4TH ASIA–PACIFIC EDITION

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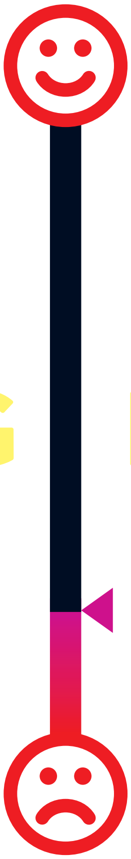

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BRIEF CONTENTS

PREFACE XVIII
ACKNOWLEDGEMENTS XXIII
ABOUT THE AUTHORS XXIV
GUIDE TO THE TEXT XXVI
GUIDE TO THE ONLINE RESOURCES XXX

PART ONE
INTRODUCTION TO THE RESEARCH PROCESS

01 » THE ROLE OF MARKETING RESEARCH AND THE RESEARCH PROCESS 4

PART TWO
DEFINING THE PROBLEM

02 » PROBLEM DEFINITION AND THE RESEARCH PROCESS 40

PART THREE
PLANNING THE RESEARCH DESIGN

03 » QUALITATIVE RESEARCH 62
04 » SECONDARY RESEARCH WITH BIG DATA 98
05 » SURVEY RESEARCH 126
06 » OBSERVATION 172
07 » EXPERIMENTAL RESEARCH AND TEST MARKETING 192
08 » MEASUREMENT 235
APPENDIX 8A CONJOINT ANALYSIS: MEASURING CONSUMER UTILITY 285
09 » QUESTIONNAIRE DESIGN 301

PART FOUR
PLANNING THE SAMPLE

10 » SAMPLING: SAMPLE DESIGN AND SAMPLE SIZE 342

PART FIVE
COLLECTING THE DATA

11 » EDITING AND CODING: TRANSFORMING RAW DATA INTO INFORMATION 376

PART SIX
ANALYSING THE DATA

12 » UNIVARIATE STATISTICAL ANALYSIS: A RECAP OF INFERENTIAL STATISTICS 398
13 » BIVARIATE STATISTICAL ANALYSIS: TESTS OF DIFFERENCES 441
14 » BIVARIATE STATISTICAL ANALYSIS: TESTS OF ASSOCIATION 471
15 » MULTIVARIATE STATISTICAL ANALYSIS 516

PART SEVEN
FORMULATING CONCLUSIONS AND WRITING THE FINAL REPORT

16 » COMMUNICATING RESEARCH RESULTS: RESEARCH REPORT, ORAL PRESENTATION AND RESEARCH FOLLOW-UP 548
APPENDIX A STATISTICAL TABLES 574
GLOSSARY 581
INDEX 591

CONTENTS

PREFACE XVIII
ACKNOWLEDGEMENTS XXIII
ABOUT THE AUTHORS XXIV
GUIDE TO THE TEXT XXVI
GUIDE TO THE ONLINE RESOURCES XXX

PART ONE
INTRODUCTION TO THE RESEARCH PROCESS

01 » THE ROLE OF MARKETING RESEARCH AND THE RESEARCH PROCESS 4
The nature of marketing research 5
  Marketing research defined 6
  Basic research and applied research 7
The managerial value of marketing research for strategic decision-making 7
  Identifying and evaluating opportunities 8
  Analysing and selecting target markets 9
  Planning and implementing a marketing mix 9
  Analysing marketing performance 12
When is marketing research needed? 13
  Time constraints 13
  Availability of data 14
  Nature of the decision 14
  Benefits versus costs 14
Business trends in marketing research 15
  Global marketing research 15
  Growth of the Internet and social media 16
Stages in the research process 16
  Alternatives in the research process 18
  Discovering and defining the problem 18
  Uncertainty influences the type of research 20
  Planning the research design 21
  Descriptive research 24
  Causal research 25
  Sampling 27
  Gathering data 29
  Processing and analysing data 29
  Drawing conclusions and preparing a report 30
The research program strategy 31
Summary 32
Key terms and concepts 33
Questions for review and critical thinking 33
Ongoing project 34
CourseMate online study tools 35
  Written case study 1.1 *Buying New Zealand made online in China* *35*
  Written case study 1.2 *The Quit campaign in Australia and Singapore* *35*

PART TWO
DEFINING THE PROBLEM

02 » PROBLEM DEFINITION AND THE RESEARCH PROCESS 40
The nature of marketing problems 41
The importance of proper problem definition 42
The process of defining the problem 43
  Ascertain the decision-makers' objectives 43
  Understand the background of the problem 44
  Isolate and identify the problem, not the symptoms 45
  Determine the unit of analysis 46
  Determine the relevant variables 46
  State the research questions and research objectives 48
Clarity in research questions and hypotheses 49
Decision-oriented research objectives 50
How much time should be spent defining the problem? 51
The research proposal 52
Anticipating outcomes 55
Summary 56
Key terms and concepts 56
Questions for review and critical thinking 56
Ongoing project 57
CourseMate online study tools 57
  Written case study 2.1 *DrinkWise: Changing Australia's drinking culture* 57
  Written case study 2.2 *A tender for market research services by the Australian Communications and Media Authority (ACMA)* 58
Ongoing case study: Mobile phone switching and bill shock 59

PART THREE
PLANNING THE RESEARCH DESIGN

03 » QUALITATIVE RESEARCH 62
What is qualitative research? 63
Uses of qualitative research 63
  Diagnosing a situation 64
  Screening alternatives 64
  Discovering new ideas 65
Qualitative versus quantitative research 66
Qualitative research orientations 66
  Phenomenology 66
  Ethnography 67
  Grounded theory 68
  Case studies 68
Analysing qualitative responses 70
Common techniques used in qualitative research 71
  Focus group interviews 71
  Depth interviews 79
  Projective techniques 80
  Modern technology and qualitative research 85
A warning about qualitative research 88
Summary 93

Key terms and concepts 94
Questions for review and critical thinking 94
Ongoing project 95
Coursemate online study tools 95
  Written case study 3.1 *Up, Up and Away. Airborne focus groups with Air New Zealand* 95
  Written case study 3.2 *Getting a grip: Focus groups and Beaurepaires Tyres* 95
Ongoing Case Study 96

04 » SECONDARY RESEARCH WITH BIG DATA 98
Secondary data research 99
  Advantages 99
  Disadvantages 100
Typical objectives for secondary data research designs 103
  Fact-finding 103
  Model building 105
  Data mining 109
  Database marketing and customer relationship management 111
Sources of secondary data 112
  Internal and proprietary data sources 113
  External data: the distribution system 113
  Information as a product and its distribution channels 113
Single-source data-integrated information 121
Sources for global research 121
Summary 122
Key terms and concepts 123
Questions for review and critical thinking 123
Ongoing project 123
CourseMate online study tools 124
  Written case study 4.1 *Twitter: Truth or dare?* 124
  Written case study 4.2 *The electric car in Australia* 124
Ongoing case study 125

05 » SURVEY RESEARCH 126
The nature of surveys 127
  Survey objectives: Type of information gathered 127
  Advantages of surveys 127
Errors in survey research 128
  Random sampling error 128
  Systematic error 128
Respondent error 129
  Nonresponse error 129
  Response bias 131
  Administrative error 134
  Rule-of-thumb estimates for systematic error 135
What can be done to reduce survey error? 135

Classifying survey research methods 136
- Structured and disguised questions 136
- Temporal classification 136

Different ways that marketing researchers conduct surveys 138
- Human interactive media and electronic interactive media 138
- Noninteractive media 139

Using interviews to communicate with respondents 139
- Personal interviews 139
- Telephone interviews 145

Self-administered questionnaires 150
- Mail questionnaires 150

Self-administered questionnaires that use other forms of distribution 157
- Email surveys 157
- Internet surveys 159
- Kiosk interactive surveys 163
- Survey research that mixes modes 163

Selecting the appropriate survey research design 163

Pretesting 165

Ethical issues in survey research 165

Summary 166

Key terms and concepts 167

Questions for review and critical thinking 168

Ongoing project 169

CourseMate online study tools 169
- Written case study 5.1 *Google Consumer Surveys* *170*
- Written case study 5.2 *Pedal power in Auckland* *170*

Ongoing case study 170

06 » OBSERVATION 172

What is observation? 173

When is observation scientific? 173

What can be observed? 173

The nature of observation studies 174

Observation of human behaviour 175
- Complementary evidence 176

Direct observation 177
- Errors associated with direct observation 178
- Scientifically contrived observation 178

Combining direct observation and interviewing 178

Ethical issues in the observation of humans 179

Observation of physical objects 179

Content analysis 180

Mechanical observation 181
- Television monitoring 181
- Monitoring website traffic 183

- Scanner-based research 183
- Measuring physiological reactions 185

Summary 188
Key terms and concepts 188
Questions for review and critical thinking 189
Ongoing project 189
CourseMate online study tools 190
- Written case study 6.1 *The Pepsi / Coke challenge and neuroscience* *190*
- Written case study 6.2 *Mazda and Syzygy* *190*

Ongoing case study 191

---

07 » EXPERIMENTAL RESEARCH AND TEST MARKETING 192

The nature of experiments 193
- Step 1: Field and laboratory experiments 194
- Step 2: Decide on the choice of independent and dependent variable(s) 196
- Step 3: Select and assign test units 199
- Step 4: Address issues of validity in experiments 200
- Step 5: Select and implement an experimental design 206
- Step 6: Address ethical issues in experimentation 216

Test marketing: An application of field experiments 217
- Step 1: Decide whether to test market or not 218
- Step 2: Work out the functions of test market 219
- Step 3: Decide on the type of test market 220
- Step 4: Decide on the length of the test market 224
- Step 5: Decide where to conduct the test market 224
- Step 6: Estimate and project test market results 226

Projecting test market results 228
- Consumer surveys 228
- Straight trend projections 228
- Ratio of test product sales to total company sales 228
- Market penetration × repeat-purchase rate 228

Summary 229
Key terms and concepts 231
Questions for review and critical thinking 231
Ongoing project 232
- Written case study 7.1 *Test marketing Guinness in Perth, Western Australia* *233*
- Written case study 7.2 *Kellogg Australia revamps Nutri-Grain* *233*

Ongoing case study 233

---

08 » MEASUREMENT 235

The measurement process 236
Step 1: Determine what is to be measured 236
- Concepts 237

Step 2: Determine how it is to be measured 238

Step 3: Apply a rule of measurement 239

- Types of scales 239
- Mathematical and statistical analysis of scales 241

Step 4: Determine if the measure consists of a number of measures 242

- Computing scale values 242

Step 5: Determine the type of attitude and scale to be used to measure it 244

- Normative vs ipsative scales 244
- Attitudes as hypothetical constructs 245
- Measuring attitudes is important to managers 246
- The attitude-measuring process 246
- Method of summated ratings: The Likert scale 248
- Semantic differential 251
- Numerical scales 253
- Stapel scale 253
- Constant-sum scale 254
- Graphic rating scales 254
- Measuring behavioural intention 256
- Behavioural differential 258
- Ranking 258
- Sorting 259
- Randomised response questions 260
- Other methods of attitude measurement 261
- Selecting a measurement scale: Some practical decisions 261
- Attitudes and intentions 264
- Multi-attribute attitude score 264

Best–worst scaling 266

- Sample balanced incomplete block (BIB) designs 270
- Pricing 272
- The net promoter score 273

Step 6: Evaluate the measure 274

- Reliability 274
- Validity 276
- Reliability versus validity 277
- Sensitivity 278
- Practicality 279

Summary 279

Key terms and concepts 280

Questions for review and critical thinking 280

Ongoing project 282

CourseMate online study tools 282

- Written case study 8.1 *Measuring Australia's social progress* *282*
- Written case study 8.2 *New Zealand consumer confidence edges up in 2015* *283*

Ongoing case study 283

APPENDIX 8A: Conjoint analysis: Measuring consumer utility 285
Background to conjoint analysis 285
Ratings-based conjoint 286
Advantages of ratings-based conjoint 289
Disadvantages of ratings-based conjoint 289
Choice-based conjoint 290
Advantages of choice-based conjoint 294
Disadvantages of choice-based conjoint 294
Conjoint analysis using best–worst scaling 295
Advantages of best–worst conjoint 296
Disadvantages of best–worst conjoint 298
Final comments on conjoint analysis 299

09 » QUESTIONNAIRE DESIGN 301
Step 1: Specify what information will be sought 302
Step 2: Determine the type of questionnaire and survey research method 303
Step 3: Determine the content of individual questions 304
Asking sensitive questions 304
Step 4: Determine the form of response to each question 306
Types of closed-response questions 308
Step 5: Determine the wording of each question 310
Avoid complexity: use simple, conversational language 310
Avoid leading and loaded questions 311
Avoid ambiguity: Be as specific as possible 313
Avoid double-barrelled items 314
Avoid making assumptions 315
Avoid burdensome questions that may tax the respondent's memory 316
Step 6: Determine question sequence 317
Provide good survey flow 319
Step 7: Determine physical characteristics of the questionnaire 321
Traditional questionnaires 321
Internet questionnaires 326
Step 8: Re-examine and revise steps 1–7 if necessary 331
Step 9: Pretest the questionnaire 332
Designing questionnaires for global markets 333
Summary 333
Key terms and concepts 334
Questions for review and critical thinking 335
Ongoing project 337
CourseMate online study tools 337
Ongoing case study 337
Written case study 9.1 *May the Force be with you! The worldwide growth of Jedi Knights as a religion* 337
Written case study 9.2 *Marketing strategies in China* 338

PART FOUR
PLANNING THE SAMPLE

10 » SAMPLING: SAMPLE DESIGN AND SAMPLE SIZE 342

Sampling terminology 343

Why sample? 343

- Cost and time 343
- Accurate and reliable results 344
- Destruction of test units 344

Practical sampling concepts 344

- Defining the target population 344
- The sampling frame 345
- Sampling units 348
- Less than perfectly representative samples 349

Probability versus nonprobability sampling 350

Probability sampling 351

- Simple random sampling 353
- Systematic sampling 353
- Stratified sampling 354
- Proportional versus disproportional sampling 354
- Cluster sampling 355

Nonprobability sampling 356

- Convenience sampling 356
- Judgement sampling 357
- Quota sampling 357
- Sampling rare or hidden populations 358

What is the appropriate sample design? 359

- Degree of accuracy 359
- Resources 361
- Time 361
- Advance knowledge of the population 361
- National versus local project 361

Mobile devices and the Internet change everything 361

- Website visitors 362
- Panel samples 363
- Recruited ad hoc samples 363
- Opt-in lists 363
- Sample size 364
- Random error and sample size 364
- Systematic error and sample size 365
- Factors in determining sample size for questions involving means 365
- The influence of population size on sample size 366
- Determining sample size on the basis of judgement 366

Summary 368

Key terms and concepts 369

Questions for review and critical thinking 369

Ongoing project 370

CourseMate online study tools 370

- Written case study 10.1 *The Victorian Population Health Survey 2014* *371*
- Written case study 10.2 *The Australian Taxation Office* *371*

PART FIVE
COLLECTING THE DATA

11 » EDITING AND CODING: TRANSFORMING RAW DATA INTO INFORMATION 376

Stages of data analysis 377
- Before the survey 377
- During the survey 378
- After the survey responses 378
- After the survey 379

Coding 380
- Code construction 381
- Multiple-response questions 381
- Coding open-ended questions 382

Coding and analysis of qualitative research data 386
- Qualitative data sources 386
- Coding qualitative data 387
- Coding strategies 388

Software for qualitative research 389
- Text-mining software 389
- Data-base management software 390

Summary 392

Key terms and concepts 393

Questions for review and critical thinking 393

Ongoing project 394

CourseMate online study tools 394
- Written case study 11.1 *Questionnaire editing* *394*

PART SIX
ANALYSING THE DATA

12 » UNIVARIATE STATISTICAL ANALYSIS: A RECAP OF INFERENTIAL STATISTICS 398

Descriptive and inferential statistics 399

Sample statistics and population parameters 399

Making data usable 400
- Frequency distributions 400
- Measures of central tendency 400
- Measures of dispersion 402

The normal distribution 405
- Why do I need to know about the standardised normal distribution? 407

Population distribution, sample distribution and sampling distribution 408

Central-limit theorem 411

Estimation of parameters 413
- Point estimates 413
- Confidence intervals 414

Determining sample size 416

Stating a hypothesis 417
- What is a hypothesis? 417
- Null and alternative hypotheses 417

Hypothesis testing 417
- The hypothesis-testing procedure 418

An example of hypothesis testing 418
Type I and Type II errors 420
Choosing the appropriate statistical technique 422
Type of question to be answered 422
Number of variables 422
Scale of measurement 422
Parametric versus nonparametric hypothesis tests 422
Some practical univariate tests 423
The *t*-distribution 423
Calculating a confidence interval estimate using the *t*-distribution 425
Univariate hypothesis test using the *t*-distribution 426
Conducting a one-sample *t*-test in SPSS 427
Conducting a one-sample *t*-test in Excel 428
The Chi-square test for goodness of fit 429
Conducting a Chi-square test in SPSS 431
Conducting a Chi-square test in Excel 432
A reminder about statistics 434
Summary 434
Key terms and concepts 435
Questions for review and critical thinking 435
Ongoing project 437
CourseMate online study tools 438
Written case study 12.1 *Attitudes towards water conservation in a drought-stricken area of Australia* 438
Written case study 12.2 *Gambling in your community: What do the locals think?* 438
Written case study 12.3 *Victoria's legal outsourcing system and customer satisfaction* 439
Ongoing case study 439

13 » BIVARIATE STATISTICAL ANALYSIS: TESTS OF DIFFERENCES 441
What is the appropriate test of difference? 442
The independent samples *t*-test for differences of means 442
Conducting an independent samples *t*-test in SPSS 446
Conducting an independent samples *t*-test in Excel 447
Paired-samples *t*-test 449
Conducting a paired samples *t*-test in SPSS 449
Conducting a paired-samples *t*-test in Excel 450
Analysis of variance (ANOVA) 453
The *F*-test 456
Calculating the *F*-ratio 457
Conducting an ANOVA in SPSS 460
Conducting an ANOVA in Excel 462
Nonparametric statistics for tests of differences 463
Statistical and practical significance for tests of differences 463
Summary 464
Key terms and concepts 465

Questions for review and critical thinking 465
Ongoing project 468
CourseMate online study tools 468
  Written case study 13.1 Do social marketing initiatives work? The not so dark side of marketing 468
  Written case study 13.2 Gambling in your community: How do perceptions vary by different consumers? 469
Ongoing case study 469

14 » BIVARIATE STATISTICAL ANALYSIS: TESTS OF ASSOCIATION 471
The basics 472
Pearson's correlation coefficient 473
  An example 475
  Coefficient of determination 476
  Correlation matrix 477
  Running a correlation in SPSS 478
  Running a correlation in Excel 480
  Nonparametric correlation 482
Regression analysis 483
  Least-squares method of regression analysis 486
  Drawing a regression line 489
  Tests of statistical significance 490
  Running a regression in SPSS 492
  Running a regression in Excel 496
Cross-tabulations: The Chi-square test for goodness of fit 499
  Cross-tabulation and Chi-square tests in SPSS 502
  Cross-tabulation and Chi-square tests in Excel 504
Statistical and practical significance for tests of association 508
Summary 509
Key terms and concepts 510
Questions for review and critical thinking 510
Ongoing project 513
  Written case study 14.1 *Neighbourhood renewal and the use of marketing research* *513*
  Written case study 14.2 *How innovative is a new product and why?* *514*
  Written case study 14.3 *Food labelling and country of origin* *514*
Ongoing case study 515

15 » MULTIVARIATE STATISTICAL ANALYSIS 516
The nature of multivariate analysis 518
Classifying multivariate techniques 519
  The analysis of dependence 519
  The analysis of interdependence 519
  Influence of measurement scales 520
Analysis of dependence 520
  N-way cross-tabulation 520
  Partial correlation analysis 522
  N-way univariate analysis of variance (ANOVA) 523

Multiple regression analysis 525
Binary logistic regression 533
Analysis of interdependence 535
Exploratory factor analysis 535
Cluster analysis 537
Multidimensional scaling 540
Summary 543
Key terms and concepts 544
Questions for review and critical thinking 544
Ongoing project 544
CourseMate online study tools 544
Written case study 15.1 *Coastal Star Sales Corporation* 545

PART 7
FORMULATING CONCLUSIONS AND WRITING THE FINAL REPORT

16 » COMMUNICATING RESEARCH RESULTS: RESEARCH REPORT, ORAL PRESENTATION AND RESEARCH FOLLOW-UP 548
Insights from the communications model 549
The report in context 550
Report format 550
Body of the research report 550
Summary 552
Body of a formal descriptive research report 552
Two-stage research report – exploratory followed by descriptive 552
Additional parts of the report 553
Templates and styles 554
Presenting qualitative research 555
Deriving themes 556
Qualitative presentation styles 557
Checklist for reporting qualitative research 557
Graphic aids 558
Tables 559
Statistical output 560
Charts 563
Maximise the ‘data to ink’ ratio 567
The oral presentation 568
Learn by example and practice 568
Audio-visual aids 570
Summary 571
Key terms and concepts 572
Questions for review and critical thinking 572
Ongoing project 572
CourseMate online study tools 572

APPENDIX A STATISTICAL TABLES 574
GLOSSARY 581
INDEX 591

PREFACE

This is the fourth Asia Pacific edition of *Marketing Research* and it continues to reflect the importance of social media, 'big data', neuromarketing and the use of online technology in qualitative and quantitative data collection. Throughout this text, we refer to a leading online survey software Qualtrics and how it can be used at each stage of the research process, under sections called 'Survey this!' Most importantly, we argue that an understanding of online software such as Qualtrics is crucial, not only to demonstrate how market research is done now, but also to show how it will be increasingly done in the future. In this edition there is a greater focus on measurement issues in market research and the use of qualitative software to identify themes in social media exchanges.

This edition of *Marketing Research* also examines practical examples of market and social research, and what students can learn from the advantages and disadvantages of each research approach when they are applied in real life (Real world snapshots). We also provide tips for conducting research and doing flowcharts, and offer improved and more detailed worksheets that will greatly facilitate the understanding and application of market research techniques by the student and practitioner.

We have worked diligently and carefully to make this edition a book that reflects the fast-paced and dynamic practice of marketing research. We have retained our central approach of making the subject interesting and entertaining for the student. This, we believe, is consistent with the style and learning approach of the original author, Professor William G. Zikmund. Market research, we argue, can be the most fascinating subject for the student, as it is now applied in diverse fields such as health, politics, social marketing, media and law. Therefore, we have continued to include a wider set of examples that reflect this throughout the text.

NEW TO *MARKETING RESEARCH*

This edition places greater emphasis on applying marketing research and providing guidance when conducting marketing research. It also examines the effect of the increasing regulation of the market research industry. Where appropriate, ethical issues have also been addressed in this book. We believe that the addition of the trial version of the online survey software Qualtrics facilitates and empowers students' ability to undertake market and social research, as it greatly reduces the time and cost required to conduct it, as it does for many companies and organisations. In this new edition we have included an ongoing series of case studies based on a real market research study, looking at mobile phone switching and bill shock in Australia. This provides students and lecturers with a structured learning approach to all the different aspects of the market research process and how they might be applied in a single commercial study. It also addresses the choices and trade-offs many researchers face when doing market research in the real world.

We have also provided worksheets to assist in the development of each part of a research study, and detailed flowcharts for each major section of the research process. A reference to each worksheet is made at the end of each chapter. Access to the worksheets is provided online.

It was important to us that this new material not be lumped into added chapters at the end of the book or into a single chapter on survey research. There are unique aspects of online research that touch on qualitative research, observation, gathering of secondary data, survey design, sample selection, questionnaire design and many other topics.

→ **Chapter 1: The role of marketing research and the research process.** This chapter begins with how commercial and not-for-profit organisations have effectively used market research as judged by the Australian Market and Social Research Society. What is made clear is that usually more than one method of market research, often both qualitative and quantitative research, is used by market research companies in providing their reports to clients. Some of the award-winning market research programs have helped vulnerable communities such as those suffering from mental illness (beyondblue) and Indigenous nations in Australia (Cultural and Indigenous Research Centre Australia and the Market Research Unit, Department of Health, research on the campaign to address hearing loss in Aboriginal communities). We examine some important trends influencing market research, including neuroscience and the growth of social media. The chapter introduces the research process and the structure of the book and provides a number of examples of types of research conducted by government and non-profit as well as business organisations.

→ **Chapter 2: Problem definition and the research process.** This chapter starts with the use of market research to assist in social marketing campaign to assist in the transition from welfare to work. This detailed research study included a combination of qualitative approaches; ethnographic studies and group discussions that provided a 360-degree perspective on the complex issue of welfare to work. Outcomes of the research were used by the Australian Government to formulate its communication strategy. This study demonstrates the crucial importance of understanding a research problem so that the correct tools for a research design can be applied. Problem definition is often the most problematic part of the research process and guidelines are provided so that effective research – providing information that aids the decision-making of managers – can be developed. The chapter includes research proposals from NSW Trade & Investment and the Australian Communications and Media Authority.

→ **Chapter 3: Qualitative research.** This chapter deals with one of the most common forms of market research. As one of the most varied research forms, it includes not only focus groups and in-depth interviews but also projective techniques, story-telling and the new phenomenon of 'social listening', where detailed qualitative research is collected and analysed from social media such as Twitter and Facebook. As well as dealing with these diverse approaches, we examine contributions from other social sciences such as phenomenology, ethnography, grounded theory and case studies. In this chapter we provide an example of how qualitative software such as Leximancer can be used to identify themes in social media exchanges. The applications of this suite of related methodologies are also discussed and include health, media and politics. The chapter concludes with a caveat about the misuse of qualitative research. We have also included two new case studies on the use of airborne focus groups by Air New Zealand and how a retail chain Beaurepaires Tyres was repositioned using focus groups and brand tracking.

→ **Chapter 4: Digital research using secondary data**. This chapter starts with the question: 'Who is afraid of metadata?' Big data as discussed in this chapter is of interest not only to market researchers but also to government in terms of national security. Interestingly, New Zealand research, presented in the opening vignette, suggests that consumers are more comfortable with government using this information rather than industry. The chapter also deals with a multitude of information collected by other parties that can answer many research problems. It includes a guide as to how to assess the quality of this information (publication currency). Examples of how secondary information may be used in descriptive as well as forecasting analyses are also included. Increasingly, a large scale of data is being made available to organisations by social media and through the digitalisation of transactions and records, and we discuss some simple strategies and approaches that can be used to organise and interrogate such information in the age of big data.

- **Chapter 5: Survey research.** This chapter starts with the use of surveys to measure community moods and outlooks, and asks whether life in Sydney is any better now compared to five years ago. This chapter contains significant updates on the use of the Internet and mobile phones as a means of collecting survey research data. There are additional advantages and problems in using these new research techniques – for example, response and sample biases – and these are addressed in this chapter. How survey biases occur when asking questions of respondents from different cultures are also discussed in this chapter. This chapter includes a case study on Google Surveys, where responses to fairly straightforward questions can be obtained at fairly low rates of 10 cents per response, plus a new case study on the use of surveys to examine cycling behaviour in Auckland.
- **Chapter 6: Observation.** This chapter starts with a content analysis of advertisements in industry publications aimed at New Zealand doctors and how this type of advertising has led to some health experts in New Zealand calling for greater monitoring and regulation of pharmaceutical marketing. Problems with companies having too much observational data (or big data) are also discussed in this chapter. The chapter concludes with the growing importance of mechanical observation, particularly those of Web metrics, which are important in assessing the effectiveness of online marketing strategies. Recent advances in eye- and brain-scanning technologies are also discussed.
- **Chapter 7: Experimental research and test marketing.** This chapter starts with a new form of test markets – online test markets, which can cost clients less than $5000 compared to more expensive field designs which can cost upwards of $100 000 to administer. The trade-offs between other forms of test markets and experiments and that of cost and time are also discussed in this chapter. Ethical issues in experimental research are discussed, as are some of the major pitfalls within this methodology. The chapter concludes with an overview of test markets and the development of controlled and online test markets. We have also suggested that virtual-reality simulations of markets may be constructed.
- **Chapter 8: Measurement.** This chapter starts by looking at measuring readership versus circulation, a simple yet perplexing issue in market research. A readership survey by Ipsos called emma (Enhanced Media Metrics Australia) claims to be able to measure not only what you read but also view on computers, smartphones and tablets. We go on to outline a six-stage measurement process and discuss a number of practical issues of measurement that need to be faced by researchers. Issues of multi-item measures are also discussed, as are the type of attitude scales that can be used in online surveys. The chapter is supplemented by an appendix that illustrates techniques for measuring consumer utility – conjoint analysis.
- **Chapter 9: Questionnaire design.** This chapter follows a simple nine-stage process of the development of questionnaires, which is still an art as much as a science. The chapter also includes issues that need to be considered for online and email questionnaires. Poor questionnaire design is often the cause of many problems reported by field researchers in market research.
- **Chapter 10: Sampling: Sample design and sample size.** This chapter introduces basic concepts in sampling, raising pertinent questions such as ‘How should the sample be selected?’ and ‘How many people should be in a sample?’ The chapter opens by describing some typical political polls that use sample sizes of just over 1000 to predict political preferences of a population of 23 million Australians. Using some intuitive examples, the chapter then goes on to explain the rationale behind sampling, how to sample, and factors to take into consideration when determining sample size. The advantages and disadvantages of sampling techniques are discussed, along with the use of panels and in ‘opt-in’ samples.

- **Chapter 11: Editing and coding: Transforming raw data into information**. This chapter explains the task of taking the responses from individuals and arranging them in a form that allows easy analysis using statistical spreadsheet software. Common problems encountered by researchers are discussed along with the relationship between question form, data scales and the resulting information.
- **Chapter 12: Univariate statistical analysis: A recap of inferential statistics.** This chapter begins with an intuitive example of the sampling error involved in establishing a sample statistic. After introducing some basic measures of central tendency and measures of dispersion, the chapter then discusses the concept of inference and how inferential statistics can be used to estimate sampling error. The normal distribution and central-limit theorem are discussed to establish the groundwork for further hypothesis testing.
- **Chapter 13: Bivariate statistical analysis: Tests of differences.** This chapter uses an example about consumer price perceptions in international markets to establish the rationale for testing for differences. Using t-tests and ANOVA, the chapter introduces basic tests and provides worked examples in SPSS and Excel to illustrate how to conduct and interpret these tests.
- **Chapter 14: Bivariate statistical analysis: Tests of association.** This chapter extends the discussion of typical statistical tests, examining the concept of association by highlighting a contemporary issue in marketing. Using correlation, regression and Chi-square analysis, the chapter discusses typical tests for association and, like Chapter 13, shows how to conduct and interpret these tests in SPSS and Excel.
- **Chapter 15: Multivariate statistical analysis.** This chapter extends our understanding of bivariate statistics to investigate the problem of multiple variables. The problem of confounding relationships in binary statistics is first introduced and then extended to cover problems in analysis of variance and multiple regression. Techniques for discovering patterns in data are covered in factor analysis and cluster analysis.
- **Chapter 16: Communicating research results: Research report, oral presentation and research follow-up.** This chapter completes the research process with the important function of ensuring that the valuable completed research reaches the right people in a way that is informative, persuasive and actionable. Importantly, the correct formatting of tables versus graphs is discussed in detail, along with the presentation of qualitative data and the effective use of graphic aids. These items are often the crucial elements of any market research report.

ORGANISATION OF THE BOOK

The organisation of the second Asia Pacific edition of *Marketing Research* follows each step of the marketing research process that is introduced as a learning model in Chapter 1. The book is organised into another six parts. Each part represents each stage of the research process and discusses how each stage relates to decisions about conducting specific projects.

- **Part 1: Introduction to the research process** discusses the scope of marketing research, provides an overview of the entire marketing research process, and explains how the Internet and globalisation are changing the nature of information systems. Each stage in the research process is then examined.
- **Part 2: Defining the problem** covers problem definition and research proposals. This stage sets the research objectives used to design the research study.

- **Part 3: Planning the research design** examines the concepts and issues related to research designs, such as using exploratory/qualitative research, surveys, observation studies and experiments. Issues of measurement and questionnaire design are then addressed in this section.
- **Part 4: Planning the sample** explains why sampling is required, how to design samples and how to determine sample size.
- **Part 5: Collecting the data** discusses the importance of fieldwork, editing and coding, as the quality of data from a research study is determined by this stage of the process.
- **Part 6: Analysing the data** covers descriptive data analysis, inferential statistical analysis and multivariate analysis, and provides practical advice as to how data can be analysed to answer research questions. A new appendix on conjoint analysis has been added to this section of the text for more advanced marketing research courses. The material in each chapter is comprehensive yet accessible to the student. Sample output of many examples in using SPSS and Excel have also been included.
- **Part 7: Formulating conclusions and writing the final report** discusses the communication of research results. Often it is this step that is the most important in the research process as information and findings that cannot be presented clearly are of little use to the client. The text ends with a final note on the use of marketing research.

  The book also features two appendices and an extensive glossary. Two other appendices can be found online: Comprehensive cases with a computerised database (comprising six cases), which provides materials that challenge students to apply and integrate the concepts they have learned, and the Code of Conduct of the Australian Market and Social Research Society.

HELP US WRITE AN EVEN BETTER MARKETING RESEARCH TEXTBOOK

We have worked very hard to update, regionalise and make this an interesting textbook in marketing research, but we know that with hindsight things can always have been done better. If you have any suggestions for the next edition of Zikmund, D'Alessandro, Lowe, Winzar and Babin, please email us.

- For Chapters 1 to 9: Steven D'Alessandro sdalessandro@csu.edu.au
- For Chapters 10, 11, 15 and 16: Hume Winzar hume.winzar@mq.edu.au
- For Chapters 12, 13 and 14: Ben Lowe b.lowe@kent.ac.uk

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STEVEN D'ALESSANDRO

Steve dedicates this book to his entire family in Australia, Italy and the United States. It is joy to work with co-authors such as Ben and Hume and we are grateful for the guidance and support shown to us by Lydia Crisp and Dorothy Chiu at Cengage Learning Australia. To all the students of *Marketing Research*, we hope you find this an informative yet engaging read. Lastly, thank you Michelle for your support for the last 16 years and to my two daughters Sophie and Stanton, I wish you all the happiness in life. La dolce vita!

HUME WINZAR

Thanks to Lydia Crisp and Dorothy Chiu at Cengage Learning Australia for their guidance and patience in this process. I do not think I could work with a better team of co-authors and support. Thanks to more than a generation of undergraduate and postgraduate students, whose often profound questions have driven much of what appears in this text. Finally, thanks to my wonderful partner, Trish, for your support and help setting priorities.

BEN LOWE

Thanks to my co-authors and the team at Cengage for another great edition of a great book. Thanks also to my wonderful family for all their support!

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Steve is a Professor of Marketing at Charles Sturt University in New South Wales. He has published 94 refereed papers in leading international journals (including *The European Journal of Marketing, International Marketing Review, Marketing Letters, Journal of Business Research, Journal of Services Marketing, Journal of Macromarketing, Food Quality and Preference, Psychology and Marketing,* and *Applied Economics*), books and conferences. Steve has also worked as a market research consultant for blue-chip companies such as Pacific Dunlop, ANZ, Challenge Bank, BHP, Telstra and Ford. His research interests include the effect of country-of-origin information on consumer judgements and choice; brand switching, complex systems, luxury consumption consumer durable purchasing behaviour; service quality; marketing strategy and the environment; diffusion of innovations, marketing of pharmaceuticals and body image; global branding; wine marketing; and privacy research. In 2012, he was named as ANZMAC Distinguished Educator of the year award, in recognition of his expertise and innovation in marketing education.

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Ben Lowe is Professor of Marketing at Kent Business School, University of Kent. Ben has been teaching courses in marketing research and marketing at undergraduate and postgraduate level for over 10 years in the UK, Europe and Australia, and has consulted on market research projects to organisations in Australia and the UK. Ben's primary research interests relate to consumer behaviour and consumer acceptance of innovations. Specifically, Ben's research interests are in pricing, consumer evaluations of introductory promotions, diffusion of innovations, pioneer brand advantage, the Theory of Planned Behaviour, the Technology Acceptance Model and consumer acceptance of innovations in developing countries. Ben has published more than 30 refereed articles in journals such as *Psychology & Marketing*, the *European Journal of Marketing*, *Technovation*, the *Journal of Interactive Marketing*, the *Journal of Marketing Management*, the *Journal of Consumer Behaviour*, the *American Journal of Agricultural Economics*, the *Journal of Marketing Education* and others. Ben's research method expertise lies in survey design and experimentation.

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Hume is Associate Professor of Business at Macquarie University, Sydney. Before joining academia, Hume worked in outdoor education, banking, public relations, advertising and product management. Over the last 30 years he has taught a range of marketing courses in universities across Australia, South-East Asia, Eastern Europe, Canada and the United States. His expertise lies in marketing research techniques, data analysis and consumer behaviour. Hume's current research interests are business analytics techniques, consumer product evaluation and the application of complexity theory to market models.

BARRY J. BABIN

Barry Babin has authored more than 70 research publications in some of the most prestigious research periodicals, including the *Journal of Marketing*, the *Journal of Consumer Research*, the *Journal of Business Research*, the *Journal of Retailing, Psychological Reports, Psychology and Marketing* and the *Journal of the Academy of Marketing Science*, among others.

Barry is currently Max P. Watson, Jr. Professor of Business and Department Chair of the Department of Marketing and Analysis at Louisiana Tech University. He has won numerous honours for his research, including the USM Louis K. Brandt Faculty Research Award (which he won on three occasions while a member of that faculty), the 1996 Society for Marketing Advances (SMA) Steven J. Shaw Award, and the 1997 Omerre Deserres Award for Outstanding Contributions to Retail and Service Environment Research. He is also an affiliate member of the Scientific Research Committee at Reims Management School in France. Barry is Past-President of the Academy of Marketing Sciences and former president of the Society of Marketing Advances. He is also the Marketing Editor for the *Journal of Business Research*.

Barry's research focuses on the effect of the service environment in creating value for both employees and customers. His expertise is in building and understanding value that leads to long-lasting, mutually beneficial relationships with employees and customers. He also has expertise in creative problem solving and in wine marketing. His primary teaching specialties involve consumers and service quality, marketing research and creative problem solving. He is well respected internationally and has lectured in many countries outside of the United States including Australia, South Korea, France, Germany, Canada, Sweden and the United Kingdom, among others.

In Remembrance

PROFESSOR WILLIAM G. ZIKMUND

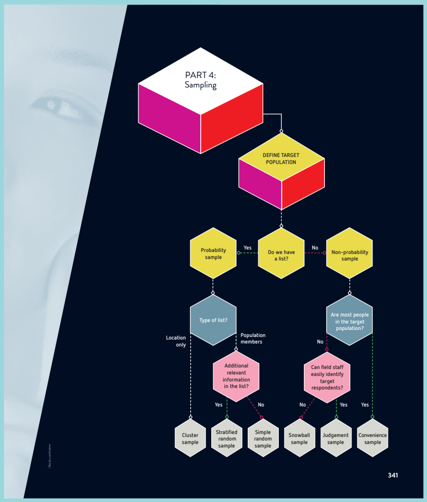
William G. Zikmund, former professor of marketing at Oklahoma State University, received his Bachelor of Science in marketing from the University of Colorado, a Masters of Science from Southern Illinois University and a PhD in business administration from the University of Colorado. Professor Zikmund worked in marketing research for Conway/Millikien Company and Remington Arms Company before beginning his academic career. In addition, he had extensive consulting experience with many business and not-for-profit organisations. Professor Zikmund published many articles and successful textbooks. His books include *Marketing, Effective Marketing, Exploring Marketing Research* and *Business Research Methods*. He was an active teacher who strived to be creative, and innovate in the classroom. His books have been used in universities in Europe, Asia, Africa, South America and North America. More than half a million students have read his books. Professor Zikmund died in 2002.

Guide to the text

As you read this text you will find a number of features in every chapter to enhance your study of marketing research and help you understand how the theory is applied in the real world.

PART OPENING FEATURES

Understand how key concepts are connected across all chapters in the part by viewing the **concept map**.



CHAPTER OPENING FEATURES

Identify the key concepts that the chapter will cover with the **learning objectives**.

01

WHAT YOU WILL LEARN IN THIS CHAPTER

- To understand the importance of marketing research as a management decision-making tool.
- To define marketing research.
- To understand the difference between basic and applied marketing research.
- To understand the managerial value of marketing research and its role in the development and implementation of marketing strategy.
- To understand when marketing research is needed and when it should not be conducted.
- To list the stages in the marketing research process.
- To classify marketing research as exploratory research, descriptive research or causal research.
- To explain the difference between a research project and a research program.

THE ROLE OF MARKETING RESEARCH AND THE RESEARCH PROCESS

What made market research effective in 2014?

One way in which the impact of marketing research can be evaluated is by examining some of the winners of the Australian Market and Social Research Society's Winners of Research Excellence Awards for 2014. These awards also show the wide application of market research to commercial, government and not-for-profit sectors.

The 2014 Award[1] for Consumer Insights was awarded to Hall & Partners Open Mind, for research done for beyondblue, which provided research aimed at encouraging the low uptake mental health services (only 30 per cent of those with a mental illness do so, and men account for 80 per cent of death by suicides in Australia). The research used qualitative research including interviews, case studies and online bulletin boards, to challenge and engage diverse cultural and social male groups struggling with mental illness. This research led to substantial changes in the way beyondblue engaged with men. These included a change of language from help-seeking to taking action, talking man-to-man about experiencing anxiety and a new man-focused online service, through the Man Therapy Website https://www.mantherapy.org.au.

The award for Communications Strategy Effectiveness went to Jem Wallis and Ainslie Williams of Vivid, for 'CommBank CAN', which used eight rounds of qualitative research over 19 months to provide information to shape advertising strategy, especially copy, which shows triggers of customer satisfaction. The researchers used diverse elements of qualitative research of different formats including stealomatics, key frames, narrative tapes, basic headlines and partially formed scripts which were read out in the group. The research provided important real-time feedback on creative elements of the campaign by advertising company M&C Saatchi, which has been effective in promoting customer service benefits of the Commonwealth Bank.

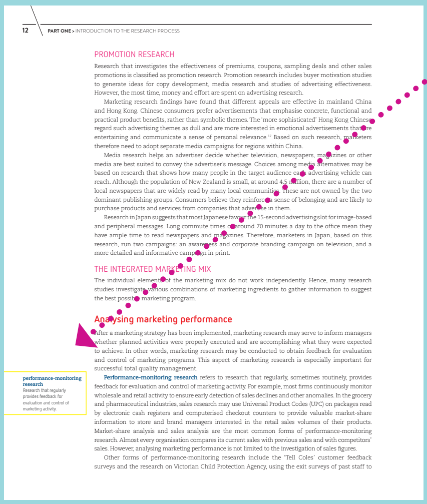
In 2014 the winner for Policy/Social Research went to Anne Redman, Mary Raftos, Helen Price and Nick Connelly, of the Cultural and Indigenous Research Centre Australia and Market Research Unit, Department of Health, for research entitled 'Listening to the community – research and evaluation for the National Indigenous Ear Health Campaign'. This research aimed to address the higher incidence of hearing loss among Aboriginal and/or Torres Strait Islander people(s). The research used both qualitative and quantitative approaches. The qualitative component included group discussions with Aboriginal and Torres Strait mothers and carers, fathers, and in-depth interviews with grandparents and elders in 14 urban, regional and remote areas. Such research was backed by a detailed literature review, case studies and consultations. The outcome of the research led to a two-pronged communications strategy which focused on distribution of Care for Kids' Ears resources including resources for parents and carers' resource kits for teachers and teacher's aides' early childhood and community groups and health professionals and the Care for Kids' Ears website. The second approach was a cross-cultural media partnership, which delivered social marketing initiatives that were developed locally by Indigenous people.

As can be seen, market research uses a wide set of approaches (surveys, focus groups, and online and offline research) that can help organisations to better meet important outcomes (profits, better mental health, less hearing loss and more effective advertising and communications) and even help save people's lives. This is an exciting and dynamic field of business. This chapter examines the nature of market research and how it can be used, and introduces a step-by-step process of conducting research that can be applied for any type of organisation or client.

4 PART ONE > INTRODUCTION TO THE RESEARCH PROCESS

Prepare for what the chapter will cover through the **chapter vignette**.

FEATURES WITHIN CHAPTERS



12 PART ONE > INTRODUCTION TO THE RESEARCH PROCESS

PROMOTION RESEARCH

Research that investigates the effectiveness of premiums, coupons, sampling deals and other sales promotions is classified as promotion research. Promotion research includes buyer motivation studies to generate ideas for copy development, media research and studies of advertising effectiveness. However, the most time, money and effort are spent on advertising research.

Marketing research findings have found that different appeals are effective in mainland China and Hong Kong. Chinese consumers prefer advertisements that emphasise concrete, functional and practical product benefits, rather than symbolic themes. The 'more sophisticated' Hong Kong Chinese regard such advertising themes as dull and are more interested in emotional advertisements that are entertaining and communicate a sense of personal relevance.[17] Based on such research, marketers therefore need to adopt separate media campaigns for regions within China.

Media research helps an advertiser decide whether television, newspapers, magazines or other media are best suited to convey the advertiser's message. Choices among media alternatives may be based on research that shows how many people in the target audience each advertising vehicle can reach. Although the population of New Zealand is small, at around 4.5 million, there are a number of local newspapers that are widely read by many local communities. These are not owned by the two dominant publishing groups. Consumers believe they reinforce a sense of belonging and are likely to purchase products and services from companies that advertise in them.

Research in Japan suggests that most Japanese favour the 15-second advertising slot for image-based and peripheral messages. Long commute times of around 70 minutes a day to the office mean they have ample time to read newspapers and magazines. Therefore, marketers in Japan, based on this research, run two campaigns: an awareness and corporate branding campaign on television, and a more detailed and informative campaign in print.

THE INTEGRATED MARKETING MIX

The individual elements of the marketing mix do not work independently. Hence, many research studies investigate various combinations of marketing ingredients to gather information to suggest the best possible marketing program.

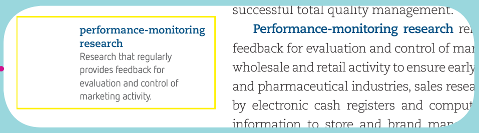
Analysing marketing performance

After a marketing strategy has been implemented, marketing research may serve to inform managers whether planned activities were properly executed and are accomplishing what they were expected to achieve. In other words, marketing research may be conducted to obtain feedback for evaluation and control of marketing programs. This aspect of marketing research is especially important for successful total quality management.

performance-monitoring research
Research that regularly provides feedback for evaluation and control of marketing activity.

Performance-monitoring research refers to research that regularly, sometimes routinely, provides feedback for evaluation and control of marketing activity. For example, most firms continuously monitor wholesale and retail activity to ensure early detection of sales declines and other anomalies. In the grocery and pharmaceutical industries, sales research may use Universal Product Codes (UPC) on packages read by electronic cash registers and computerised checkout counters to provide valuable market-share information to store and brand managers interested in the retail sales volumes of their products. Market-share analysis and sales analysis are the most common forms of performance-monitoring research. Almost every organisation compares its current sales with previous sales and with competitors' sales. However, analysing marketing performance is not limited to the investigation of sales figures.

Other forms of performance-monitoring research include the 'Tell Coles' customer feedback surveys and the research on Victorian Child Protection Agency, using the exit surveys of past staff to



performance-monitoring research
Research that regularly provides feedback for evaluation and control of marketing activity.

successful total quality management.

Definitions of important key terms are located in the margin for quick reference.

SURVEY THIS!

qualtrics.com

Explore questioning techniques and test the effectiveness of market surveys using **Qualtrics** and the **Survey this!** questions. Qualtrics provides a robust platform to design surveys, and distribute and evaluate survey results

REAL WORLD SNAPSHOT

Analyse practical examples of how chapter concepts are applied in a business context through the **Real world snapshot** boxes.

EXPLORING RESEARCH ETHICS

Explore the real world ethical issues that can affect the marketing research process with the **Exploring research ethics** boxes.

TIPS OF THE TRADE

Get helpful, practical hints on how to conduct market research successfully with the **Tips of the trade** feature.

WHAT WENT WRONG?

WHAT WENT RIGHT?

Learn about the successes and failures of various marketing research strategies in the real business environment with the **What went right?** and **What went wrong?** boxes.

ICONS

The **Ongoing project icon** highlights the key concepts relevant to the Ongoing project found at the end of each chapter.

ONGOING PROJECT ▶

CHAPTER 03 > QUALITATIVE RESEARCH 73

themselves. Ideally, the discussion topics emerge at the group's initiative. Focus groups allow people to discuss their true feelings, anxieties and frustrations, as well as the depth of their convictions, in their own words. The primary advantages of focus group interviews are that they are relatively fast, easy to execute and inexpensive. In an emergency situation, three or four group sessions can be conducted, analysed and reported in less than a week at a cost substantially lower than that of other attitude-measurement techniques. Remember, however, that a small group of people will not be a representative sample no matter how carefully they are recruited. Focus group interviews cannot take the place of quantitative studies.

Search Me! focus group ◀

◀ ONGOING PROJECT

The flexibility of focus group interviews has some advantages, especially when compared with the rigid format of a survey. Numerous topics can be discussed and many insights can be gained, particularly with regard to the variations in consumer behaviour in different situations. Responses that would be unlikely to emerge in a survey often come out in group interviews: '*If* it is one of the three brands I sometimes use and *if* it is on sale, I buy it; otherwise, I buy my regular brand' or '*If* the day is hot and I have to serve the whole neighbourhood, I make cordial; otherwise, I give them Pepsi or Coke.'

If a researcher is investigating a target group to determine who consumes a particular beverage or why a consumer purchases a certain brand, situational factors must be taken into account. If the researcher does not realise the impact of the occasion on which the particular beverage is consumed, the results of the research may be general rather than portraying the consumer's actual thought process.

Focus groups often are used for concept screening and concept refinement. The concept may be continually modified, refined and retested until management believes it is acceptable. Political parties in Australia, for example, formulate, test and refine policies based on focus group research. This is discussed in the 'Exploring research ethics' box.

EXPLORING RESEARCH ETHICS

FOCUS GROUPS: THE DEATH OF POLITICAL LEADERSHIP IN AUSTRALIA?[21]

All political parties in Australia use focus group research to monitor the mood of the voters. The research is paid for by Australian taxpayers. Commenting on their widespread use a leading marketing academic Professor Pascale Quester, former Executive Dean of the Faculty of Professions at the University of Adelaide, noted: 'The use of focus groups in politics is actually the death of the conviction politician.'

Professor Quester has studied focus groups and conducted them as well. In pure marketing terms she thinks they can be useful in the early development of a product to find out its strengths and weaknesses. But politicians should avoid them. Nevertheless focus group are widely used to canvass policy changes and to examine the political mood of voters in marginal seats. The danger is the small numbers may not reflect overall community sentiment and politicians may become extremely short term and reactive in their thinking.

The specific advantages of focus group interviews have been categorised as follows:[22]

→ *Synergy*: The combined effort of the group will produce a wider range of information, insights and ideas than the accumulation of separately secured responses from a number of individuals.

→ *Snowballing*: A bandwagon effect often operates in a group interview situation. A comment by one individual often triggers a chain of responses from the other participants. Brainstorming of ideas frequently is encouraged in focus group sessions.

→ *Serendipity*: It is more likely that an idea will drop out of the blue in a focus group than in an individual interview. The group also affords a greater opportunity to develop an idea to its full potential.

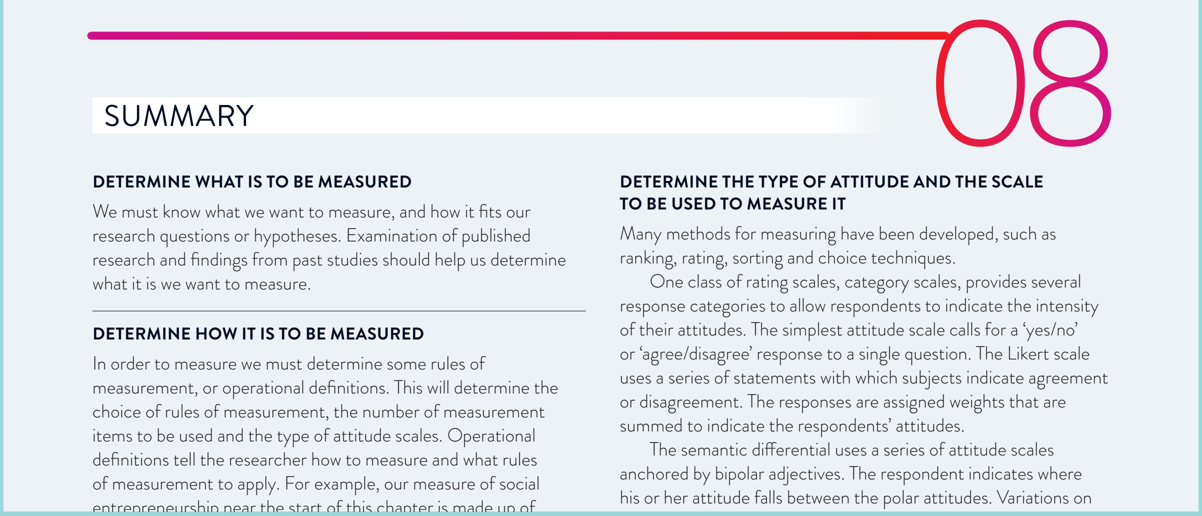
Discover current research articles by accessing the **Search me! marketing database** and searching the suggested key terms in each chapter.

Search Me!

END-OF-CHAPTER FEATURES

At the end of each chapter you will find several tools to help you to review, practise and extend your knowledge of the key learning objectives.

Review your understanding of the key chapter topics with the **Summary.**



08

SUMMARY

DETERMINE WHAT IS TO BE MEASURED

We must know what we want to measure, and how it fits our research questions or hypotheses. Examination of published research and findings from past studies should help us determine what it is we want to measure.

DETERMINE HOW IT IS TO BE MEASURED

In order to measure we must determine some rules of measurement, or operational definitions. This will determine the choice of rules of measurement, the number of measurement items to be used and the type of attitude scales. Operational definitions tell the researcher how to measure and what rules of measurement to apply. For example, our measure of social entrepreneurship near the start of this chapter is made up of

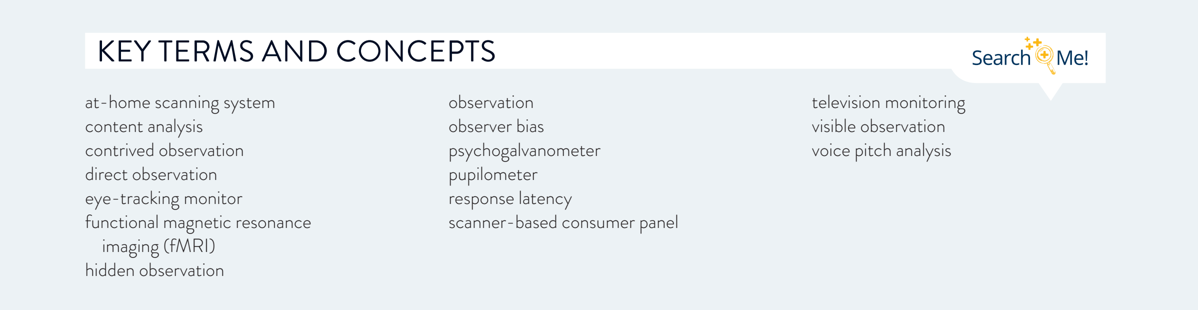
DETERMINE THE TYPE OF ATTITUDE AND THE SCALE TO BE USED TO MEASURE IT

Many methods for measuring have been developed, such as ranking, rating, sorting and choice techniques.

One class of rating scales, category scales, provides several response categories to allow respondents to indicate the intensity of their attitudes. The simplest attitude scale calls for a 'yes/no' or 'agree/disagree' response to a single question. The Likert scale uses a series of statements with which subjects indicate agreement or disagreement. The responses are assigned weights that are summed to indicate the respondents' attitudes.

The semantic differential uses a series of attitude scales anchored by bipolar adjectives. The respondent indicates where his or her attitude falls between the polar attitudes. Variations on

Expand your knowledge by using the **Key terms and concepts** to conduct further research on the **Search me! marketing** database.

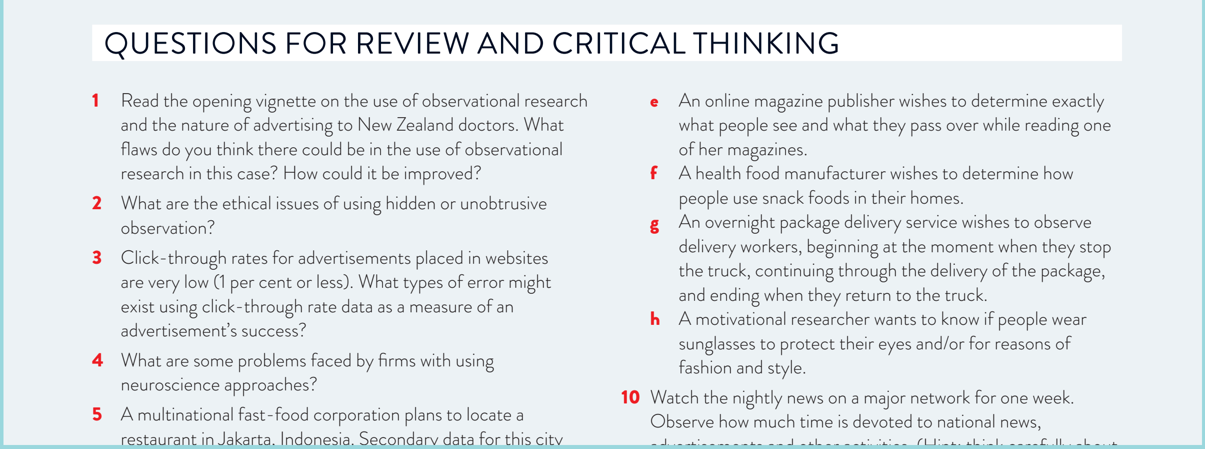


KEY TERMS AND CONCEPTS

Search Me!

at-home scanning system
content analysis
contrived observation
direct observation
eye-tracking monitor
functional magnetic resonance imaging (fMRI)
hidden observation
observation
observer bias
psychogalvanometer
pupilometer
response latency
scanner-based consumer panel
television monitoring
visible observation
voice pitch analysis

Test your knowledge and consolidate your learning through the **Questions for review and critical thinking.**



QUESTIONS FOR REVIEW AND CRITICAL THINKING

1 Read the opening vignette on the use of observational research and the nature of advertising to New Zealand doctors. What flaws do you think there could be in the use of observational research in this case? How could it be improved?

2 What are the ethical issues of using hidden or unobtrusive observation?

3 Click-through rates for advertisements placed in websites are very low (1 per cent or less). What types of error might exist using click-through rate data as a measure of an advertisement's success?

4 What are some problems faced by firms with using neuroscience approaches?

5 A multinational fast-food corporation plans to locate a restaurant in Jakarta, Indonesia. Secondary data for this city

e An online magazine publisher wishes to determine exactly what people see and what they pass over while reading one of her magazines.

f A health food manufacturer wishes to determine how people use snack foods in their homes.

g An overnight package delivery service wishes to observe delivery workers, beginning at the moment when they stop the truck, continuing through the delivery of the package, and ending when they return to the truck.

h A motivational researcher wants to know if people wear sunglasses to protect their eyes and/or for reasons of fashion and style.

10 Watch the nightly news on a major network for one week. Observe how much time is devoted to national news, advertisements and other activities. (Hint: think carefully about

Apply market research techniques holistically by completing the **Ongoing project**. The Ongoing project is a continuing activity that builds upon each step of the marketing process. **Refer to the Ongoing project icon** throughout the chapters to locate key concepts relevant to the project, and download the relevant worksheets from the **CourseMate Express** website.

ONGOING PROJECT

DOING AN OBSERVATIONAL STUDY? CONSULT THE CHAPTER 6 PROJECT WORKSHEET FOR HELP

Observation research is one of the most flexible research methods. The research problem needs to be considered before using it.

Download the Chapter 6 project worksheet from the CourseMate website. It outlines the steps to be considered in choosing an observational design method. Make sure you meet any ethical considerations discussed in this chapter.

CourseMate Express online study tools help you revise and extend your understanding of the key chapter concepts as you complete the activities on **CourseMate Express** and use the **Search me! marketing** database.

COURSEMATE ONLINE STUDY TOOLS

CourseMate

Flip to the start of your textbook and use the tear-out card to log in to CourseMate for *Marketing Research*. There you can test your understanding and revise chapter concepts with:

- ✓ interactive quizzes
- ✓ flashcards
- ✓ crosswords on key concepts
- ✓ online research activities
- ✓ online video activities.

Reinforce the topics covered in the chapter and apply the concepts you have learnt with the **Written case studies**, which illustrate recent, relevant applications of marketing research in practice.

WRITTEN CASE STUDY 6.1

THE PEPSI / COKE CHALLENGE AND NEUROSCIENCE[23]

Can marketers really trust customers to act on their intentions? Although they'd like to think so, marketing research suggests that our thinking processes often push us in one direction while our emotions tug us in another. It is claimed by researchers *Buyology*, is that our brains encode products with values. We experience a drink such as Coke not just through our senses but also through our emotional associations with the brand. We may expect that we will like – and want to buy – an

NEW

Analyse and follow the steps of the market research process from start to finish with the new **Ongoing case study** on mobile phones.

ONGOING CASE STUDY

MOBILE PHONE SWITCHING AND BILL SHOCK.

In the next stage of research, David, Leanne and Steve were asked to examine evidence for bill shock. David thought that the complexity of mobile phone bills may be contributing to this.

QUESTIONS

1 What are the advantages and disadvantages of David's use of observational research here?