Developing a Global Vision Through Marketing Research

Chapter 8
Importance of Marketing Research

- Information is a necessary component to making good marketing decisions.
- Marketing Research is the systematic collection, recording and analysis of data that can be used to make marketing decisions.
Complications In International Marketing Research

- Information must be gathered and understood across cultural boundaries.
- The research tools can be sensitive to the environment you are collecting information in.
Breadth and Scope of Marketing Research

- Economic
- Sociological and political climate
- Market conditions
- Technological environment
- Competitive situation
The Research Process

- Define the research problem and define objectives
- Determine potential sources of information to fulfill objectives
- Do a cost-benefit analysis on different research options
The Research Process Cont.

- Gather data from secondary and/or primary sources
- Analyze, interpret, and summarize the results
- Communicate results to decision makers
Defining the Problem and Objectives

- It is essential to appropriately define the problem you are researching and establishing clear cut goals that will help shed light on the problem.
  - This can be very difficult when the problem is complex.
- Due to the complexity of the problem, it may be difficult to establish the research boundaries.
Issues with Gathering Data

- Secondary Data Collection
- Primary Data Collection
- Data Collection in Multicultural Settings
Secondary Data Collection

- Secondary data is data that has already been collected by someone else that will answer the research question you are trying to answer.
- The biggest issue to deal with secondary data is that there can be a large quantity of it to wade through and you are uncertain of its quality.
Problems with Secondary Data

- Availability of the Data
- Reliability of the Data
- Comparability of the Data
- Validating Secondary Data
Data Availability

- While the US maintains a large amount of economic data, many countries do not.
- One of the biggest difficulties with data availability, is that most international studies are not in English.
Reliability of Data

- Much scrutiny must be done to international data because it was collected in a bias fashion.
- Since you do not know who put together the data as well as their qualifications, sometimes it is difficult to gauge the reliability of the data.
Comparability of Data

- Since you may have only one source of data, there may not be a way to compare it to other data to see if it is reliable.
- Data may be gathered infrequently causing it to be difficult to compare.
- Often data is not collected the same way.
Validating Data

- One should check the validity of the data, when possible, by comparing it to known reliable data.
- One of the best tools to validate data is common sense.
Questions to Ask to Judge the Reliability of the Data

- Who collected the data?
- Is there a reason someone would want to misrepresent the data?
- Why were the data collected?
- How were the data collected?
- Is the data internally consistent and logical to known facts?
Primary Data

- Primary data research is when you go out and collect the data first hand.
- Usually primary data collection is needed when adequate secondary data does not exist.
- Primary data research can be broken up into two areas:
  - Quantitative Research
  - Qualitative Research
Quantitative Research

- This data is collected by asking verbally or in writing structured questions that have specified or formatted responses.
- This research tends to ask close-ended questions.
- Data is gathered usually using surveys or interviews.
Qualitative Research

- Qualitative research focuses more on open-ended questions, which tend to be highly unstructured.
  - It tends to solicit a person’s thoughts and feelings on a subject.
- Qualitative research can come in the form of direct observation.
Problems When Gathering Primary Data

- Ability to Communicate Opinions
- Willingness to Respond
- Sampling in Field Surveys
- Language and Comprehension
Ability to Communicate Opinions

When doing research on a product, it may be difficult for the respondent to form a useful opinion due to:

- Lack of foresight of the use of the product
- The complexity of the product
- The newness of the product to their experience
Willingness to Respond

There are many reasons why someone would not want to respond or truthfully respond to a survey:

- The person asking the question does not fit the cultural norm of a person who should be asking that type of question.
- Topics of the questionnaire may be considered confidential to the respondent.
- There is no reason for the person to truthfully answer the questions.
Sampling in Field Surveys

- When dealing with different countries it can be difficult to gather a sample base that is representative of the population you are trying to study.
  - This is primarily due to a lack of good demographic information.
- Methods for collecting information can be severely limited.
- It can be difficult to verify if the sample is representative.
Problems Encountered When Drawing a Random Sample

- No officially recognized census of the population.
- No listings that can serve as a sampling frame.
- Incomplete and/or out-of-date telephone directories.
- No accurate maps of population centers.
Language and Comprehension

- The language barrier and literacy pose a major problem when doing a survey abroad.
  - It may be that exact translations do not exist for some survey questions.
  - The population may not have a high enough literacy rate to understand the survey.
Methods for Handling Language Barriers

- Back Translation
  - This is when one language is translated into another language, and then a second party translates it back.

- Parallel Translation
  - This is where more than two translators are used for the back translation.
  - This helps deal with idioms that occur in both languages.
Methods for Handling Language Barriers Cont.

- Decentering
  - “It is a successive process of translation and retranslation of a questionnaire, each time by a different translator.” (Cateora)
  - This process keeps going until a suitable translation and retranslation are found.
Using the Internet for Research

- The internet can be a useful tool for conducting marketing research.
- It can reach a multitude a people in a short amount of time.
- While it can be an effective tool, it also has a few large drawbacks.
Uses for the Internet When Doing Research

- Online surveys and buyer panels
- Online focus groups
- Web visitor tracking
- Advertising measurement
- Customer identification system
- E-mail marketing lists
- Embedded research
Drawbacks to Internet Research

- There can be a large bias as to who fills out the survey, i.e., it may not be representative of the typical consumer.
- Currently, there is not a large population of foreigners on the internet.
- It may generate too much costly data to analyze.
Other Issues with Research

- Problems with Analyzing and Interpreting Research Information
- Responsibility for Conducting Marketing Research
- Estimating Market Demand