CHAPTER EIGHT
Improving Decisions with Marketing Information

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.

Marketing Information Inputs to Marketing Strategy Planning Decisions (Exhibit 8-1)

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Changes Are Underway in Marketing Information Systems

Elements of a Complete Marketing Information System (Exhibit 8-2)
The Impact of an MIS

- Information for implementation, planning and control
- Many Firms Are Not There Yet
- New Questions Require New Answers

Research is a Bridge to Customers

Who Does the Work?

Effective Research Requires Cooperation

That marketing research geek doesn’t understand my business – she doesn’t even know my competitors!

That overpaid Gen Y is clueless – she doesn’t even know how a chi-square is computed!

Collaboration Is Absolutely Necessary!

The Scientific Method and Marketing Research

(Exhibit 8-3)

Defining the Problem – Step 1

Finding the Right Problem Level

Problems vs. Symptoms

Setting Research Objectives

Feedback to previous steps
### Analyzing the Situation – Step 2

<table>
<thead>
<tr>
<th>What Information Do We Already Have?</th>
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<tbody>
<tr>
<td>Pick the Brains of People Around You</td>
</tr>
<tr>
<td>Situation Analysis Helps Educate a Researcher</td>
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### Secondary and Primary Data (Exhibit 8-4)

- **Inside company**: Company files, circuit, reports, marketing supervision system, people, sales, cost data
- **Outside company**: Internet, libraries, government, other research organizations, project research organizations
- **Observation**: Market approaches, personal applications
- **Questioning**: In-depth and focus group interviews, online, mail, phone, personal service

### Private Sources Are Useful Too

![www.HarrisInfo.com](image)

### The Bottom Line on Secondary Data

#### Key Issues

- Situation Analysis – A Lot For a Little
- What Else Is Needed?
- Research Proposal

### 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.

A. problem definition  
B. situation analysis  
C. gathering problem-specific data  
D. data interpretation  
E. solving the problem

### Getting Problem-Specific Data – Step 3

#### Observing
- Monitoring behaviors
- Human or machine
- Costs coming down

#### Questioning
- Asking people
- Formal or informal
- Qualitative questioning is open-ended
Focus Groups Stimulate Discussion

Structured Questioning Gives More Objective Results

Surveys Come in Many Forms

Checking your knowledge


Experimental Method Controls Conditions (Exhibit 8-5)
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.
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.

You now

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