

28.24.9: Reading- The Market Research Process

The Market Research Process

Marketing research identifies opportunities, generates informed marketing actions, monitors marketing performance, and improves understanding of the marketing process.

There are three types of objectives that can be deployed in marketing research: exploratory research, descriptive research, and causal research.

Exploratory Research

- Used to better define a problem or scout opportunities.
- In-depth interviews and discussions groups are commonly used.

Descriptive Research

- Used to assess a situation in the marketplace (i.e., potential for a specific product or consumer attitudes).
- Methods include personal interviews and surveys.

Causal Research

- Used for testing cause-and-effect relationships, typically through estimation.

The Marketing Research Process

The marketing research process involves the following six steps:

1. Problem definition
2. Development of an approach to the problem
3. Research design formulation
4. Data collection
5. Data preparation and analysis
6. Report preparation and presentation

Step 1: Problem Definition

The first step in any marketing research study is to define the problem, while taking into account the purpose of the study, the relevant background information, what information is needed, and how it will be used in decision making. This stage involves discussion with the decision makers, interviews with industry experts, analysis of secondary data, and, perhaps, some qualitative research, such as focus groups.

Step 2: Development of an Approach to the Problem

Step two includes formulating an objective or theoretical framework, analytical models, research questions, hypotheses, and identifying characteristics or factors that can influence the research design. This process is guided by discussions with management and industry experts, case studies and simulations, analysis of secondary data, qualitative research, and pragmatic considerations.

 Four workers standing around schedules on the wall. They appear to be planning and discussing with one another.

Step 3: Research Design Formulation

A research design is a framework or blueprint for conducting the marketing research project. It details the procedures necessary for obtaining the required information, and its purpose is to design a study that will test the hypotheses of interest, determine possible answers to the research questions, and provide the information needed for decision making. Decisions are also made regarding what data should be obtained from the respondents (e.g., by conducting a survey or an experiment). A questionnaire and sampling plan also are designed in order to select the most appropriate respondents for the study. The following steps are involved in formulating a research design:

- Secondary data analysis (based on secondary research)
- Qualitative research
- Methods of collecting quantitative data (survey, observation, and experimentation)
- Definition of the information needed

- Measurement and scaling procedures
- Questionnaire design
- Sampling process and sample size
- Plan of data analysis

 Two students in a library looking at a book together.

The research plan outlines sources of existing data and spells out the specific research approaches, contact methods, sampling plans, and instruments that researchers will use to gather data. This plan includes a written proposal that outlines the management problem, research objectives, information required, how the results will help management decisions, and the budget allocated for the research.

Step 4: Data Collection

Data collection is a crucial step in the research process because it provides the basis for decisions that will influence the marketing strategy.

Fieldwork, or data collection, involves a field force or staff that operates either in the field, as in the case of personal interviewing (focus group, in-home, mall intercept, or computer-assisted personal interviewing), from an office by telephone (telephone or computer-assisted telephone interviewing/CATI), or through mail (traditional mail and mail panel surveys with pre-recruited households). Proper selection, training, supervision, and evaluation of the field force helps minimize data-collection errors.

An example of data collection is when a consumer goods company hires a market research company to conduct in-home ethnographies and in-store shop-alongs.

Systematic planning is required at all stages of the marketing research process, especially in the data collection step. The procedures followed at each stage are methodologically sound, well documented, and, as much as possible, planned in advance.

Marketing research aims to provide accurate information that reflects a true state of affairs; therefore it's important for research to be conducted as impartially as possible. While it is impossible to eliminate bias entirely, the researcher should make every effort to keep personal and political views out of the data collection process.

Primary vs. Secondary Research

There are many sources of information a marketer can use when collecting data. The Nielson Ratings is an audience measurement system that provides data on audience size and the composition of television markets in the United States. The Gallup Polls conduct public opinion polls with its results published daily in the form of data driven news. The U.S. Census Bureau, directed by the U.S. Government, is the principal agency responsible for producing data about American people and the economy. Population, housing, and demographic characteristics are gathered to help plan and define transportation systems, police and fire precincts, election districts, and schools.

Step 5: Data Preparation and Analysis

Data Analysis is an important step in the Marketing Research process where data is organized, reviewed, verified, and interpreted.

During this phase of the research process, data is carefully edited, coded, transcribed, and verified in order for it to be properly analyzed. Statistical market research tools are used. The validity of the results is also assessed to confirm how well the data measures what it is supposed to measure. Oftentimes, the research team will arrange a debriefing session with the client to review highlights from the data and brainstorm potential ideas on how the findings can be implemented. This typically happens when a client hires a market research company and they want to remain thoroughly involved in the research process.

Analysis of data is a process of inspecting, cleaning, transforming, and modeling data with the goal of highlighting useful information, suggesting conclusions, and supporting decision making. Data analysis has multiple facets and approaches, encompassing diverse techniques under a variety of names in different business, science, and social science domains. Data mining is a particular data analysis technique that focuses on modeling and knowledge discovery for predictive rather than purely descriptive purposes. Marketers use databases to extract applicable information that identifies customer patterns, characteristics and behaviors.

Business intelligence covers data analysis that relies heavily on aggregation and focusing on business information. In statistical applications, some people divide data analysis into descriptive statistics, exploratory data analysis (EDA), and confirmatory data analysis (CDA). EDA focuses on discovering new features in the data and CDA focuses on confirming or falsifying existing

hypotheses. Predictive analytics focuses on application of statistical or structural models for predictive forecasting or classification. Text analytics applies statistical, linguistic, and structural techniques to extract and classify information from textual sources, a species of unstructured data. All are varieties of data analysis.

Step 6: Report Preparation and Presentation

During the Report Preparation & Presentation step, the entire project should be documented in a written report that addresses the specific research questions identified; describes the approach, the research design, data collection, and data analysis procedures adopted; and presents the results and the major findings. This permanent document is also helpful because it can be easily referenced by others who may not have been part of the research.

The findings should be presented in a comprehensible format so that they can be readily used in the decision making process. In addition, an oral presentation should be made to management using tables, figures, and graphs to enhance clarity and impact.

A successful presentation may include the following elements:

- Charts, graphs, and visual elements that help showcase important facts and make the presentation easily digestible and memorable
- Recommendations about how to apply the research
- Final conclusions (based on the insights gathered from data collected) that effectively meet the initial objectives of the research

A formal research report presentation typically includes the following:

- Table of Contents
- Executive Summary
- Background
- Research Objectives
- Research Methodology
- Highlights of Data Collected
- Findings/Insights
- Recommendations/Implications and Action Plan
- Appendix (including Respondent Screening Instrument and Questionnaire)

As you can tell, a great deal of thought and effort goes into determining opportunities and managing the marketing process both before and after the product, good or service ever reaches the consumer.

Contributors and Attributions

CC licensed content, Original

- Adaptation and revision. **Authored by:** Linda Williams and Lumen Learning. **Provided by:** Tidewater Community College. **License:** [CC BY-SA: Attribution-ShareAlike](#)

CC licensed content, Shared previously

- Market Research Process. **Authored by:** Boundless. **Located at:** www.boundless.com/marketing/textbooks/boundless-marketing-textbook/consumer-marketing-4/marketing-research-process-34/. **License:** [CC BY-SA: Attribution-ShareAlike](#)
- Image: scheduling. **Authored by:** DSP-user. **Located at:** http://en.Wikipedia.org/wiki/Planning#mediaviewer/File:Planboard_planning.jpg. **License:** [CC BY-SA: Attribution-ShareAlike](#)
- Image: students in library. **Provided by:** Vom Leiter der Landesbibliothek Oberu00f6sterreich zur Verwendung mit unten angefu00fchrter Lizenz. **Located at:** <https://commons.wikimedia.org/wiki/File:ASI02829.jpg>. **License:** [CC BY-SA: Attribution-ShareAlike](#)

28.24.9: Reading- The Market Research Process is shared under a [not declared](#) license and was authored, remixed, and/or curated by LibreTexts.