

Exploratory Research & Beyond



Dr. Paurav Shukla

Session Objective

- § Primary versus Secondary Data
- § Primary Data: Qualitative versus Quantitative Research
- § Types of Exploratory Research

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A Comparison of Primary & Secondary Data

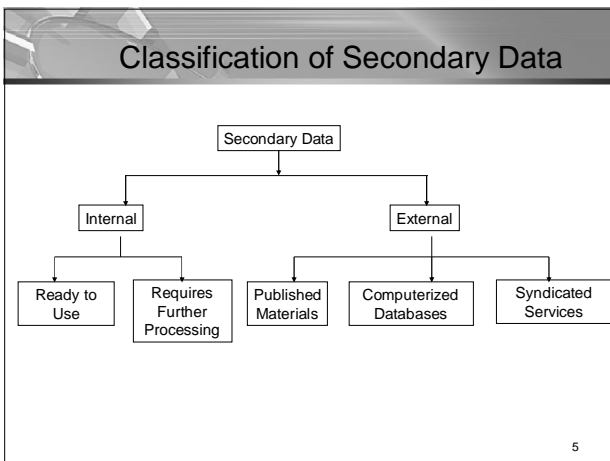
	Primary Data	Secondary Data
Collection purpose	For the problem at hand	For other problems
Collection process	Very involved	Rapid & easy
Collection cost	High	Relatively low
Collection time	Long	Short

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Criteria for Evaluating Secondary Data

Criteria	Issues	Remarks
Specifications & methodology	Data collection method, response rate, quality & analysis of data, sampling technique & size, questionnaire design, field work.	Data should be reliable, valid, & generalizable to the problem.
Error & Accuracy	Examine errors in approach, research design, sampling, data collection & analysis, & reporting.	Assess accuracy by comparing data from different sources.
Currency	Time lag between collection & publication, frequency of updates.	Census data are updated by syndicated firms.
Objective	Why were the data collected?	The objective determines the relevance of data.
Nature	Definition of key variables, units of measurement, categories used, relationships examined.	Reconfigure the data to increase their usefulness.
Dependability	Expertise, credibility, reputation, & trustworthiness of the source.	Data should be obtained from an original source.

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Type of Individual/Household Level Data Available from Syndicated Firms

- § Demographic Data
 - § Identification (name, address, telephone)
 - § Sex
 - § Marital status
 - § Names of family members
 - § Age (including ages of family members)
 - § Income
 - § Occupation
 - § Number of children present
 - § Home ownership
 - § Length of residence
 - § Number and make of cars owned

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Type of Individual/Household Level Data Available from Syndicated Firms

- § Psychographic Lifestyle Data
 - § Interest in golf
 - § Interest in snow skiing
 - § Interest in book reading
 - § Interest in running
 - § Interest in bicycling
 - § Interest in pets
 - § Interest in fishing
 - § Interest in electronics
 - § Interest in cable television

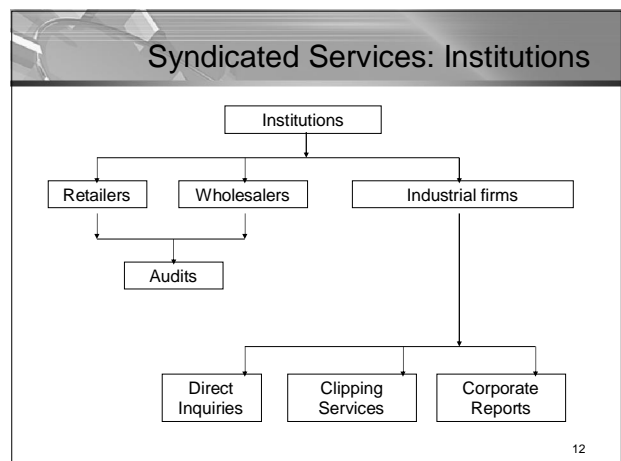
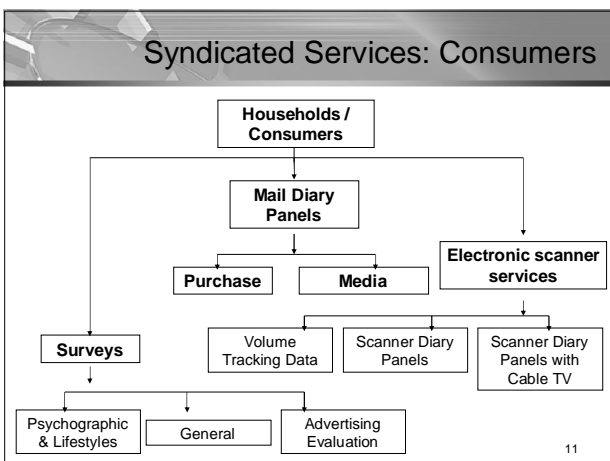
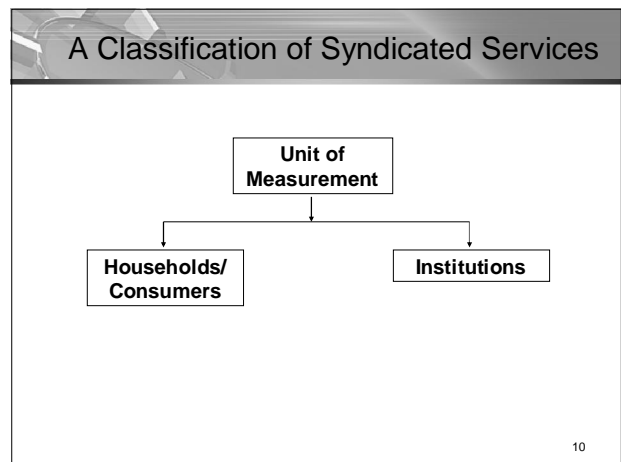
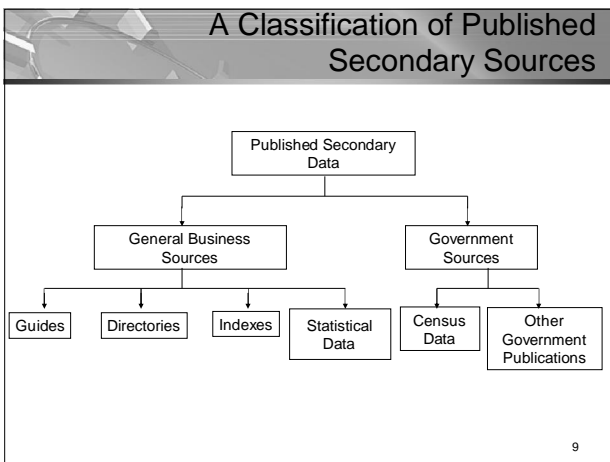
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MOSAIC group H: Stylish singles

- § Nearly 1.3 million households, representing 5.4% of all UK households
- § 2.8 million people in this group
- § Students and young professionals
- § First time openers of savings accounts and mortgage accounts
- § Like weekend breaks to European capital cities
- § Prefer The Guardian, The Independent, and The Observer
- § Television viewing is light: current affairs and late films preferred
- § Shop for the food at convenience stores late in the day
- § Convenience more important than price
- § Prefer the city to the outer suburbs
- § Enjoy living in diverse, cosmopolitan, multicultural environment
- § Big spenders on mobile phones, CDs, sports eqp. And PCs

Source: adopted from <http://www.uk.experian.com>

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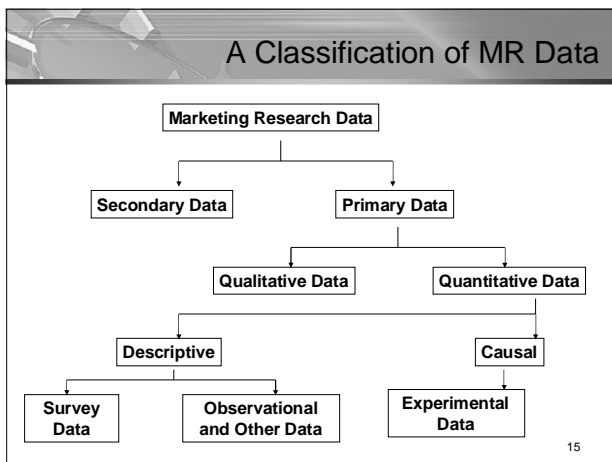
Overview of Syndicated Services

Type	Characteristics	Advantages	Disadvantages	Uses
Surveys	Surveys conducted at regular intervals	Most flexible way of obtaining data; information on underlying motives	Interviewer errors; respondent errors	Market segmentation, advertising theme selection and advertising effectiveness
Diary Purchase Panels	Households provide specific information regularly over an extended period of time; respondent asked to record specific behaviors as they occur	Recorded purchase behavior can be linked to the demographic / psychographic characteristics	Lack of representativeness; response bias; maturation	Forecasting sales, market share and trends; establishing consumer profiles; brand loyalty and switching; evaluating test markets, advertising, and distribution
Diary Media Panels	Electronic devices automatically recording behavior, supplemented by a diary	Same as diary purchase panel	Same as diary purchase panel	Establishing advertising rates; selecting media program or air time; establishing viewer profiles

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Type	Characteristics	Advantages	Disadvantages	Uses
Scanner Volume Tracking Data	Household purchases are recorded through electronic scanners in supermarkets	Data reflects actual purchases; timely data; less expensive	Data may not be representative; errors in recording purchases; difficult to link purchases to elements of marketing mix other than price	Price tracking, modeling, effectiveness of in-store promotions
Scanner Diary Panels with Cable TV	Scanner panels of households that subscribe to cable TV	Data reflect actual purchases; sample control; ability to link panel data to household characteristics	Data may not be representative; quality of data limited	Promotional mix analyses, copy testing, new product testing, positioning
Audit services	Verification of product movement by examining physical records or performing inventory analysis	Relatively precise information at the retail and wholesale levels	Coverage may be incomplete; matching of data on competitive activity may be difficult	Measurement of consumer sales and market share, competitive activity, analyzing distribution patterns; tracking of new products
Industrial Product Syndicated	Data banks on industrial establishments	Important source of information on industrial firms,	Data are lacking in terms of content, quantity, and quality	Determining market potential by geographic area, defining sales

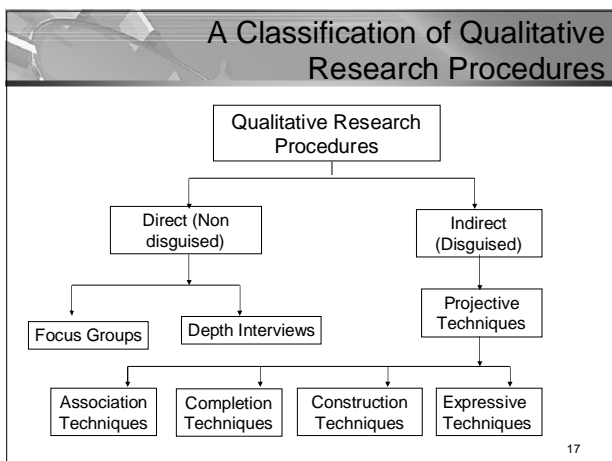
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Qualitative versus Quantitative Research

	Qualitative Research	Quantitative Research
Objective	To gain a qualitative understanding of the underlying reasons and motivations	To quantify the data and generalize the results from the sample to the population of interest
Sample	Small number of non-representative cases	Large number of representative cases
Data Collection	Unstructured	Structured
Data Analysis	Non-statistical	Statistical
Outcome	Develop an initial understanding	Recommend a final course of action

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Characteristics of Focus Groups

Group Size	8-12
Group Composition	Homogeneous, respondents, prescreened
Physical Setting	Relaxed, informal atmosphere
Time Duration	1-3 hours
Recording	Use of audiocassettes and videotapes
Moderator	Observational, interpersonal, and communication skills of the moderator

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Key Qualifications of Focus Group Moderators

1. Kindness with firmness
2. Permissiveness
3. Involvement
4. Incomplete understanding
5. Encouragement
6. Flexibility
7. Sensitivity

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Procedure for Planning and Conducting Focus Groups

- Determine the Objectives of the Marketing Research Project and Define the Problem
- ↓
- Specify the Objectives of Qualitative Research
- ↓
- State the Objectives/Questions to be Answered by Focus Groups
- ↓
- Write a Screening Questionnaire
- ↓
- Develop a Moderator's Outline
- ↓
- Conduct the Focus Group Interviews
- ↓
- Review Tapes and Analyze the Data
- ↓
- Summarize the Findings and Plan Follow-Up Research or Action

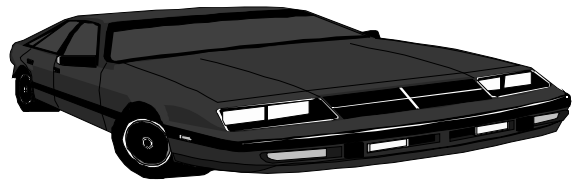
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Criteria	Focus Groups	Depth Interviews	Projective Techniques
1. Degree of Structure	Relatively high	Relatively medium	Relatively low
2. Probing of individual respondents	Low	High	Medium
3. Moderator bias	Relatively medium	Relatively high	Low to high
4. Interpretation bias	Relatively low	Relatively medium	Relatively high
5. Uncovering subconscious information	Low	Medium to high	High
6. Discovering innovative information	High	Medium	Low
7. Obtaining sensitive information	Low	Medium	High
8. Involve unusual behavior or questioning	No	To a limited extent	Yes
9. Overall usefulness	Highly useful	Useful	Somewhat useful

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Use of Focus Group at GM

Buick division of General Motors used focus groups and survey research to help develop the Regal two-door, six passenger coupe. Buick held 20 focus groups across the country to determine what features customers wanted in a car. The focus groups told GM they wanted a stylish car, legitimate back seat, at least 20 miles per gallon, and 0 to 60 miles per hour acceleration in 11 seconds or less.



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Based on these results, Buick engineers created clay models of the car and mock-ups of the interior. These were shown to another set of focus groups of target buyers. These respondents did not like the oversized bumpers and the severe slope of the hood, but liked the four-disc brakes and independent suspension.



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Focus groups also helped refine the advertising campaign for the Regal. Participants were asked which competing cars most resembled Buick in image and features. The answer was Oldsmobile, a sister GM division. In an effort to differentiate the two, Buick was repositioned above Oldsmobile by focusing on comfort and luxury features.

The tag line for the 1998 Regal, "official car of the Supercharged family," was based on focus group findings. This repositioning has greatly aided the sales of Buick Regal.

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