

CHAPTER EIGHT

Improving Decisions with Marketing Information

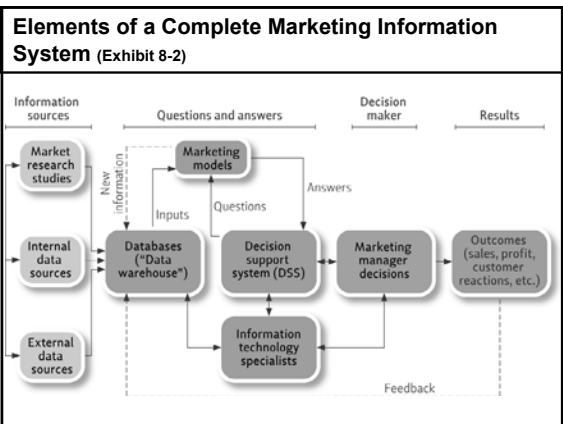
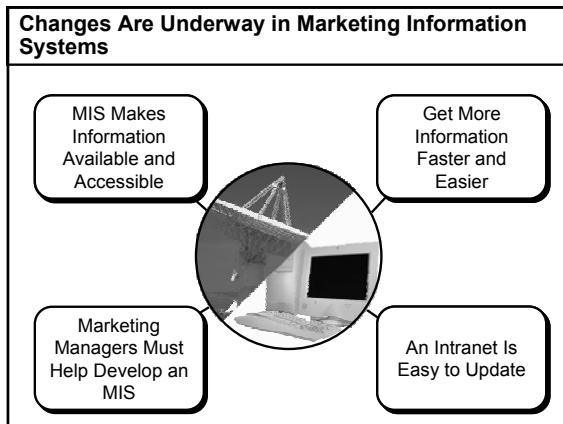
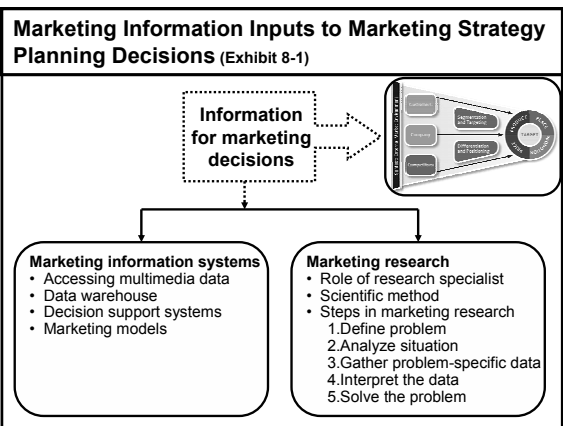
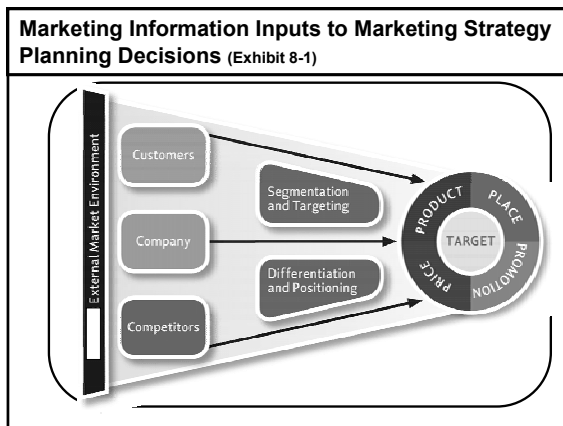


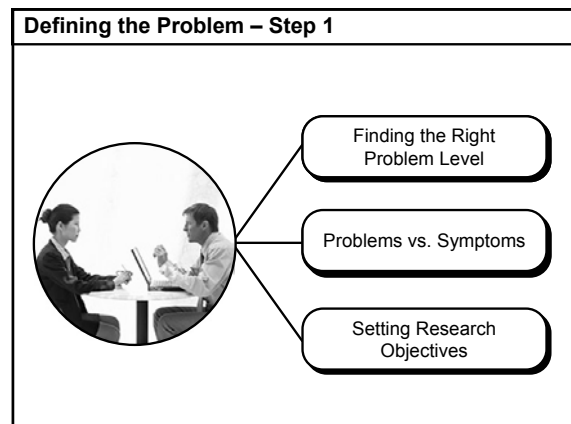
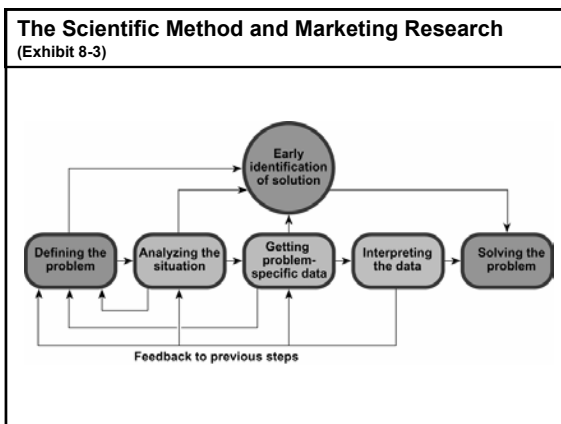
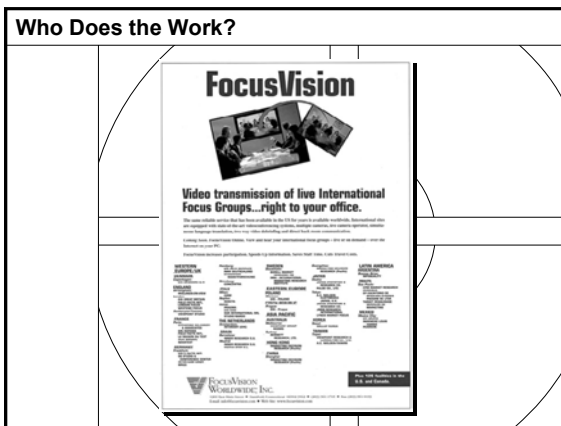
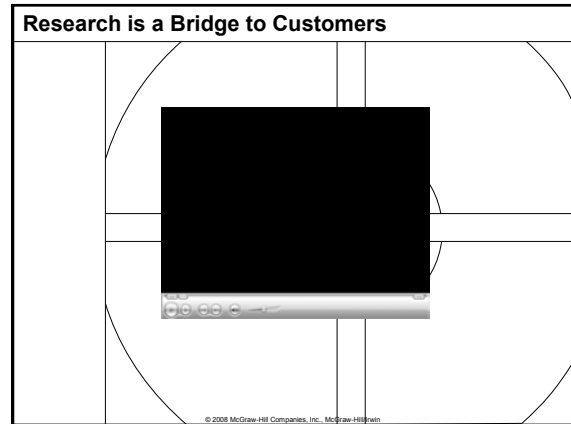
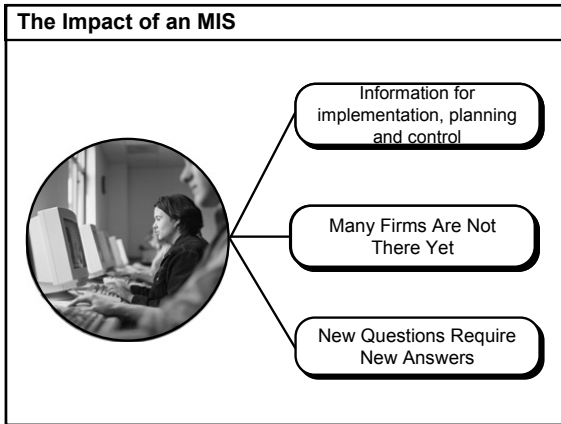
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When we finish this lecture you should

1. Know about marketing information systems.
2. Understand the scientific approach to marketing research.
3. Know about methods for collecting secondary and primary data.
4. Understand the role of observing, questioning, and using experimental methods in marketing research.





Analyzing the Situation – Step 2

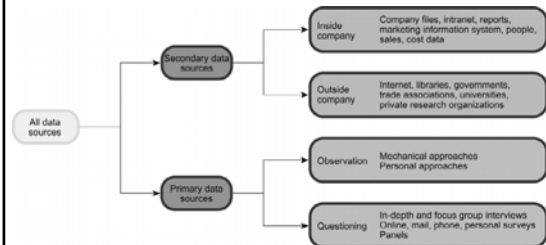


What Information Do We Already Have?

Pick the Brains of People Around You

Situation Analysis Helps Educate a Researcher

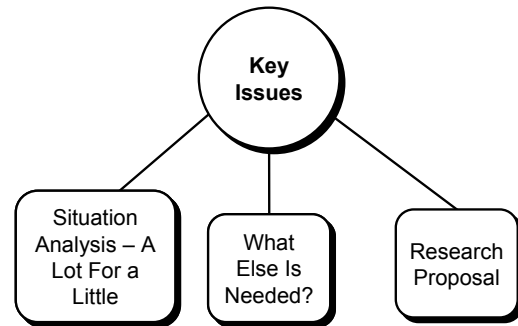
Secondary and Primary Data (Exhibit 8-4)



Private Sources Are Useful Too



The Bottom Line on Secondary Data

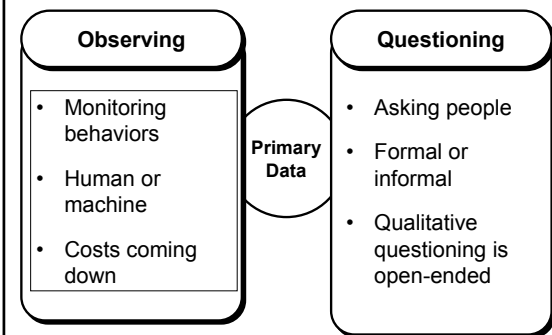


Checking your knowledge

Edna Bates, a marketing researcher who is an expert in customer satisfaction research, is asked by a client to conduct a study dealing with a completely unfamiliar research topic. Edna consults secondary data to gain more insight about this unfamiliar area. Edna is engaged in the _____ stage of the marketing research process.

- problem definition
- situation analysis
- gathering problem-specific data
- data interpretation
- solving the problem

Getting Problem-Specific Data – Step 3

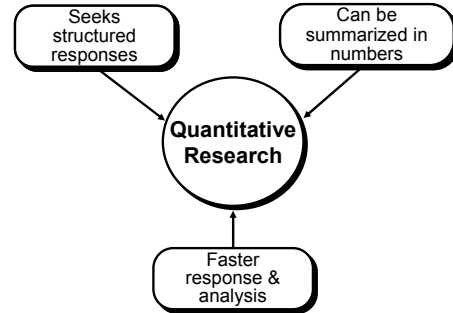


Focus Groups Stimulate Discussion

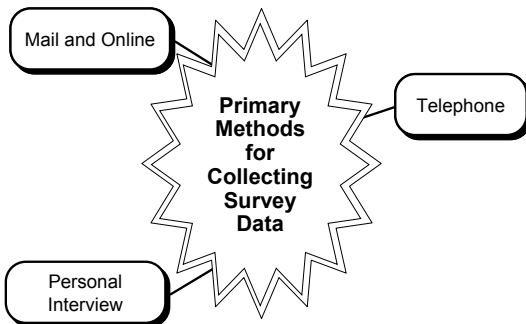
We're crying for a change from traditional focus groups.



Structured Questioning Gives More Objective Results



Surveys Come in Many Forms



Checking your knowledge

A researcher wants to study 1,000 consumers and needs information about a lot of personal and sensitive issues. Which of the following would be the best way to gather this information?

- A. Mail survey
- B. Focus group
- C. Telephone survey
- D. Face-to-face interview
- E. Experiment

Observing – What You See Is What You Get

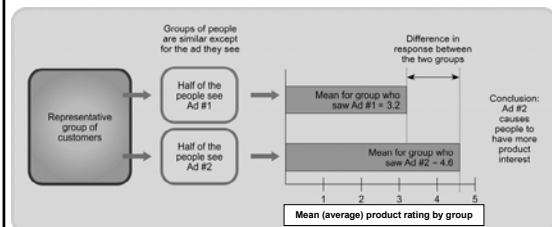


Observation Is Common in Advertising Research

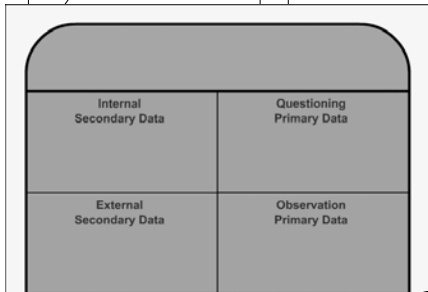
Checkout Scanners "See" a Lot

Consumer Panels

Experimental Method Controls Conditions (Exhibit 8-5)



Interactive Exercise: Types of Data

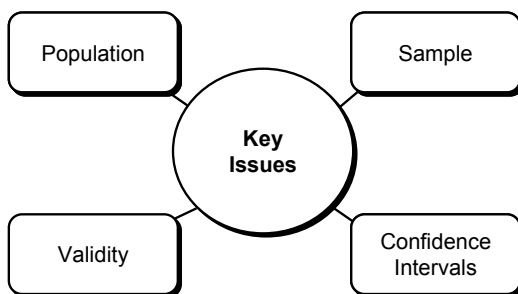


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Interpreting the Data – Step 4 (Exhibit 8-6)

Have You Moved in the Last Year?				
	Answers:	No	Yes	Total
Do you have "Caller ID" on your phone at home?	Yes	10.2%	23.4%	15.5%
	No	89.8	76.6	84.5
	Total	100.0%	100.0%	100.0%

Key Concerns in Data Interpretation



Ethical Issues in Marketing Research



Withholding Information



Unauthorized Disclosure of Personalized Information



Disguised Sales Pitches



Lying with Statistics

Checking your knowledge

A sales training firm wants feedback on the quality of its classes and training services. The firm planned to send mail surveys to CEOs of its client companies to get the needed information. However, one executive objected to the survey plan, saying, "CEOs don't attend our classes. How will they know if the classes are any good?" Another executive added, "If the survey isn't relevant to the CEOs, it will be thrown away and we'll get no data." It appears that the research design presents problems with:

- A. response rate.
- B. relevance of the population.
- C. validity.
- D. improper statistical analysis.
- E. both A and B.

Interactive Exercise: Confidence Interval

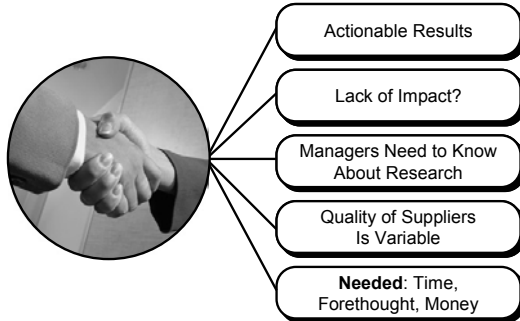
The Confidence Interval

- Helps determine the accuracy of a statistical estimate from a random sample.
- Consists of a range on either side of the estimate.
- Indicates the likelihood that the range contains the true value for the entire population.



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Solving the Problem – Step 5



Checking your knowledge

A marketing research firm conducted a telephone survey for a consumer products company. It provided new and interesting information about brand image, the competition, and other topics. At the end of the research company's results presentation, the sales manager commented, "This is all interesting information, but it doesn't tell me why our market share is declining among 18 to 34 year old women, nor does it offer me any suggestions about actions I can take to deal with the situation." The sales manager's complaint suggests that the research suffers from problems with:

- A. a lack of action implications for management.
- B. poor planning by the researcher and managers at the outset of the project.
- C. poor sampling.
- D. a low response rate.
- E. both A and B.

International Marketing Research



You now

1. Know about marketing information systems.
2. Understand the scientific approach to marketing research.
3. Know about methods for collecting secondary and primary data.
4. Understand the role of observing, questioning, and using experimental methods in marketing research.

Key Terms

- Marketing research
- Marketing information system (MIS)
- Intranet
- Data warehouse
- Decision support system (DSS)
- Search engine
- Marketing model
- Scientific method
- Hypotheses
- Marketing research process
- Situation analysis
- Secondary data
- Primary data
- Research proposal
- Qualitative research
- Focus group interview
- Quantitative research
- Response rate
- Consumer panel

Key Terms

- Experimental method
- Statistical packages
- Population
- Sample
- Confidence interval
- Validity