MRM NOTES REFINED

Week 1

Defining the problem

- Taking vaguely defined problems (MDP) faced by managers and turning them into a well-defined and articulated, solvable problem (MRP)
- MDP – things a manager would ask, one sentence, brief e.g. How do I increase spending at crown casino? They are vague, action oriented, focused on symptoms that are overt and not clear how to solve
- MRP – focuses on the main underlying issues or causes. Information oriented, clearly defined and articulated, can be answered by testing each RQ and hypothesis e.g. Increase customer spending at crown vs. customer satisfaction at crown

MRP – Structure

- The MRP is the basis and foundation for the research problem and how to conduct the research
- The MRP should cover all of the drivers
- Overarching statement of the problem – a broad summary of your overall research goal
- Specific components – drivers that focus on the key aspects of the MRP and provide clear guidelines as to how to proceed
- From there, you create RQ's which are narrower yet again. The reason we need RQ's are such that the drivers are still too broad and vague and contain multiple sub-components. They cannot be answered directly and lack specificity. Important to fill in the blanks.
- Example – to investigate and study the main drivers of customer satisfaction at crown casino
- The MRP can be represented graphically to represent the overall statement and the key drivers that underpin the overall statement (See Below) Useful as it helps to understand the essence of the MRP and think about it more systematically

Variable

- A variable is an entity that can take on different values to represent an underlying concept, all concepts are seen as variables, **as long as they can be MEASURED**
- Income, age, brand awareness, customer satisfaction are all examples
- It doesn't have to be about quantity e.g. gender, nationality – doesn't have to be quantifiable, can be qualitative.
- It needs to vary e.g. different people could have different values

Overview of the MRP process:

1. Defining the Problem
2. Developing an approach to the problem
3. Formulating a research design
4. Doing Field Work or Collecting Data
5. Preparing and Analyzing Data
6. Preparing and Presenting the Report

Developing an Approach to the problem:

- An analytical framework or model
- RQ's
- Hypotheses
- Specification of the information needed

Dependent Variables and Independent Variables:

- The value of the DV or Y changes as a result of the change in value of the IV or X **but not the other way around**
- In other words, IV is predictive of DV, the IV influences the DV.
- Example: Amount of smoking IV and the possibility of getting cancer is DV or Income IV and how much people spend on buying a car DV

Research Questions and Hypotheses in more depth:

- **Research questions** are precisely stated conjectural questions about the relationship between variables relevant to your MRP
- Different from suvery questionairres – survey questions based on the research questions.
- Has to be about some variables that are important to your MRP
- Questions involving the customer attitude or behaviour that you are trying to study
- Conjectural because they need to be tested with data, answer is unknown
- **Hypothesis** – a tentative and conjectural relationship between variables that is states in a declarative form. Essentially a re-statement in the RQ in the affirmative. Restructuring the RQ. 4 components → 4 RQ's → 4 hypotheses

Types of RQs:

- **Relational** – is there a relationship between two variables?
- **Comparative** – comparing the average value of two variables and the average value of the same variable across different groups (do they differ?)
- You require multiple RQ's to cover all drivers and components of the MRP
- Make sure the RQs are sensible as well as the variables – not nonsensical!
- When using corresponding questionnaire questions, do not test too many things in the one question i.e. does income influence perceptions of Myer's product offerings – need to separate into even more questions!

Relational:

- Relationship between two different variables
- "Association" – is there a link or correlation between those two variables?
- Is one variable dependent on another variable? Does one impact the other?
- **Correlation, relationship, association, affect – key words**
- Example – is there an association between a member's age and her frequency of using the fitness centre

Comparative:

- RQs that compare the average value of two different variables or the average value of the same variable across different groups or scenarios (between two groups)
- E.g. Do men and women differ in their willingness to dine at San Antone?

Specification of the information needed:

- How various variables or concepts are operationalised – how do you plan to collect this data?
- Questionnaire captures information at the variable rather than RQ level
- Define MRP, design questionnaires, trying to measure variables

Week 2

What is research design?

- Different research methods/resources to help you answer your research questions
- Qualitative and quantitative
- We deal with quantitative
- Techniques for collecting data to answer your research problem and research questions
- Gathering of data

Conclusive

- Hypothesis testing
- Information clearly defined
- Process formal
- Large sample
- Results conclusive

Exploratory

- Qualitative
- Ambiguous problem

- Provides insights
- Information defined loosely
- Process flexible
- Small sample
- Results tentative

Sources and Types of Data:

- Secondary data – data that already exists and has been collected for another purpose
- Primary data – data that is collected specifically for research project
- **Must use primary before secondary!** Proceed to collection of primary data only when secondary data sources are exhausted or yield marginal returns.
- Qualitative data – tends to be narrative in nature, describes attitudes, opinions and motivations in words
- Quantitative data – describes variables by allocating a number to represent attitudes, opinions and motivations

Descriptive Research:

- Main objective - descriptive market characteristics or function e.g. develop a profile or target market, answer relational and comparative RQs
- Mostly use primary data
- Common designs – cross sectional – snapshot of the marketplace at one point in time or longitudinal – track the changes that take place over time

Casual Research:

- Main objective is to identify causal relatipnships
- Example – identjfy causes and effecrs
- Determine the extent of the relationship

A **research proposal** is a written document that contains the essence of the research project and serces as a contract between the researcher and management. Covers all phases of the marketing research process, including cost and schedule.

Market Research Data

- **Primary data** is originated by a researcher for the specific purpose of addressing the problem at hand, collecting information firsthand
- **Secondary data** has already been collected by someone else for purposes other than the problem at hand, accessing previously conducted research (See Below for more secondary data)

- **Company internal data** – sales, finance, customer complaints, website traffic, relational databases, sales figures, annual, quarterly reports etc. Company data means your client
- **Any data collected by outside agencies and organisations** – government census, trade association and industry statistics, marketing research organisations, industry performance data, syndicated data
- **Existing literature (data doesn't have to be numbers)** – previous marketing research studies on similar topics, books, academic journal articles, newspaper articles, blogs, reports, published academic work

Two types of marketing research

- Problem solving research involves segmentation, product, pricing, promotion, distribution and helps to solve specific marketing problems – after identifying a problem, it needs to be solved
- Problem identification research deals with market potential, market share, market characteristics, sales analysis, forecasting business trends – help identify problems which are not necessarily apparent on the surface and yet exist

Why use secondary data - ADVANTAGES?

- Readily available
- Cheap compared to collecting your own data
- Provide useful information, insight and understanding of the problem
- Possibility of solving problem without needing to collect primary data (costly, time consuming)