

#### Primary Data

Data that are collected for  
the first time

## The Marketing Research Process

### Graphic Organizer

#### Data Sources

##### Obtaining Data

##### Secondary Data

Data that have already been collected

##### Sources

- Internet
- U.S. and state government
- Specialized research companies
- Business publications and trade organizations

##### Primary Data

Data that are collected for the first time

##### Sources

- Survey method
- Interview method
- Observation method
- Experimental method

## The Marketing Research Process

2

Obtaining Data

Primary data

Secondary data

The survey method uses a sample of the population.

The larger the sample, the more accurate are the results.



### **survey method**

A research technique in which information is gathered from people through the use of surveys and questionnaires.



### **sample**

Part of a target population that represents the entire population.



## The Marketing Research Process

2

Obtaining Data

Primary data

Secondary data

The observation method uses point-of-sale research.



### **observation method**

A research technique in which the actions of people are watched and recorded, either by cameras or by observers.



### **point-of-sale research**

Powerful form of research that combines natural observation with personal interviews to explain buying behavior.

## The Marketing Research Process

2

Obtaining Data

Primary data

Secondary data

The experimental method is used less often than other methods.



### **experimental method**

A research technique in which a researcher observes the results of changing one or more marketing variables while keeping all the other variables constant under controlled conditions.

## The Marketing Research Process

Graphic  
Organizer

Advantages and Disadvantages  
of Secondary Data

**Secondary Data**

Advantages	Disadvantages

## The Marketing Research Process

### Graphic Organizer

#### Advantages and Disadvantages of Secondary Data

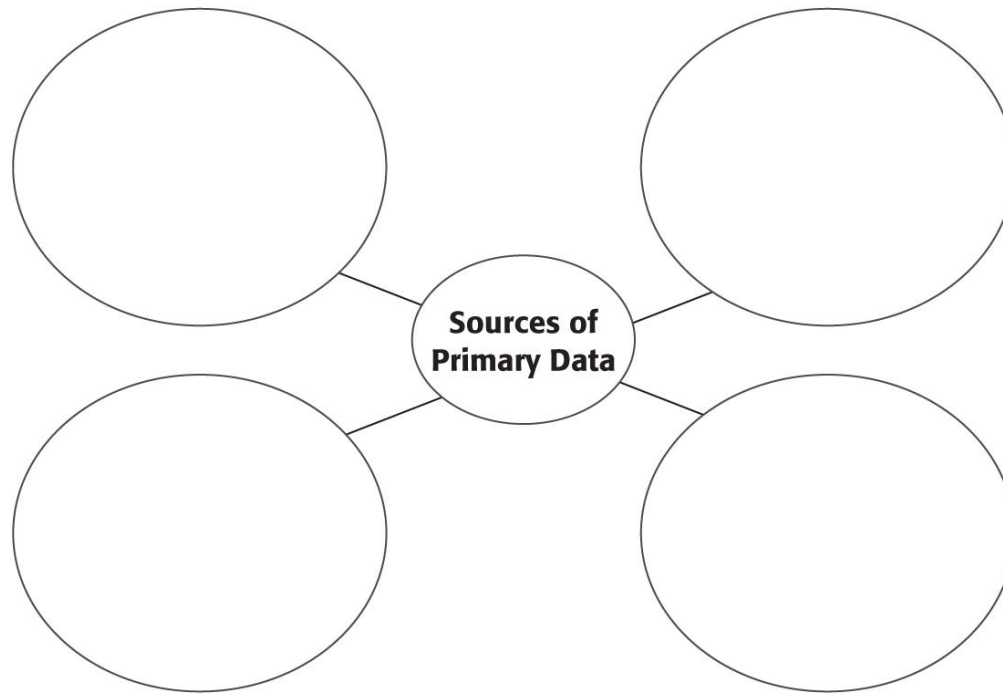
##### Secondary Data

Advantages	Disadvantages
<ul style="list-style-type: none"><li>• Easily obtained</li><li>• Often available free of charge</li><li>• Available on Internet, in corporate, public, and college libraries</li><li>• Available for purchase from syndicated services</li><li>• Available from U.S. Census Bureau</li></ul>	<ul style="list-style-type: none"><li>• Existing data may not be suitable or specific for the problem under study</li><li>• Little or no secondary data exist for new or innovative products</li><li>• Secondary data may sometimes be inaccurate</li></ul>

## The Marketing Research Process

Graphic  
Organizer

Sources of Primary Data

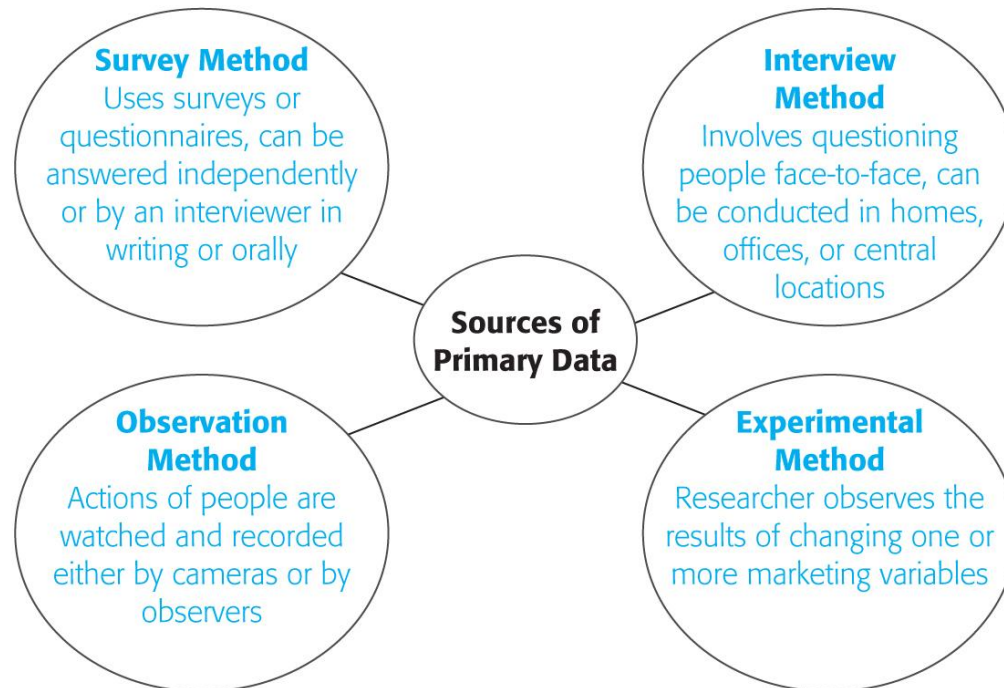




## The Marketing Research Process

### Graphic Organizer

#### Sources of Primary Data



## The Marketing Research Process

**3**

Analyzing the  
Data

▶ Data analysis

▶ Data mining



### **data analysis**

The process of compiling, analyzing, and interpreting the results of primary and secondary data collection.

## The Marketing Research Process

4

Recommending  
Solutions to the  
Problem

➤ Conclusions are presented in a report.

➤ Recommendations must be clear and well supported by research.

## The Marketing Research Process

5

Applying the  
Results

- ▶ Additional research may be required.
- ▶ Changes should be monitored carefully.
- ▶ Success will be reflected in higher profits.

## The Marketing Research Process

### Graphic Organizer

Steps of the Marketing Research Process and Details of Each

**Step 1:**

**Step 2:**

**Step 3:**

**Step 4:**

**Step 5:**



## The Marketing Research Process

### Graphic Organizer

#### Steps of the Marketing Research Process and Details of Each

**Step 5: Applying the Results**

Monitor changes made based on research results

**Step 4: Recommending Solutions** Present clear and well-supported conclusions in organized, detailed report

**Step 3: Analyzing Data** Compile, analyze, and interpret the results of primary and secondary data collection

**Step 2: Obtaining Data** Collect primary and secondary data; examine data in terms of problem(s) being studied; secondary data more cost effective; primary data may be more reliable

**Step 1: Defining the Problem** Identify a research question and the information that is necessary to answer it; create objectives that will help answer the problem; use objectives to construct questions

**After You Read****Section 29.1**

1. **Name** four sources of secondary data information for research studies.

Answers may include any four of the following: a business's marketing information system, Internet resources, government sources, specialized research companies, business publications, and trade organizations.

**After You Read****Section 29.1**

**2. Identify** the three methods used to collect primary data.

The three methods of collecting primary data are the survey method, the observation method, and the experimental method.

**After You Read****Section 29.1**

3. **Explain** the difference between survey research and observation research.

The survey method gathers information through surveys or questionnaires. The observation method collects data by observing people.

# The Marketing Survey



## Before You Read

**PREDICT** Why is the survey method an important way to collect information?



## OBJECTIVES

- **Design** a marketing research survey.
- **Administer** a marketing research survey.

## **THE MAIN IDEA**

Marketing researchers must construct survey instruments that will provide valid and reliable information needed to make good business decisions.

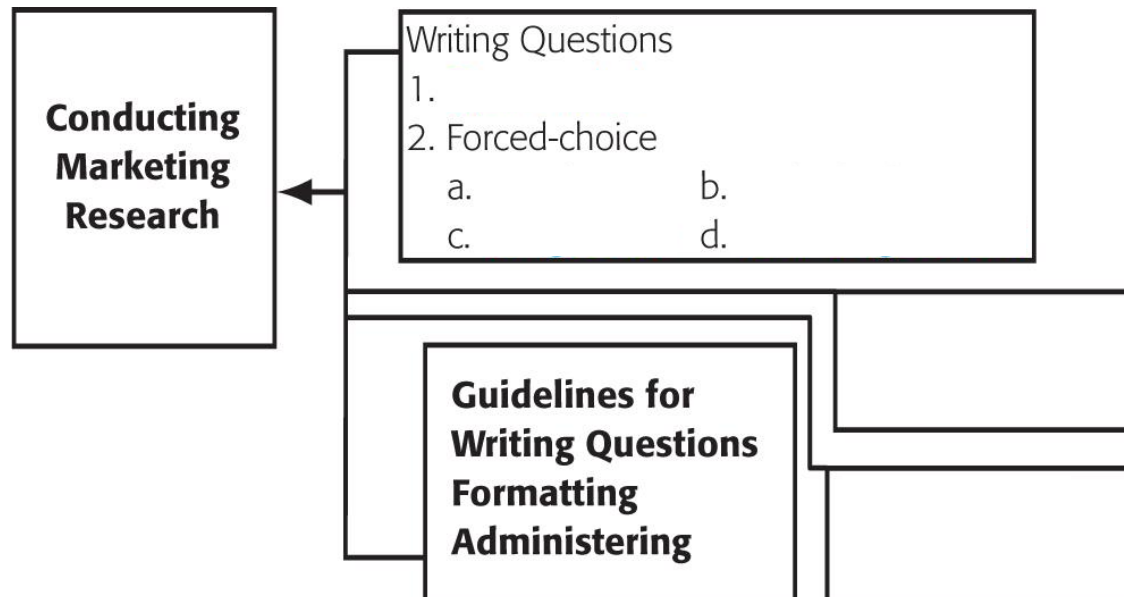
## VOCABULARY

- validity
- reliability
- forced-choice question
- open-ended question

# The Marketing Survey

## Graphic Organizer

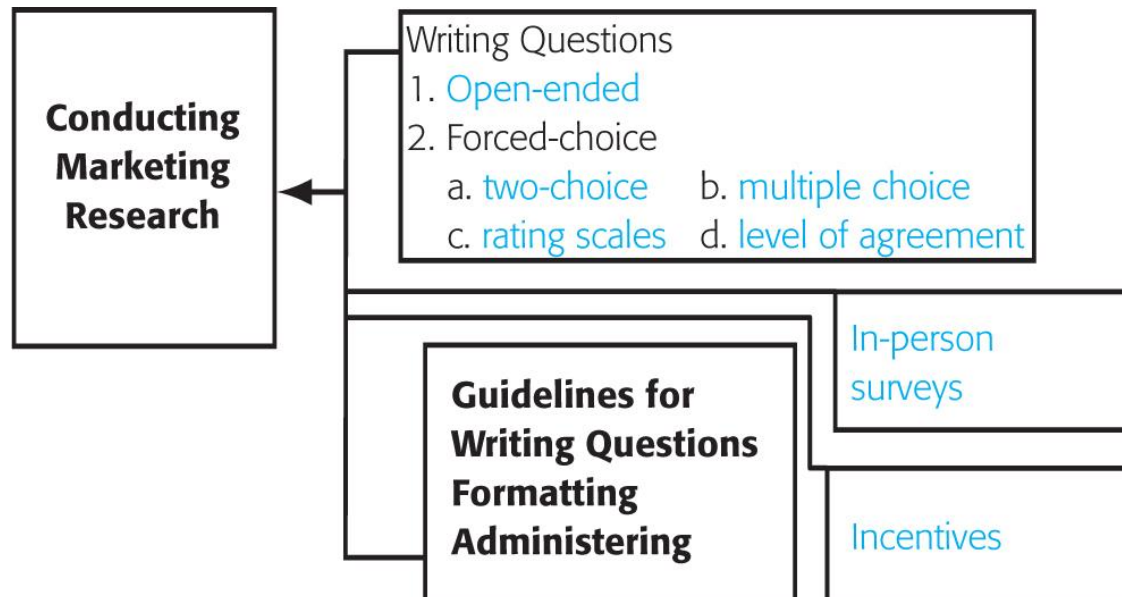
Outline this Section by Listing Headings, Subheadings, and Key Concepts



# The Marketing Survey

## Graphic Organizer

Outline this Section by Listing Headings, Subheadings, and Key Concepts





## Constructing the Questionnaire

### Two Essential Elements of a Questionnaire

#### Validity



#### **validity**

When the questions in a questionnaire measure what was intended to be measured; the quality of being logically valid or effective.

#### Reliability



#### **reliability**

When a research technique produces nearly identical results in repeated trials; the trait of being dependable.

## Constructing the Questionnaire

### Types of Questions

#### Forced-Choice Questions



#### **forced-choice question**

A question that asks respondents to choose an answer from possibilities given on a questionnaire.

#### Open-Ended Questions



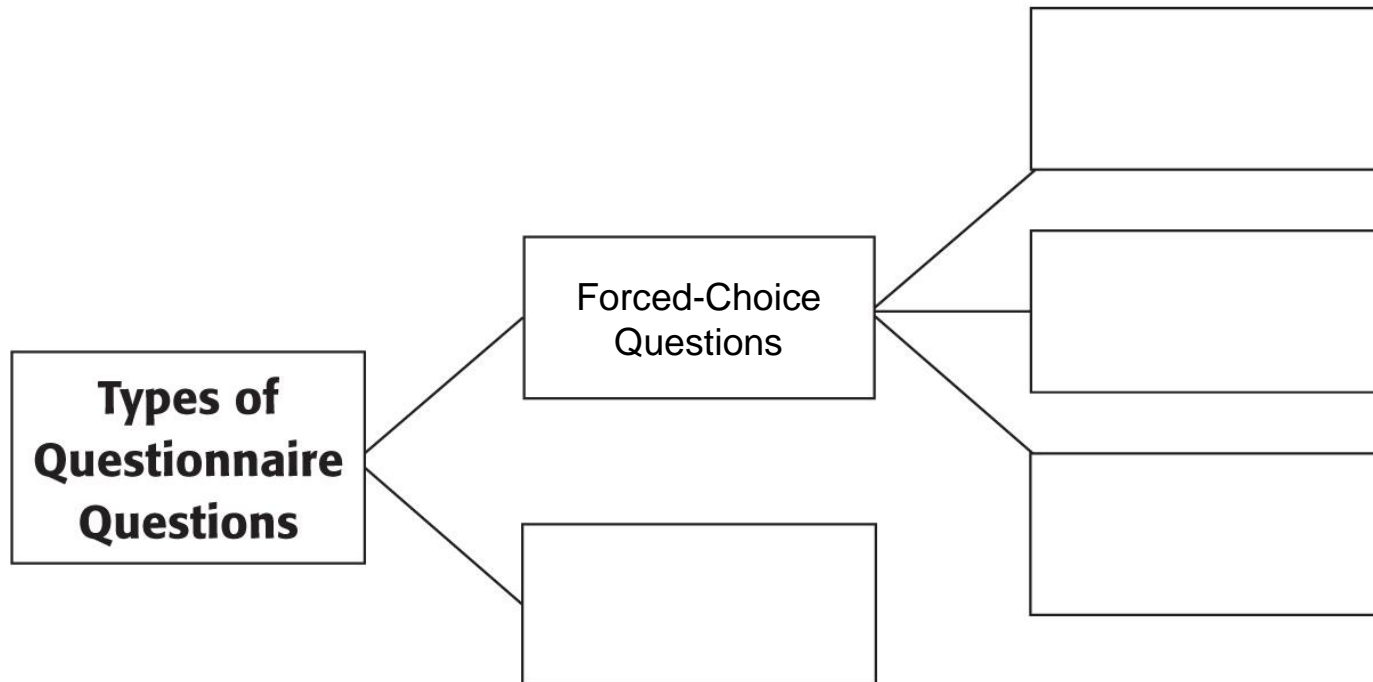
#### **open-ended question**

A question that requires more than a “yes” or “no” answer and requires respondents to construct their own response.

## Constructing the Questionnaire

Graphic  
Organizer

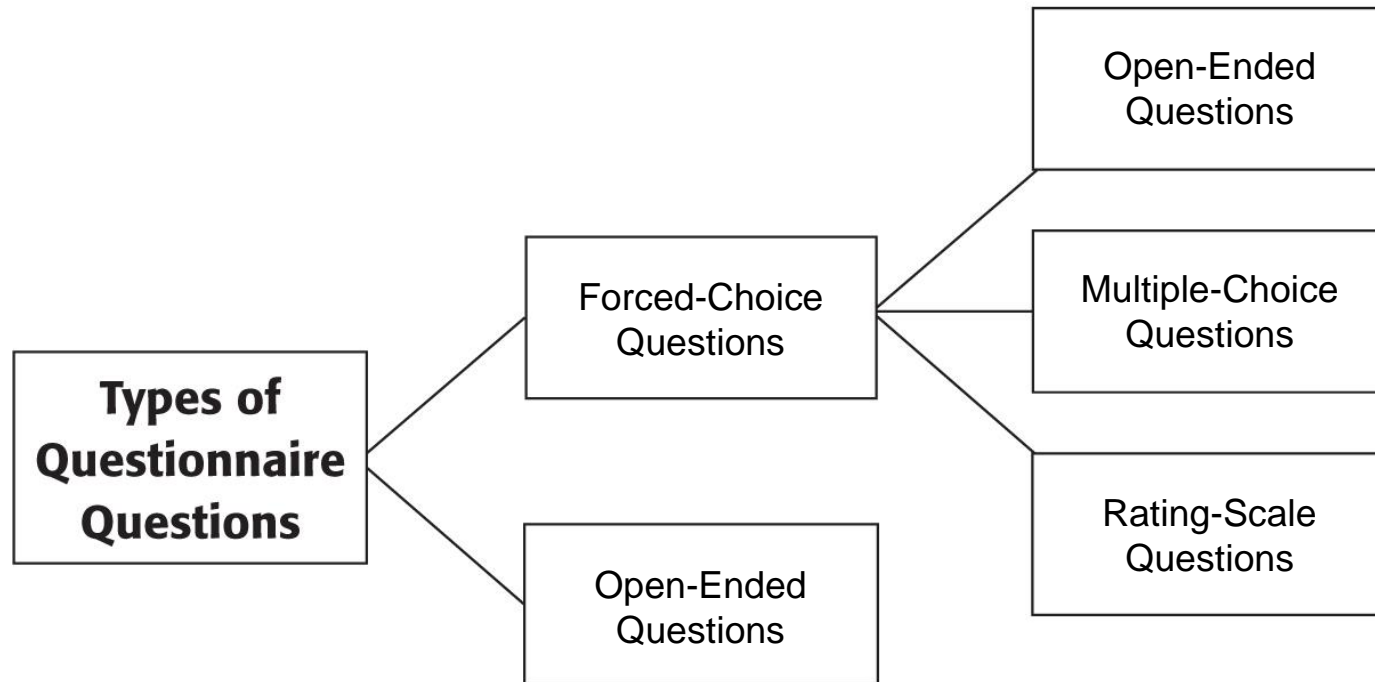
Provide Other Type Questions  
Discussed in the Text



## Constructing the Questionnaire

Graphic  
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Provide Other Type Questions  
Discussed in the Text



## Constructing the Questionnaire

### Graphic Organizer

Provide Details About  
Formatting  
Questionnaires

#### Formatting Questionnaires

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.
- 11.
- 12.



# The Marketing Survey

## Constructing the Questionnaire

### Graphic Organizer

Provide Details About  
Formatting  
Questionnaires

#### Formatting Questionnaires

1. Provide good visual appearance and ample white space.
2. Use different colors and typefaces.
3. Use black ink on white paper and easy-to-read font.
4. Make it short enough to be answered quickly.
5. Place distinct headings on all individual survey sections.
6. Number individual questions.
7. Place a note to remind respondents to go to next page if needed.
8. Vary the format between questions and options.
9. Provide clear directions for each section or group of questions.
10. Include screening questions if appropriate.
11. Include demographic questions if needed.
12. Provide for comments and suggestions if desired.

# The Marketing Survey

## Administering the Questionnaires

Graphic  
Organizer

Provide Details for  
Administering  
Each of the Three  
Types of Surveys  
Discussed in the  
Text

### Administering Questionnaires

#### Mailed Surveys

#### E-mail and Web Surveys

#### In-person Surveys

# The Marketing Survey

## Administering the Questionnaires

### Graphic Organizer

Provide Details for Administering Each of the Three Types of Surveys Discussed in the Text

#### Administering Questionnaires

##### Mailed Surveys

- Include well-written, hand-signed cover letter
- Personalize letter if possible
- Send first class
- Explain purpose of survey
- Include postage-paid return envelope

##### E-mail and Web Surveys

- Make them brief
- Limit the number of screens respondents must scroll through
- Use graphics and animations carefully

##### In-person Surveys

- Include explanation of purpose
- Conduct interview skillfully and discreetly
- Recognize when appropriate to ask more complex or sensitive questions

# The Marketing Survey



## After You Read

## Section 29.2

1. **Explain** the difference between validity and reliability.

Validity is when the questions asked measure what was intended to be measured. Reliability exists when a research technique produces nearly identical results in repeated trials.

# The Marketing Survey



## After You Read

## Section 29.2

2. **Discuss** important considerations for constructing options for multiple-choice questions.

Options must be mutually exclusive and comprehensive enough to include every possible response.



# The Marketing Survey



## After You Read

## Section 29.2

3. **Explain** why it is important that surveys have a strong visual appearance.

Questionnaires must have an excellent visual appearance and design to appeal to respondents.

# Marketing Essentials



## End of Chapter 29

conducting marketing  
research

**Section 29.1**  
Marketing Research

**Section 29.2**  
The Marketing Survey