

Chapter 4: Exploratory Research Design: Secondary Data

External

Primary vs. Secondary Data

- **Primary Data:** Information that is developed or gathered by the researcher specifically for the research project at hand
- **Secondary Data:** Information that has previously been gathered by someone other than the researcher and/or for some other purpose than the research project at hand.

Uses of Secondary Data:

Secondary data has many uses in marketing research and sometimes the entire research project may depend on the use of secondary data.

- Applications include: economic-trend forecasting, corporate intelligence, international data, public opinion, and historical data.
- See: <http://www.secondarydata.com/>

More Details: Uses of Secondary Data:

- May provide enough information to resolve the problem being investigated
- Can be a source of new ideas that can be explored later
- Acts as a prerequisite to collecting primary data and can help in designing the primary data collection process.
- Helps to define the problem and formulate hypotheses about its solution
- Helps in defining the population / sample / parameters of primary research.
- Can serve as a reference base to compare validity of primary data.

Advantages of Secondary Data:

1. Clarify the problem
2. May provide a solution
3. May provide primary data research method alternatives.
4. May Alert the marketing researcher to potential problems or difficulties
5. May provide necessary background information and build creativity

Disadvantages & Limitations of Secondary Data:

1. Lack of Availability
2. Lack of Relevance
3. Inaccuracy:
 - a. Who gathered the data?
 - b. What was the purpose of the study?
 - c. What and when was the information collected?
 - d. How was the information collected?
 - e. Is the information consistent with other information?
4. Insufficiency

Criteria for Evaluating Data:

Criteria	Issues	Remarks
Specifications & Methodology	Data collection methods, response rate, quality & analysis of data, sampling techniques & size, questionnaire design, fieldwork.	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. Why was data collected?	Census data are updated by syndicated firms.
Objective	CHECK BOOK	CHECK BOOK
Nature	CHECK BOOK	CHECK BOOK
Dependability	CHECK BOOK	CHECK BOOK

Types & Classification of Secondary Data:

Secondary Data:

1. **Internal:** a) ready to use - b) Requires processing
2. **External:** a) Published - b) Commercial - c) Computerized databases & Internet.

Examples of Internal Secondary Data:

- Sales Invoice
- Salesperson's call report
- Credit Memos
- Warranty Cards

Examples of General Secondary Data:

- Directories
- Periodicals
- Financial Records

Government Secondary Data: Census Data, Other Government Publications

The Nature of Secondary Data:

Creating an Internal Database:

An internal database is a collection of related developed from data already within the organization.

The growing importance of internal Database Marketing:

- A large computerized file of customer and purchase patterns.

Internal Databases as collective memory banks

Internal Databases can be created from conversations

Classification of Secondary Data:

- Database marketing is the process of building, maintaining customer (internal) databases and other (internal) databases for the purpose of contacting, transacting, and building relationships.
 - CRM and Data Mining!
 - **Ethical Issue?** How much information should companies have about consumers?
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Internal Sources of Secondary Data:

Internal Records:

- Accounting Data
 - Sales Reports
 - Inventory Management
 - Customer Database
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Creating Databases from a Website –A Marketer's Dream

- Using Cookies

Data Mining: The use of statistical and other advanced software to discover non-obvious patterns hidden in a database.

Potential Uses of Data Mining in Marketing:

- Customer acquisition
 - Customer retention
 - Customer abandonment
 - Market Basket Analysis
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Computerized Databases:

- **Online**
- **Internet**
- **Offline**

Examples:

- **Bibliographic Databases:** Contains citations to articles
 - **Numeric Databases:** Contain numerical and statistical information
 - **Full-Text Databases:** Contains complete text of the source documents comprising the database
 - **Directory Databases:** provide information on individuals, organizations, and services.
 - **Special-Purpose Databases:** provide specialized information
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Syndicated Services:

Are companies that collect and sell common pools of data of known commercial value designed to serve a number of clients.

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
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
Media Panels	Electronic devices automatically recording behavior, supplemented by a diary	Same as purchase panel	Same as purchase panel	Establishing advertising rates; selecting media program or air time; establishing viewer profiles

Single-Source Data:

Single-source data provide integrated information on household variables, including media consumption and purchases, and marketing variables, such as product sales, price, advertising, promotion, and in-store marketing effort.

- Recruit a test panel of households and meter each home's TV sets.
- Survey households periodically on what they read.
- Grocery purchases are tracked by UPC scanners.
- Track retail data, such as sales, advertising, and promotion.

International Secondary Data:

- **Domestic Organization:** Government or Non-Government Sources
- **International Organizations in Domestic Markets**
- **Organizations in Foreign Countries:** Foreign Government, International Orgs, Trade Associations.

Chapter Five: Exploratory Research Design: Qualitative Research

Categories of Research:

- **Quantitative Research:** Research involving the use of structured questions in which response options have been predetermined and a large number of respondents involved.
- **Qualitative Research:** Research involving collecting, analyzing, and interpreting data by observing what few people do and say.

Qualitative Vs. Quantitative Research: (Check Table in Book)

Pluralistic Research: Combination of both quantitative and qualitative research methods in order to gain the advantages of both.

Pluralistic Research is used when:

- Even though there is enough information about the problem, we may still be forced to conduct a qualitative research to gain additional information.

Classification of Qualitative Research Procedures:

1- Direct (Non-Disguised)

- a. Depth Interviews
- b. Focus Groups

2- Indirect (Disguised)

- a. Projective Techniques
 - i. Expressive
 - ii. Construction
 - iii. Completion
 - iv. Association

- **Direct Approach:** is one type of qualitative research in which the purposes of the project are disclosed to the respondent or are clear and understandable, given the nature of the interview.
- **Indirect Approach:** is one type of qualitative research in which the purposes of the project are designed from the respondents.

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- **Focus Groups:** are small groups of people brought together and guided by a moderator through and unstructured, spontaneous discussion for the purpose of gaining information relevant to the research problem.

The Moderator Task in Focus Groups:

- The moderator's task is to ensure that open discussions is "focused" on some area of interest.
- Focus groups are used to generate ideas, to learn the respondents "vocabulary", and to gain some insights into basic needs and attitudes.

Q) When to use Focus Groups?

A) When the organization needs to gain information and seek solutions from unstructured and spontaneous issues.

Characteristics of Focus Groups:

- **Size:** 8-12 People
 - **Composition:** Homogeneous, Respondents, Prescreened
 - **Physical Settings:** Relaxed, Informal Atmosphere
 - **Duration:** 1-3 Hours
 - **Recording:** Use of audiocassettes and videotapes
 - **Moderator:** Observational, Interpersonal, and communication skills of the moderator.
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Key Qualification of Focus Groups Moderators:

1. Kindness with Firmness
 2. Permissiveness.
 3. Involvement
 4. Incomplete Understanding
 5. Encouragement
 6. Flexibility
 7. Sensitivity
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Procedures for Planning and Conducting Focus Groups:

1. Determine the objectives and define the problem
 2. Specify the objectives of the qualitative research
 3. State the objectives/questions to be answered by Focus Groups
 4. Write a screening questionnaire
 5. Develop a Moderator's Outline
 6. Conduct the Focus Group Interviews
 7. Review Tapes and Analyze the Data
 8. Summarize the findings and plan follow-up research or action.
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Variations in Focus Groups:

- **Two-Way Focus Group:** This allows one target group to listen to and learn from a related group. For example, a focus group of physicians viewed a focus group of arthritis patients discussing the treatment they desired.
- **Dual-Moderator Group:** A focus group conducted by two moderators: One moderator is responsible for the smooth flow of the session, and the other ensures that specific issues are discussed.
- **Dueling-Moderator Group:** There are two moderators, but they deliberately take opposite positions on the issues to be discussed.
- **Respondent-Moderator Group:** The moderator asks selected participants to play the role of moderator temporarily to improve group dynamics
- **Client-Participant Groups:** Client personnel are identified and made part of the discussion group.
- **Mini Groups:** These groups consist of one moderator and only 4 or 5 Respondents.
- **Tele-Session Groups:** Focus group sessions by phone using the conference call technique.
- **Online Focus Groups:** Focus groups conducted online over the internet

Advantages of Focus Groups:

1. Synergism
2. Snowballing
3. Stimulation
4. Security
5. Spontaneity & Impulsiveness
6. Fate of Outcome
7. Specialization
8. Scientific Inspection
9. Structure & Arrangement
10. Speed

Disadvantages of Focus Groups:

1. **Misuse:** It maybe used wrongly.
2. **Misjudge:** Its result or the group response sometimes are miscalculated
3. **Moderation:** It maybe under moderator's control
4. **Messy:** Uncertain questions-answers well led to confusion.
5. **Misrepresentation: Distortion:** Answers can not be generalized.

(Focus Groups should be used when the research objective is to DESCRIBE)

Online Vs. Traditional Focus Groups:

- **Size:**
(Online 4-6) (Traditional 8-12)
- **Composition:**
(Online: Anywhere in the world) (Traditional: From Local Area)
- **Time Duration:**
(Online: 1-1.5 Hours) (Traditional 1-3 Hours)
- **Physical Setting:**
(Online: Researcher has little control) (Traditional: Under the control of the researcher)
- **Respondent Identity:**
(Online: Difficult to verify)(Traditional: Easy to verify)
- **Respondent attentiveness:**
(Online: Respondents can engage in other tasks) (Traditional: Attentiveness can be monitored)

(CHECK BOOK FOR THE REST)

Lookup: Advantages and Disadvantages of Online Focus Group

Depth Interview Techniques: Laddering

In **Laddering and Ranking**, the line of questioning proceeds from **product characteristics** to **user characteristics**. This technique allows the researcher to tap into the consumer's network of meanings.

(Product Characteristics) Wide Body Aircrafts → I can get more work done → I accomplish more → I feel good about myself (**User Characteristic**)

Advertising Theme: You will feel good about yourself when flying our airline. "You're The Boss."

Depth Interview Techniques: Hidden Issue Questioning

In **Hidden issue questioning**, the focus is not socially shared values but rather on personal "sore spots;" not on general lifestyles but on deeply felt personal concerns.

Fantasies, Work Lives, and Social Lives → Historic, Elite, "masculine-camaraderie," competitive activities

Advertising Theme: Communicate aggressiveness, high status, and competitive heritage of the Airline.

Depth Interview Techniques: Symbolic Analysis

Symbolic Analysis attempts to analyze the symbolic meaning of objects by comparing them with their opposites.

The logical opposites of a product that are investigated are: non-usage of the product attributes of an imaginary "non-product," and opposite types of products.

"What would it be like if you could no longer use Airplanes?"

"Without airplanes, I would have to rely on E-Mails, letters, and other means of communication"

Focus Groups vs. Depth Interviews

- **Group Synergy and Dynamics:** (Focus Groups: +) (Depth Interview: -)
- **Peer Pressure/Group Influence:** (Focus Groups: -) (Depth Interview: +)
- **Client Involvement:** (Focus Groups: +) (Depth Interview: -)
- **Generation of Innovative Ideas:** (Focus Groups: +) (Depth Interview: -)
- **Interviewing Competitors:** (Focus Groups: -) (Depth Interview: +)
- **Interviewing Professional Respondents:** (Focus Group: -) (Depth Interview: +)
- **Amount of Information:** (Focus Group: +) (Depth Interview: -)
- **Cost per respondent:** (Focus Group: +) (Depth Interview: -)
- **Time:** (Focus Group: +) (Depth Interview: -)
- **CHECK BOOK FOR REST (TABLE 5.4)**

Definition of Projective Techniques:

- An Unstructured, **Indirect form of questioning that encourages respondents to project their underlying** motivations, beliefs, attitudes or feelings regarding the **issues of concern.**
 - In projective techniques, **respondents are asked to interpret the behavior of others.**
 - In interpreting the behavior of others, respondents **indirectly project their own motivations, beliefs, attitudes, or feelings into the situation.**
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Word Association:

- In word association, respondents are presented with **a list of words, one at a time, and asked to respond to each with the first that comes to mind.**
 - The words of interest, **called test words**, are interspersed throughout the list which also contains some neutral, or filler words to disguise the purpose of the study. Responses are analyzed by calculating:
 - (1) The frequency with which any word is given as a response;
 - (2) The amount of time that elapses before a response is given; and
 - (3) The number of respondents who do not respond at all to a test word within a reasonable period of time.
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Completion Techniques: In **sentence completion**, respondents are given incomplete sentence and asked to complete them. Generally, they are asked to use the first word or phrase that comes to mind.

A person who shops at Sears is _____

A person who receives a gift certificate good for Sak's Fifth Avenue would be _____

J.C. Penny is most liked by _____

Completion Techniques: In **story completion**, respondents are given of a story – enough to direct attention to a particular topic but not to hint at the ending.

They are required to give the conclusion in their own words.

Construction Techniques:

- With a **picture response**, the respondents are asked to describe series of pictures of ordinary as well as unusual events. The respondent's interpretation of the pictures gives indications of that individual's personality.
 - In **Cartoon tests**, cartoon characters are shown in a specific situation related to the problem. The respondents are asked to indicate what one cartoon character might say in response to the comments of another character. Cartoon tests are simpler to administer and analyze than picture response techniques.
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Expressive Techniques:

- In **expressive techniques**, respondents are presented with a verbal or visual situation and asked to relate the feelings and attitudes of other people to the situation.
 - **Role Playing.** Respondents are asked to play the role or assume the behavior of someone else.
 - **Third-Person Technique.** The respondent is presented with a verbal or visual situation and the respondent is asked to relate the beliefs and attitudes of a third person rather than directly expressing personal beliefs and attitudes. "This third person may be a friend, neighbor, colleague, etc....."
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Advantages of Projective Techniques:

- They may obtain responses that subjects would be unwilling or unable to give if they knew the purpose of the study.
 - Helpful when the issues to be addressed are personal, sensitive, or subject to strong social norms.
 - Helpful when underlying motivations, beliefs, and attitudes are operating at a subconscious level.
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Disadvantages of Projective Techniques:

- Suffer from many of the disadvantages of unstructured direct techniques, but to a greater extent.
 - Require highly-trained interviewers.
 - Skilled interpreters are also required to analyze the responses.
 - There is a serious risk of interpretation bias.
 - They tend to be expensive.
 - May require respondents to engage in unusual behavior.
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Guidelines for Using Projective Techniques:

- Projective techniques should be used because the required information cannot be accurately obtained by direct methods.
 - Projective techniques should be used for exploratory research to gain initial insights and understanding.
 - Given their complexity, projective techniques should not be used naively.
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Comparison of focus groups, depth interviews, and projective techniques:

CHECK BOOK FOR TABLE (IMPORTANT)

Analysis of Qualitative Data:

1. Data reduction:
 2. Data Display:
 3. Conclusion drawing and verification:
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Ethical Issues:

- Ethical issues related to the respondents and the general publics are of primary concern.
 - Disguise can violate the respondents' right to know and result in psychological harm.
 - The use of qualitative research results for questionable purposes raises ethical concerns.
 - Deceptive procedures that violate respondents' right to privacy and informed consent should be avoided.
 - Video or audio-taping the respondents without their prior knowledge or consent raises ethical concerns
 - The comfort level of the respondents should be addressed.
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Chapter 6: Descriptive Research Design: Survey and Observation

Surveys:

- A survey involves interviews with a large number of respondents using a predesigned questionnaire.
- Four Basic Survey methods:
 - Person-Administered Surveys
 - Computer-Assisted Surveys
 - Self-Administered Surveys
 - Mixed-Mode (hybrid) Surveys

Questionnaire Types:

- **Structured Data Collection:** Use of a formal questionnaire that presents open answering questions in a prearranged order. (Open Answers)
- **Fixed- alternative questions:** A questions that require respondents to choose from a set of predetermined answers. (Closed- Multiple Choices)
- **Mixed Model:** is a design of open-closed answer.

Survey Methods:

Traditional Telephone Interviews: Involves phoning of respondents and asking them some predesigned questions.

- The Interviewer in traditional interview uses tools like papers, pen, pencils... to take notes and recording the required answers.

Computer – Assisted Telephone Interviews: Uses computerized questionnaire administered respondents. The Interviewer uses technological tools to take notes.

Advantages:

- 1- The computer systematically guides the interview, it saves time, efforts, costs, make the process smoothly, and reducing errors.
 - 2- May be there is no need to translate the answers in numerical meaning because the computer does encoding records directly.
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Personal Methods for Surveys:

- **Personal-In Home Interview:** Respondents are interviewed in their home directly in real time face to face.
 - The process implicates time, efforts, high costs.
 - **Mall-Intercept Personal Interview:** Respondents are intercepted while they are shopping, which may be an effective way to avoid the disadvantages above mentioned.
 - **Computer – Assisted Personal Interviewing:** Respondent may be asked to sit in front of the PC to answer the questionnaire in the mall.
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Mail Methods

- **Traditional Mail Interviews:** Used when questionnaires are mailed to potential respondents, where there is no verbal interaction between the researcher & the respondent.
 - The mail interview package consists of the outgoing envelope, cover letter, the questionnaire, return envelope, and possibly some incentives.
- **Mail Panel:** Consist of a large nationally representative sample of households who have agreed to periodically participate in mail questionnaires, product tests, and telephone surveys.

(Mail Panel can be used to obtain information from the same respondents repeatedly.)

Electronic Methods: To Conduct an E-Mail survey.

This way has several limitations:

- Lack of control
- Some E-Mails software limit the length of the body of the message.
- Rapid Changes in the potential respondents E-Mail Addresses.
- The Non Interest in the Subject from respondents' side to answer the questionnaire may make them to delete the message.

Internet Interview: The interview may be conducted by these ways:

- As hyper text markup language of (HTML) in the website.
- Using video conference, or VOIP, or some IRC Software.

Criteria for Evaluating Survey Methods:

Task Factors:

1. Diversity of Questions and Flexibility of Data Collection:

- The flexibility of data collection is determined primarily by the extent to which the respondent can interact with the interviewer and the survey questionnaire.
- The Diversity of questions that can be asked in a survey depends upon the degree of interaction the respondents has with the interviewer and the questionnaire, as well as he ability to actually see the questions.

2. Use of Physical Stimuli:

- The ability to use physical stimuli such as the product, a product prototype, commercials, or promotional displays during the interview.

3. Sample Control: Sample control is the ability of the survey mode to reach the units specified in the sample effectively and efficiently.

4. Quantity of Data: The ability to collect large amounts of data.

5. Response Rate: Survey response rate is broadly defined as the percentage of the total attempted interviews that are completed.

Situational Factors:

1. Control of the Data Collection Environment: The degree of control a researcher has over the environment.

2. Control of Field Force:

3. Potential for the Interviewer Bias

4. Speed

5. Cost

Respondent Factors:

1. Perceived Anonymity

2. Social Desirability / Sensitive Information

3. Low Incidence Rate

4. Respondent Control

(CHECK TABLE 6.2 in Book: A Comparative Evaluation of Survey Methods)