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# 2



## RESEARCH AS A PROCESS

### Learning Objectives

1. Understand the varying reasons for conducting research
2. Describe the steps in the research process
3. Examine the three unique approaches to conducting research
4. Briefly describe the different marketing research methods

### Getting the Chinese to Go to the Movies

China is on its way to becoming the country with the most movie screens. From 2010 to 2015 the number of cinema screens increased 400 per cent. During 2016 growth accelerated with 27 new screens per day being added to the country's cinema inventory. Many of the cinemas were developed in rural areas where they were particularly popular as people had fewer entertainment opportunities.

Of course, while the desire to see a movie may be true of all Chinese, price is an issue. Particularly in rural areas where people have less disposable income, there was a need to make tickets affordable. To fill all the seats at all the cinemas, tickets were sharply discounted.

However, price discounting can't continue if the cinemas are going to be profitable. In fact, revenue has been declining even as the number of screens has risen. This is a concern not just to Chinese film companies but all film producers as international sales play a large role in profits.

Since prices are now higher and rural Chinese citizens have less money, cinema owners could just say nothing can be done. However, it is problems such as this where consumer marketing research can help!

Questions: If you owned a cinema, what type of research would you conduct to determine how to motivate attendance at rural cinemas? What research would you conduct if you were a film producer in Bollywood or Hollywood and were distributing films in China?

Source: Lin, 2016

## 2.1 THE USES OF MARKETING RESEARCH

Marketing research is used to answer fundamental questions that affect the future of an organization. Therefore, marketing research is a skill needed by all types of organizations, both large and small. Small businesses as well as large corporations can benefit from the knowledge that research provides. In addition, community, arts and other nonprofit organizations can also benefit.

Small businesses may believe that they do not have the resources to conduct marketing research. However, a small business usually operates on a narrow profit margin leaving it particularly vulnerable to competition. Even losing a small percentage of customers can mean potential bankruptcy. Therefore, small businesses need to research what products and services customers want and need. In addition, it is essential that they conduct research on a continual basis as to what products and services are being offered by competing businesses.

Nonprofit organizations may also feel that they do not have the time or money necessary to conduct research. Yet all types of nonprofit organizations can benefit from conducting research.

For example, community-based social service nonprofits could use research to determine what services are needed by the people they serve. Other nonprofits, such as arts organizations, face the challenge of finding audiences and can use research to help with segmentation and promotion decisions.

Large corporations often have internal marketing research departments. Even so, they sometimes hire specialized external marketing research firms to conduct research. Marketing research is especially necessary when corporations develop new products or reposition current products. Research is needed to thoroughly analyze consumer needs, as a failed introduction or repositioning of a product can be a very costly mistake.

### 2.1.1 MARKETING RESEARCH AND THE ORGANIZATION

A marketing department provides an organization's connection between its internal structure and the external environment in which it exists. A company's internal structure will consist of such departments as operations, human resources, production, finance and purchasing, while the external environment will consist of larger societal forces. Research is the tool by which a marketing department can understand how the external environment will affect an organization's strategy. A marketing department will also provide needed information to other company departments.

The external environment can be pictured as a sphere surrounding an organization. The components of the external environment include the economic, competitive, legal/political, social and technological. It is the role of marketing departments to explore these environments and to look for problems and opportunities of which companies should be aware.

For example, marketing research can assist purchasing departments in answering the political question as to whether a government crisis in another country will affect the price of raw materials. Sales departments may need assistance in answering the economic

question of how a decline in income will affect consumers' purchasing habits. Production departments may need help in answering legal questions, such as whether new governmental environmental regulations mean the redesign of product packaging. Marketing research should be used on an ongoing basis to answer these types of questions.

Aside from the external environment, a marketing department also needs to communicate between an organization and their consumers. A marketing department needs to supply the organization with the information to help determine the right product, price, place and promotion that will motivate consumers to purchase. Unfortunately, some companies assume they know what consumers want. At the beginning of Chapter 1 was the example of how bookstores assumed that all young people were interested in buying books online because the prices were cheaper. Using research, they found that young people could be enticed into bookstores by providing and promoting a sense of community.

## 2.1.2 RESEARCH ISSUES

There are a number of different issues that an organization can choose to research (see Table 2.1). Research on the consumer marketplace can be used to determine who is buying a specific product. Companies should also consider conducting research regarding competitors' products and services as it can provide valuable information on how a business can improve. For example, organizations should analyze their customers' perception of competitors, as such research helps to determine whether companies should add to their own products any of the benefits provided by competing products.

**TABLE 2.1 RESEARCH ISSUES**

Issue	Purpose	Research question
Market	Composition of customer market segment	Who is in our customer market segment?
Competitor	Consumers' perception of competition	What else do they buy and why?
Consumer	Motivation for purchase	What is the motivation for buying our product?
Social media	Determine what sites are used	Are we posting content where it will be seen?
Product	Improvement of product	Does our product provide the desired benefits?
Promotion	Effectiveness of different messages and media	What and where do our customers hear about us?
Distribution	Ease of purchase	Is our product available at the right locations?
Pricing	Choosing pricing levels	What do our customers think of our price?

Market research can determine the composition of the current customer segment. Consumer research can examine customers' reasons for purchasing and is critical to both increasing the current market segment and finding new target markets. Distribution research is conducted to determine if the product is being sold at the right locations. Organizations also need to use research to determine if a specific product has the benefits that consumers desire. Another important area of research is determining if a product is being effectively promoted. Lastly, determining the correct price for a product can make the difference between a successful and unsuccessful product launch. Information gathered on all of these issues will help businesses to learn where and how they need to improve.

### **Who Cares How it is Packaged? Beer Drinkers**

With the increase of craft beer breweries around the world, the challenge is for each beer company to distinguish their brews from their competitors'. They usually do so by providing unique flavors and styles. However, another point of differentiation that is being pursued by beer breweries is packaging. Research has found that 64 per cent of purchasers are influenced by product packaging. Breweries have used this research information to provide packaging innovations that appeal to beer drinkers. To catch the buyer's eye, the breweries produced bottles that have artist designs, embossed letters and unique six pack shapes.

Then a new problem was discovered. No matter how beautiful the bottles, glass presented a problem for many consumers. They cannot be taken to a location, such as a pool or concert, that bans glass containers for safety reasons. While they may be less aesthetically pleasing, the 32 ounce Crowler cans have gained popularity with consumers because they are lighter than cans and therefore easier to carry along when hiking or biking. Brewers were happy to respond to this need discovered through research because they are also cheaper to produce!

Question: How could you research additional information on the packaging preferences of beer drinkers?

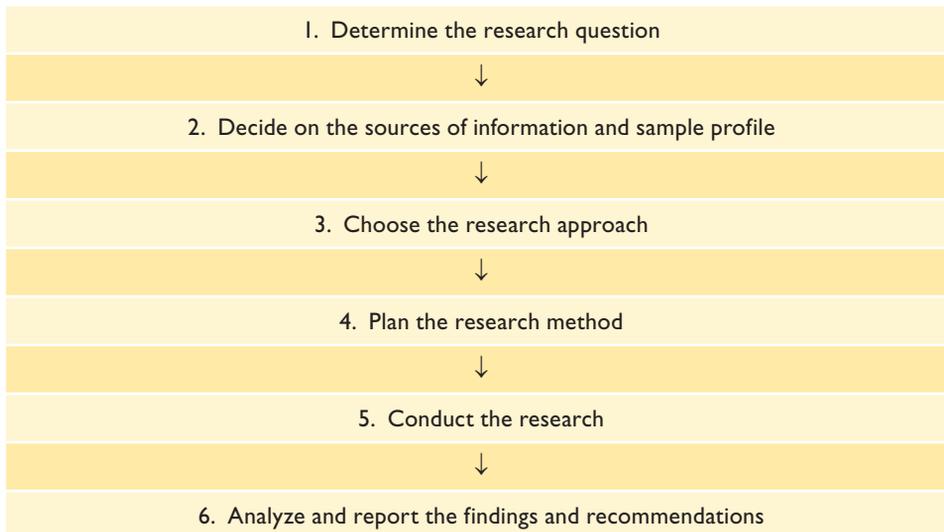
Source: Penicka and Strobel, 2016

## **2.2 THE RESEARCH PROCESS**

Too often, when a company conducts research it begins without proper planning. However, the chances of finding the correct answer to a research question are greatly increased by following a specific six-step process (see Table 2.2). The process starts with determining what the organization needs to know and where it can find the information. In addition, researchers must determine who will participate in the research and the number of participants that will be needed. Researchers must then decide

what research approach is appropriate for the research question and must choose the most suitable research method. They must then plan the process of conducting the research. After the research is conducted, the final step will be to analyze and report the findings and recommendations.

**TABLE 2.2 STEPS IN THE RESEARCH PROCESS**



### 2.2.1 DETERMINE THE RESEARCH QUESTION

The first step, designing the research question, is generally difficult and time consuming. Because organizations are often in a hurry for answers, the temptation is to start the research process before determining what they really need to know. As a result, they may either ask a poorly defined research question or even the wrong question entirely. To be effective, a research study must be both well designed and narrowly focused. If the research question is too broad, too much information will be obtained. In addition, the large amount of resulting data will be difficult to analyze and, therefore, of little use to an organization. Even worse, if the wrong question is asked, the wrong information will be obtained and all the research effort will be wasted.

### 2.2.2 SOURCES OF INFORMATION

Researchers need to put considerable thought into planning the sources from which information can be obtained. The different sources for data are categorized as secondary (data that already exist because it has been collected by someone else) and primary (data that the researcher collects). In addition, secondary data can be categorized as internal (which the company already has) and external (which must be gathered from other sources). Sometimes, an organization may even have already collected enough

data to answer their question. In other cases, the answer to a research question might already be available as a result of research conducted by other organizations. However, even if a research question is not answered, collecting secondary data can help with the design of a primary research method.

A researcher will collect primary data directly from participants to answer a specific research question. Primary data are usually collected from a group of participants called a 'sample'. This sample consists of selected members from an entire group of individuals, which is called a 'population'. These selected members can be defined by demographic characteristics such as age, gender, or occupation. They also might be defined by psychographic characteristics such as lifestyle or opinions. In addition, they can be defined by their geographic location or product usage levels. A description of the individuals in the sample is called the 'participant profile'.

The method used to choose the individuals that will be included in a sample will differ depending on what type of research methodology will be used. Probability sampling is used to randomly select the people in a sample. Nonprobability sampling is utilized when the judgment of a researcher is used to make the selection.

The population being studied could be current customers who frequently purchase a product with the purpose of determining how a company can improve that product's design. Past customers could be included in the sample to find sources of consumer dissatisfaction or to determine what other competing products they also purchase. Rather than current or past customers, potential market segments of interest to that company can also be studied. For example, research can be conducted to determine what type of promotion might motivate older consumers to purchase. Another purpose of researching a sample of potential consumers is to determine how a product needs to be adapted to offer the features and benefits they desire. For example, a company that produces camping equipment might include in their sample individuals who are interested in extreme sports in order to learn how to adapt their product to meet these consumers' preferences.

### 2.2.3 CHOOSE THE RESEARCH APPROACH

The next step is to choose a research approach. The process of conducting primary research starts with deciding whether the research question calls for descriptive, exploratory or causal research. The choice will depend on whether or not a research question needs to be answered with quantifiable facts. If a research question asks 'How many?' or 'Which one?', descriptive or causal research will probably be used. If a research question asks the question 'Why?', then exploratory research will probably be used.

Understanding how an organization plans to use the information will also help in making an appropriate decision. If an organization wishes to prove a fact about the demographic composition of its customers, such as how many females as compared to males purchase a product, then a descriptive study would be appropriate. If, on the other hand, an organization wishes to discover why sales are falling, it will need to conduct exploratory research. Causal research will help determine the effect of a proposed change.

## 2.2.4 PLANNING THE RESEARCH METHOD

After choosing the research approach, researchers must design the research method. This will include the details of how the research will be conducted, including when, where and by whom. The available research methods will include surveys, focus groups, interviews, projective techniques, observation, ethnography and grounded theory. A research plan will include the timeline for the research, the people needed and the budget.

For example, this step may involve writing survey questions or the script to be used in a focus group. The more detailed the planning, the more smoothly the research will proceed. Therefore everything, from the layout of the survey form to who will be responsible for ensuring that the focus group participants arrive, should be considered.

## 2.2.5 CONDUCTING RESEARCH AND REPORTING FINDINGS AND RECOMMENDATIONS

Finally, researchers will be ready to conduct the research. Once done, the final task is for researchers to analyze the data and report the findings and conclusions. Analysis requires repeatedly going over the collected responses to find common themes, patterns and connections. Reporting may be in the form of a written report, a verbal presentation, or both. A written report presenting the results of a quantitative research study will usually have an introduction followed by a description of the methodology. It will also have a section with findings supported with statistics and charts. These findings will be the basis of the recommendations given in the report. With quantitative research, someone who has not conducted the research can still write the report based on the findings.

A report for a qualitative research study will follow the same outline. However, because there are no statistics or charts different types of visuals will be used to help clients understand the findings. Some tools that can be used include diagrams, quotes, photos and even videos. With qualitative research, the person who conducted the research must be involved in the writing of the report.

### **Even Nonprofits Need to Conduct Marketing Research**

Nonprofit organizations, whether they are social service agencies or museums, also should consider conducting marketing research. They often respond to this fact by explaining that doing so would be too difficult and too expensive. Here are two easy and inexpensive ideas that they could implement.

- *Observation Research:* Nonprofits can train their staff to talk to the public who come through their doors. How did they hear about the organization? What do they like about the services provided? Have they encountered any problems?

(Continued)

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- *Mystery Shopper*: With this method, someone from outside the organization is asked to visit the organization. After the experience they could be asked about the ease of making an appointment or buying a ticket, for example. They could also be asked how they would rate the customer service they received.

Using these simple methods can improve the service, which will result in happier clients and audiences!

Question: Can you think of another way that nonprofits can easily conduct research?

Source: Fritz, 2016

## 2.3 RESEARCH APPROACHES

One of the questions that an organization must decide before conducting research is which research approach will be most appropriate. The approach chosen will depend on the research question and the type of information a company is seeking. As noted earlier, there are three general research approaches: descriptive, exploratory and causal. Each can be considered as being similar to a different type of tool box. Each approach 'box' contains certain tools or methods that are most useful with that approach. After deciding the research approach, the company will choose the best method.

For example, if a car needs repair a person will open the automotive tool box and perhaps select a wrench. If a house needs repair, a carpentry tool box will be opened and a hammer may be selected as the needed tool. Each tool box will have a choice of tools that will be needed for a specific type of job. However, the first step is choosing the right tool box, not the specific tool (see Table 2.3).

**TABLE 2.3 RESEARCH STUDIES AND THEIR USE**

Method	When to use	How to use
Descriptive	Use when details and numbers are needed	Research on customer demographics or purchase frequency
Exploratory	Use when seeking insights on motivation/behavior	Research on purchase motivation or attitude toward the company
Causal	Use when needing to determine effect of change	Research on effect of product change or promotion change on sales

### 2.3.1 DESCRIPTIVE RESEARCH

A company will perform descriptive research when it needs to obtain specific details on its consumers and their purchasing behavior. Descriptive research is used when statistical data are needed on a fact. The tool used to conduct descriptive research is almost always surveys. The advantage of a survey is that, if the number of people surveyed (the sample) is large enough, it can be said that a fact has been proved and is true of the entire group. Descriptive survey data can give answers such as '37 per cent of our customers are over the age of 55' or '52 per cent of our customers purchase four times a year'. If the number of people asked to complete the survey is large enough compared to the total population under study, the answer can even be said to have been proven.

Conducting descriptive research can be expensive and time consuming. However, it is necessary if a company wants to prove a guess or hypothesis about consumers or their behavior. For example, a descriptive study can be designed to prove that '10 per cent of all current consumers will purchase the more expensive new product model'. This guess or hypothesis can be proved within a certain level of confidence that the answer obtained from the descriptive survey sample is true of the entire population. However, descriptive research can also be used to obtain details without relying on statistical proof. Descriptive research is sometimes used to address issues that are just beginning to be explored, such as consumer preferences.

Many organizations have relied heavily on surveys as their only means of market research. This is unfortunate as the type of information that surveys can provide is limited. Yet another reason for rethinking this dependence on descriptive surveys is that it is increasingly difficult to find a sufficient number of people who are willing to respond. Because people are often pressed for time, and also because of privacy issues, it is difficult to motivate people to respond to a survey. In an effort to make participation in a survey more convenient, email and social media are increasingly being used.

### 2.3.2 EXPLORATORY RESEARCH

Companies should use exploratory research when a research question deals with finding information on consumer attitudes, opinions and beliefs. Such exploratory research can be useful even when there is no specific problem to investigate. For example, a company might use exploratory research to look for marketing opportunities by researching trends or changes in consumer behavior. The research methods available to conduct exploratory studies include focus groups, interviews, projective techniques, observation, ethnography and grounded theory.

All of these methods use a qualitative research approach. Exploratory research is designed to let participants provide their own answers. The research question, rather than asking for facts, focuses on a consumer's needs, desires, preferences and values. Because so many different answers will result, statistically provable answers cannot be generated, but exploratory qualitative studies, if designed with considerable thought as to what information is wanted and how it is to be obtained, can provide

invaluable information to a company. Such a study may be large and complex or it can be conducted on a small scale. Either way, the consumer information received will provide details and insights that will help an organization adapt its product, price, promotion and distribution to meet consumer desires.

When using exploratory research tools, the emphasis is not on the size of a sample. Instead it is on choosing the correct participants and the analysis of the information they provide. For example, if asked why they purchase a company's product, even if each individual has a unique answer, common themes will almost always appear. A researcher will analyze the responses and then group them by these common themes. One advantage of qualitative research is that it can also be approached in low-cost ways that are available to even small businesses.

### 2.3.3 CAUSAL RESEARCH

If a company wants to study the effect a change in its product will have on consumer purchasing or the possible success of a new promotional campaign, it should use causal research. Causal research is conducted to discover whether the change a company is planning to make will have a positive or negative effect on consumers. Research questions that require causal research have a cause and effect – for example, such questions as 'Will a new promotion campaign using a celebrity increase purchases of books among young people?' or 'Will customers at the cinema purchase more refreshments if we have a new menu?' These issues can also be explored using experimental research. Even the effect of intangible factors on sales, such as smell and sound, can be researched.

If the change has already happened, internal quantitative data might already exist to answer the question. For example, if a company wants to know whether their new menu has increased sales, it can look at the sales figures. However, this is an expensive way to learn whether a new menu has proved successful. A better use of research would be to use qualitative research tools before implementing the change. For example, experimenting by trying the new menu on a small scale first, to see whether customer reaction will be positive or negative. Such experiments should be carefully designed using the proper subjects and an impartial research design so that the results will be accurate.

#### **Who Reads Books Written for Teenagers? Adults!**

Book publishing is a huge global market. It is also one where it is hard to know who reads a book after it is purchased as its consumption happens in the home or electronically online. While there is much talk about the decline of reading, book publishing is a growing market, particularly books aimed at the Young Adult market aged 12–17. For example, just think of the popularity of Harry Potter or books in the Hunger Games series.

What research found was surprising. It was discovered that 78 per cent of adults who were purchasing Young Adult titles were doing so for themselves. In fact, the research discovered a wide range of popularity with over 220 different Young Adult titles being reported as purchased and read by adults. Why is this important research for publishers to know? It opens up an entire new market segment to which they can now promote!

Question: How could you research how best to promote young adult books to adult readers?

Source: *Publishers Weekly*, 2012

## 2.4 RESEARCH METHODS

Once the general approach is understood, the next step will involve choosing a research method and then planning the research. Marketing research methods can be divided into two different types – quantitative and qualitative. For a small study, research methods of only one type might be used. However, for some large-scale studies both types of research may be needed. Quantitative research uses mathematical analysis to provide proof of a fact or a hypothesis (guess or assumption). When properly implemented, quantitative research can answer questions such as ‘How many consumers prefer our new product?’ or ‘Which of these three packaging designs is most attractive to consumers?’

The standard tool used when conducting quantitative research is the survey. Survey questions give participants a selected number of responses such as yes/no or frequently/sometimes/never. The responses are then entered into a computer using a statistical software package. The software will tabulate if there are enough responses to support a ‘proved’ fact. This proved fact is then said to be true of the group of consumers as a whole (population) even though only a selected number (sample) were asked.

Of course it is impossible to ask all consumers. Therefore, it is necessary to determine how many people should participate in the quantitative survey to support this proof. To determine the correct number, researchers use their knowledge of sampling and statistics to construct a sample that contains the required number and type of participants.

This proof of consumer behavior is important when a company is planning a major expenditure, such as the introduction of a new product or a new promotional campaign. While quantitative studies can be expensive, because they must be conducted with a large enough sample, in some situations they are worth the cost. The cost is acceptable because if the wrong decision is made, even more money could be lost.

### 2.4.1 QUANTITATIVE VS. QUALITATIVE RESEARCH

While quantitative studies are useful for answering questions such as ‘How many?’ and ‘What?’, they are not as useful when answering questions such as ‘Why?’ or ‘What if?’

A qualitative study is designed to uncover consumer attitudes, beliefs and opinions rather than facts. Because it is difficult to know consumer preferences before the study is conducted, a quantitative survey form with predetermined answers can result in misleading results. Instead, a wider variety of qualitative research tools, including interviews, focus groups, observation and projective techniques, is available. These tools, when used by trained researchers, allow participants to fully express their opinions and beliefs.

Qualitative research uses fewer participants, who are not necessarily representative of all consumers in the population; sometimes they are chosen because they belong to a distinct segment, such as older or ethnic consumers. The data that result from using a qualitative approach are not in the form of statistics but rather in ideas and quotes expressed by participants and researchers' notes. Interpretation of the data requires special skills, but correctly analyzed qualitative data can provide a rich source of information for marketing ideas including new concepts for segmentation. Social media content can now be used as a data source for consumer research. The interpretation of these data requires special skills.

### What Should You Write About?

Content marketing provides information that is useful and interesting to a company's target market in the hope that this will then generate interest in the product. But how do you know what your target market will find interesting?

One way to do this is to sign up for newsletters from your competitors to which your target market might subscribe, as these will let you know what they like to read. If you are selling a pet care product, sign up for any animal-related newsletters. If you notice that many contain articles about pet food that is organic, then you have an idea for a subject on which you can write. Another way is to follow Twitter users who are interested in a topic and watch to see what content they are sharing. By posting similar content with your company name attached there is a chance that it will also be shared.

Question: How could technology be used to track which content is being read the most?

Source: Smith, 2016

## 2.4.2 DATA COLLECTION METHODS

Once a research question has been decided upon and the research approach has been chosen, the next step is to choose a research method (see Table 2.4). Methods can include the traditional quantitative marketing survey used in descriptive research. There are more research tools available for conducting qualitative exploratory research, including focus groups, interviews, projective techniques, observation and netnography. (These methods will be described in more detail in later chapters.)

TABLE 2.4 RESEARCH METHODS

Method	Description
Survey	Set of predetermined questions
Focus groups	Group dynamics to draw out responses
Interviews	One-to-one in-depth discussion
Intercept interviews	Two to three short questions asked
Projective techniques	Creative techniques to get emotional responses
Observation	Watching people's behavior and actions
Netnography	Studying people in online communities

## SURVEYS

Surveys are written instruments that ask a series of predetermined questions. These questions can be answered by checking one of several suggested answers, or the questions might be open-ended and will allow participants to answer in their own words. Surveys can be administered in several ways including in person, over the phone, by mail or online. The benefit of conducting a survey is that a researcher can tabulate and compare responses as the same questions are asked of each participant. Because the questions and answers are standardized, if enough survey responses are collected, it can be said the response is true of an entire group. Technology has changed the way surveys are conducted, with an increasing percentage now being done on cell phones.

There are disadvantages to the survey method. A well-written survey will take time to develop as the questions must be carefully written so that there is no ambiguity as to what they mean. To ensure this, a survey form must be tested on sample participants before it is widely distributed. If a large number of responses are received it will be necessary to use a computer database program to record the answers. In addition, it is becoming more difficult to motivate participants to complete a survey form.

### Surveys Now Start on a Smartphone

Smartphone usage continues to grow. In fact, from 2015 to 2021 it is predicted that smartphone usage will double globally to 6.4 billion. It is not surprising that as the smartphone has become an indispensable tool for many people, researchers have wanted to understand how it could be used to conduct research.

It was found that of all online surveys, almost 30 per cent were started on a smartphone. This means that any online survey must be created so that it can be

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easily assessed and responded to on a phone. It was also found that people are more likely to open and complete a survey on their phone than when they are on their computer. But the survey must be designed with small screen use in mind.

Question: What design issues need to be considered for surveys being completed on a phone?

Source: Jue, 2016

### FOCUS GROUP

A focus group brings together a group of individuals, who are then encouraged to share their opinions and concerns. By putting people together in a focus group, they can be encouraged to respond to each other's comments and go beyond their initial response to a question. It is the focus group moderator's responsibility to keep the discussion on track and encourage responses. A formal focus group is usually conducted by an outside professional moderator. Using researchers who work for the organization as moderators is not considered a good idea, as they might introduce preconceived ideas into the focus group process.

Focus groups are a method that can be successfully used even by small businesses and nonprofit organizations. Even if they cannot afford a focus group that is planned and conducted by a professional researcher, an organization will still obtain valuable information by asking a few of its customers to participate in an informal focus group. The person moderating the focus group does not need to be a professional marketing researcher, but does need basic skills in listening and human relations. Often graduate students from a nearby university can be used for this purpose. The role of the moderator is to be noncommittal and objective and to listen and record what the participants say. What is critical is that the moderator guides the conversation by encouraging the participants to keep their comments focused on the subject, while not guiding the opinions expressed.

### INTERVIEWS

Interviews can be one of three types – in-depth, intercept or expert. In-depth interviews are used to obtain information on how a participant feels about an issue. The advantage of this method is that the interviewer has time to explore an individual's first response to a question with additional, probing, follow-up questions. These allow the researcher to obtain more in-depth information. The follow-up questioning is necessary because when first asked a question many people will respond with what they believe to be the correct, or appropriate, answer. Also, most people want to be polite by answering in the affirmative and with positive praise whenever possible. The disadvantage is that interviews take considerable time, and therefore money, to conduct. Also, since each interview takes time fewer can be conducted.

Intercept interviews are often called ‘person-on-the-street’ interviews. They are designed to be short, taking only three to five minutes, and are limited to a specific topic. To conduct the interviews a researcher will go to a location where participants can be found. The advantage of intercept interviews is that many responses can be collected in a short period of time. The disadvantage is that the method leaves no time for probing follow-up questions.

In addition, a researcher can conduct expert interviews. The participants in these interviews are not potential or current consumers but rather individuals who have specific knowledge. This knowledge will involve the industry as a whole or knowledge about a company’s target market segment.

### PROJECTIVE TECHNIQUES

Projective techniques can be incorporated in both interviews and focus groups to encourage communication or they can be used on their own. These are techniques that obtain information in ways other than verbal response. The technique is borrowed from psychology and is gaining increased use in consumer marketing. Some simple projective techniques include word association, sentence completion and cartoon tests. These are also tools that creative people working in marketing should enjoy using.

Word association is simply asking for a participant’s first response to a name, photo or event. The idea is to get emotional responses, rather than intellectual thoughts, about a company, brand name or product. Word association can be used in focus groups or interviews to get respondents to communicate on an emotional rather than intellectual level.

Cartoons can also be implemented. The cartoon will usually consist of two characters with speech bubbles over their heads similar to comic books. For example, one character might be saying, ‘Hi Ahmad, I was thinking of shopping at Sam’s. Want to go?’ Survey participants will then put their own answers into the second character’s speech bubble.

### OBSERVATION

Another research method that can be used by all types of organizations is observation. This is an inexpensive qualitative method that can be easily adopted by small businesses and community nonprofits. If a business wants to know how its customer service desk is being used, it can station researchers to watch and then note the behavior of customers as they seek assistance. A museum can use observational research to track the actions of specific groups of visitors. For example, families or single people can be observed to help the museum to determine which galleries are most visited, the length of a stay and what displays attract the most attention. This method will often give more accurate information than surveying, as most people do not keep track of what they do while shopping in a store or when visiting a museum.

### NETNOGRAPHY

Ethnographic research studies the daily lives of participants. The research can be conducted where participants live, where they shop and where they work. Ethnographic

research does not rely on people's responses, but instead studies what they actually do. Ethnography requires researchers skilled in observing and interacting with people on a participant, rather than a research, level. Often such researchers have a background in anthropology, which helps them to understand and adapt to various cultures.

The ethnographic research study is designed to study actual product purchase or use experience. To do so, researchers will use photos, videos, journals or participant observation. For example, they may record the actions of families as they prepare dinner. One insight that might be discovered is that some children may want to be involved in food preparation. From this insight might come a new promotional campaign showing children and adults cooking together.

One of the new uses of social media for research is netnography. Netnography is a new form of an ethnography where the researcher spends time embedded in the social and cultural world of those being studied. In ethnography, the researcher travelled to the location where the research was undertaken, often a distant part of the world with cultural differences. Not only would individuals be studied but also the reactions between individuals and between individuals and the environment would be observed. With the development of technology, the idea of virtual ethnography, or netnography, has developed. Rather than the research studying people who live in a specific location, the connection between individuals is studied while they are online, no matter their physical location. While some details as to how people look and react are lost, other less obvious relations may become apparent. Netnography uses online technology to study relationships that take place only as virtual relationships.

## Summary

1. Research can answer fundamental questions that affect the future of any organization. For this reason, even small businesses and nonprofit organizations should conduct research. It can answer questions about the external environment including consumer segments and competitors. Of course, an organization should always research a consumer's motivation for purchasing a product. The organization may also need to research the components making up the marketing mix, which includes product, promotion, price and distribution.
2. Research is most successful when it is planned using the six steps in the research process. The process starts with determining the research question and deciding on the source of information and the sample. Next a researcher will choose the research approach and plan the research method. Finally, they will conduct the research and analyze and report the findings.
3. Descriptive, exploratory and causal research methods each have specialized uses. Descriptive is best when details are needed, exploratory when seeking insight, and causal when it is important to understand the effect of a change.

4. Quantitative and qualitative research approaches each have their uses. Quantitative research is based on scientific methods and can provide proof, while qualitative is based on social science methods and provides in-depth information on attitudes and beliefs. The standard research tools are surveys, interviews, focus groups, projective techniques, observation and netnography. This chapter has given a brief description of each of these, although in future chapters more detail will be provided.

### KEY TERMS

**causal research** research designed to determine how one action will affect consumers and their behavior

**data** all the relevant raw facts regarding a problem

**descriptive research** research that is designed to be used when it is important to obtain numbers or facts

**exploratory research** research used when the research question is still not clear or when few facts are yet known about the problem

**external environment** economic, competitive, legal/political, social and technological forces that affect organizations

**hypothesis** statement that makes an assumption about the cause of a problem

**information** relevant data that have been analyzed to diagnosis the cause of a problem

**knowledge** information that has been analyzed to find a solution to a problem

**netnography** research study where the researcher participates in the same online communities as the research subjects

**observation** research method where information is gathered by watching participants and recording their actions

**projective techniques** set of research tools that are used to obtain information indirectly rather than through verbal response

**research question** what a company needs to know to solve a problem and provide the basis for a research study

**sample** a group of individuals chosen to participate in a research study because they are representative of a larger population

**secondary data** data that already exist in a useable form because they have been collected by others

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## Discussion Questions

1. Why do small businesses and nonprofit organizations often believe they cannot conduct marketing research?
  2. What are some of the issues that a large multinational corporation might research?
  3. How does marketing research provide the link between the internal and external environments in which a company operates?
  4. How does qualitative research lead to better company performance?
  5. You are conducting research for a grocery store on why consumers buy organic produce. Do you recommend quantitative or qualitative research and for what reason(s)?
  6. Sales and revenue are falling at the university's bookstore but no one knows the reason for this. Would you suggest conducting descriptive, exploratory or causal research? Why?
  7. If you notice a survey on social media that asks if you will take five minutes to complete a survey about your shopping habits, what would you do? Why?
  8. Give an example of both qualitative and quantitative data that could be gathered on your class.
  9. What are the differences and similarities between the three research approaches?
  10. Give three research methods that could be used to ascertain students' satisfaction with a class.
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