

## CHAPTER 2

### The Consumer Research Process

#### LEARNING OBJECTIVES

After studying this chapter students should be able to understand:

1. The importance of consumer research for firms and their brands, as well as consumers.
2. The steps in the consumer research process.
3. The importance of establishing specific research objectives as the first step in the design of a consumer research project.
4. The purposes and types of secondary consumer research that is available for making decisions or planning future consumer research.
5. Specific features and applications of different research methods to be carried out in consumer research studies.
6. Where data analysis and reporting of findings fit in the research process.
7. How each element of the consumer research process adds to the overall outcome of the research study.

#### CHAPTER SUMMARY

The field of consumer research developed in part as an extension of the applied field of marketing research and as part of the scholarly interests of academicians pursuing a more basic understanding of consumers. In both cases, the goals have been to enlarge the understanding of consumers. However, there are differences in motivation carrying out consumer research. Specifically, marketing practitioners have concentrated on the practical application of predicting how consumers will react in the marketplace, and to understand the reasons that drive consumers to make the purchase decisions they do. In contrast, academic consumer researchers tend to be more concerned with advancing the basic knowledge and principles that are associated with consumers' behaviors.

Consumer research can also be divided in terms of a qualitative or quantitative perspective. In this chapter we have considered both, because in reality there is a great amount of both qualitative and quantitative consumer research being conducted by both practitioners and academic consumer researchers.

This chapter was guided by the consumer research process (set out in Figure 2.2)—whether quantitative or qualitative in approach—it consisted of six steps: defining objectives, collecting secondary data, developing a research design, collecting primary data, analyzing the data, and preparing a report of the findings. The research objectives should be formulated jointly by the marketer and the person or company that will conduct the actual research. Findings from secondary data and exploratory research are used to refine the research objectives. The collection of secondary data includes both internal and external sources. Qualitative research design stressed the use of focus groups and depth interviews. A variety of different tools in preparing for qualitative research, including screener questionnaires and discussion guides, were described and illustrated. So were various specialized qualitative methodologies—most notably, metaphor analysis, in particular the Zaltman Metaphor Elicitation Techniques (ZMET), and the looking-in method, one of a series of methodologies

for obtaining valuable research from readily available online investigations. Alternatively, quantitative research designs consist of observation, experimentation, or surveys, and, for the most part, questionnaires (that often include attitude scales) are used to collect the data. Again, we illustrated the application of quantitative consumer studies. In particular, we considered the selection and design of the sample, and why it is crucial (since the type of sample used determines the degree to which the results of the study are representative of the population). Following the data collection, the results are analyzed and specific analytic techniques applied respectively to qualitative or quantitative data. Consumer researchers must also observe specific ethical guidelines to ensure the integrity of their studies and the privacy of respondents.

## **CHAPTER OUTLINE**

### **INTRODUCTION**

1. The preparation, use, and wide scale availability of large amounts of consumer research is a critical force in advancing the discipline of consumer behavior.
2. The discipline is dedicated to building a body of knowledge and understanding as to what makes consumer tick, and how marketers can better satisfy consumers' needs and wants.
3. Consumer carry-out many different kinds of consumer research projects such as depth interviews, focus groups, telephone surveys or mall intercepts.
4. Research is used to develop marketing messages or to establish which product features are most important to consumers.
5. This chapter is dedicated to setting out the methodological research issues for planning and carrying out consumer research studies.

### **IMPERATIVE TO CONDUCT CONSUMER RESEARCH**

1. The field of consumer research, in part, has developed as an extension of the field of marketing research.
2. It has been impacted y the academicians and research practitioners of psychology, sociology, and anthropology.
3. Studying consumer behavior enables marketers to predict or anticipate how marketers might meet consumer needs through products and messages.
4. There is in increasing challenge of knowing and satisfying needs as companies become more global.

### **AN OVERVIEW OF THE CONSUMER RESEARCH PROCESS**

1. This chapter examines the major steps in the consumer research process.
2. Explored will be:
  - a) Secondary information.
  - b) Primary research.
  - c) Qualitative research.
  - d) Quantitative research .
3. The discussion of the research process is organized into six steps:

- a) Defining the objectives of the research.
- b) Collecting and evaluating secondary data.
- c) Designing a primary research study.
- d) Collecting primary data.
- e) Analyzing the data.
- f) Preparing a report of the findings.

## **DEVELOPING RESEARCH OBJECTIVES**

1. The first and most difficult step in the consumer research process is to accurately define the objectives of the research.
2. A carefully thought-out statement of research objectives helps to insure that the information needed is secured and costly errors avoided.
3. Often before a quantitative study is conducted, researcher conduct a small-scale **exploratory study**.

## **COLLECTING SECONDARY DATA**

1. The second step in the consumer research process is to search for **secondary data**.
2. Secondary data is already existing information that was originally gathered for a research purpose other than the present research.
3. In secondary data can in part or full answer the question, either new primary research can be cut back or even avoided.

### **Internal Secondary Data**

1. Internal secondary could consist of previously collected in-house information that was originally used for some other purpose.
2. Increasingly, companies use internal secondary data to compute **customer lifetime value** profiles.
  - a) These profiles include customer acquisition costs, the profits generated from individual sales to each customer, the costs of handling customers and their orders, and the expected duration of the relationship.

### **External Secondary Data**

1. This type of secondary data comes from sources outside of the firm or organization.
2. This data can take many different forms.
3. Following is a brief discussion of some specific types of consumer behavior secondary information available from outside of the firm:
  - a) Public and Government Secondary Data.
    - i) This data is generally made available for a nominal cost.
    - ii) The federal government publishes information collected by scores of government agencies about the economy, business, and demographics of the U.S. population.
    - iii) State and local government also provide consumer research.
  - b) Periodicals and Articles Available from Online Search Services.
    - i) Business-relevant secondary data from periodicals, newspapers, and books are readily accessible via a variety of online search engines such as *ProQuest* and *LexisNexis*.
  - c) Syndicated Commercial Marketing and Media Research Services.
    - i) Marketing research companies sell data to subscribing marketers.

- ii) Secondary data is also provided by companies that routinely monitor a particular consumption-related behavior, and sell their data to marketing companies who use the insights to make more informed strategic decision.
  - iii) New technologies provide opportunities for far more sophisticated monitoring techniques.
  - iv) Some companies are seeking out technology that might provide an advancement or possible breakthrough in terms of portable metering devices.
  - v) Monitoring the media exposure of almost all consumers via digital cable set-top boxes is a new technology.
  - vi) The digital boxes can easily record all the programs that consumers are turned into including channel surfing, attempts at avoiding commercial breaks, and recordings for later viewing.
  - vii) The influence of new technologies will increasingly enable marketers to study consumers' media exposure much more precisely and collect data that will allow them to better customize or narrowcast their promotional messages, thus spending their advertising dollars more effectively.
- d) Third Party Panels.
- i) For many years, marketers have purchased data from secondary data providers who collected consumer behavior data from household or family **consumer panels**.
  - ii) Members of these panels are paid for recording their purchases and/or media viewing habits in diaries that are then combined with thousands of households and analyzed by the data providers.
  - iii) Today, online technology enables panel research companies to increasingly collect sophisticated data from respondents.
  - iv) Obtaining secondary data before engaging in primary research offers the advantages of providing a solution to the research problem and eliminating the need for primary research altogether.
  - v) Secondary research has some limitations.