

## BSB126 Chapter 7 - *Marketing Research*

**Marketing Research** - A set of techniques and principals for systematically collecting, recording, analysing and interpreting data that can aid decision makers involved in marketing goods, services, or ideas

### LO7.1 THE MARKETING RESEARCH PROCESS

Marketers need to consider several factors before being a marketing research project. Such as, will the research be useful and will it provide insight beyond what they already know and will top management commit to the project and abide by the results of the research

1. **Defining Objective and Research Needs** - Define what problems need to be solved
2. **Designing the Research** - Researchers identify the type of data needed and determine the research necessary to collect it.
3. **Data Collection Process** - begins only after the research design process. Based on the design of the project, data is collected from;  
**Primary Data** - Are those data collected to address specific research need, methods including focus groups, in-depth interviews and surveys.  
**Secondary Data** - Pieces of information that have been collected prior to the start of the focal research project. Includes both internal and external sources  
**Sample** - Could be chosen at random to represent the entire customer base or may be selected on the basis of a characteristic
4. **Analysing Data and Developing Insights** -  
**Data** - Defined as raw number or other factual information that on their own have limited value to marketers  
**Information** - Once data is interpreted, which results from organising, analysing and interpreting data and putting them into a form that is useful to marketing decision makers.
5. **Action plan and Implementation** - Analyst prepare the results and presents them to the appropriate design marketer, who undertake the appropriate marketing strategies. A typical presentation includes, and executive summary, the body of the report, and the conclusion, the limitation and appropriate supplemental table and figures

### LO7.2 SECONDARY DATA

A Marketing research project often begins with a review of secondary data, Secondary data might come from free or very inexpensive external sources such as census data, information from trade associations and reports published in magazines.

**Inexpensive External Secondary Data** - ABS provides a wide range of statistical data at national and local level.

**Syndicated Data** - Available for a fee from commercial research firms such as AC Nielsen and IBISWorld., also offer information about shifting brand preferences and product usage in households which they gather from scanner data and consumer panels.

**Panel Data** - Used in quantitative research obtained from scanner readings of labels at checkout counters.

**Scanner Data** - Information collected from a group of consumers organised into panels, over time.

The key difference between scanner research and panel research is how the data gets aggregated, scanner research focuses on weekly consumption of a particular product, panel research focuses on the total weekly consumption by a particular person or household.

**Data Warehouses** - Millions of pieces of individual data, which are stored in large computer files

**Data Mining** - Uses a variety of statistical analysis tools to uncover previously unknown patterns in data or relationships among variables

**Churn** - is the number of participants who discontinue use of a service, divided by the average number of total participants.

### LO7.3 PRIMARY DATA COLLECTION TECHNIQUES

**Qualitative Research** - Is used to understand phenomenon of interest through broad open-ended responses. It provides initial information that helps researcher more clearly formulate the research questions. Includes observation, in-depth interviews, focus groups and following social media sites

**Quantitative Research** – Seeking structured responses that be statistically tested. Provides information needed to confirm insights and hypotheses generated via qualitative research or secondary data and helps manager pursue appropriate courses of action. Formal studies such as specific experiments, scanner and panel data are quantitative.

**Observation** – Entails examining purchase and consumption behaviours through personal or video camera security.

**Sentiment Mining** – Informing organisation about what is communicated about their brand, industry and competitor. By tracking listening and measuring conversations across the social web

**In-depth Interview** – Where trained researchers ask questions, listen to and record the answers, and then pose additional questions to clarify or expand on a particular issue.

**Focus Group Interview** – A small group of people come together for an intensive discussion about a particular topic. Using an unstructured method of inquiry a trained moderator guides the conversation, according to a pre-determined, general outline of topics of interest.

**Survey** – A systematic means of collecting information from people using a questionnaire

**Questionnaire** – A form that features a set of questions designed to gather information from respondents and thereby accomplish the researcher's objectives.

**Unstructured Questions** – Are open ended and allow respondents to answer in their own words.

**Structured Questions** – Are close ended questions for which a discrete set of response alternative or specific answers is provided for respondents to evaluate.

**Experimental research** – An **Experiment** is a type of quantitative research that systematically manipulates one or more variable to determine which variables have a casual effect on other variables.

#### LO7.4 ADVANTAGES AND DISADVANTAGES OF PRIMARY AND SECONDARY RESEARCH

Type	Examples	Advantages	Disadvantages
Secondary Research	<ul style="list-style-type: none"> <li>- Census Data</li> <li>- Sales Invoices</li> <li>- Internet Information</li> <li>- Books</li> <li>- Journal articles</li> <li>- Syndicated data</li> </ul>	<ul style="list-style-type: none"> <li>- Saves time in collecting data because they are readily available</li> <li>- Free or inexpensive (except for syndicated data)</li> </ul>	<ul style="list-style-type: none"> <li>- May not be precisely relevant to information needs</li> <li>- Information may not be timely</li> <li>- Sources may not be original and therefore usefulness is an issue</li> <li>- Methodologies for collecting data may not be appropriate</li> <li>- Data sources may be biased</li> </ul>
Primary Research	<ul style="list-style-type: none"> <li>- Observed consumer behaviour</li> <li>- Focus group interviews</li> <li>- Surveys</li> <li>- Experiments</li> </ul>	<ul style="list-style-type: none"> <li>- Specific to the immediate data needs and topic at hand</li> <li>- Offers behavioural insights generally not available from secondary research</li> </ul>	<ul style="list-style-type: none"> <li>- Costly</li> <li>- Time consuming</li> <li>- Requires more sophisticated training and experience to design study and collect data</li> </ul>

#### LO7.5 EMERGING TECHNOLOGY AND THE ETHICS OF USING CUSTOMER INFORMATION

Marketers are bound by the Code of professional Behaviour. The code outline ethical obligations and rules under the three key area

1. Responsibilities to respondents
2. Researchers professional responsibilities
3. Researcher and clients mutual rights and responsibilities

**Biometric Data** – Includes one or more physical trait such as facial characteristics, iris scans or fingerprints.

## BSB126 Chapter 7 - *Marketing Research Check Yourself*

1. What are the steps in the marketing research process?
  1. Defining Objective and Research Needs
  2. Designing the Research
  3. Data Collection Process
  4. Analysing Data and Developing Insights
  5. Action plan and Implementation
2. What is the difference between data and information?

Data - Defined as raw number or other factual information that on their own have limited value to marketers

Information - Once data is interpreted, which results from organising, analysing and interpreting data and putting them into a form that is useful to marketing decision makers.
3. What is the difference between internal and external secondary research?

Sources of secondary data can come from within the firm itself - this is known as internal secondary data. External secondary data, on the other hand, is data that has been published by other organisations
4. What are the types of qualitative research?

Included observation, in depth interviews, focus groups and following social media sites
5. What are the types of quantitative research?

Formal studies such as specific experiments, scanner and panel data are quantitative research.
6. What are the advantages and disadvantages of primary and secondary research?

Refer 7.04
7. Under what circumstances is it ethical to use consumer's information in marketing research?

In the production of unbiased, factual information.

Many firms also voluntarily notify their customers that any information provided by them will be kept confidential and not given or sold to any other firm.
8. What challenges do technological advances pose for the ethics of marketing research?

As technology continues to advance the potential threats to consumers personal information's grows in number and intensity.