



# Using Market Research for Decision Making

NEW VENTURE CREATION

# Lecture

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Lecture this week are designed as under

1. Understand Market Research
2. MR Process
3. Conducting MR
  - Writing an Insightful Research Brief
  - Evaluating Research Agency Output
  - Guidelines for Conducting Effective MR
  - Guidelines for Appropriate Research Stimulus Material
  - Guidelines to Interpret Research Data Better
4. Common Research Methods
5. Using Syndicated Research

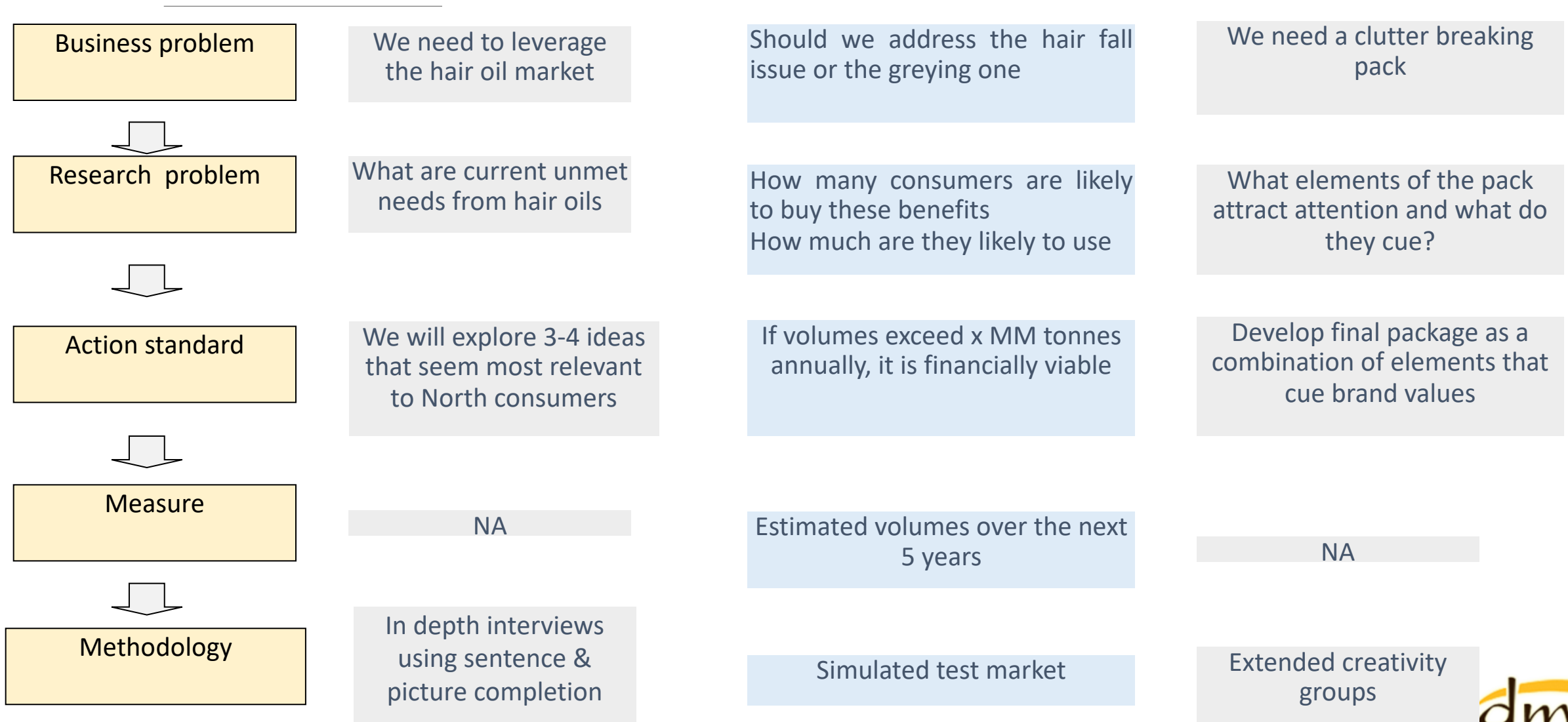
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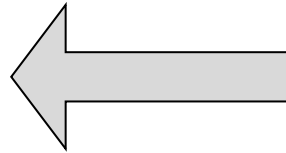
# Research Problem is derived from the business problem



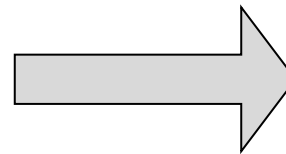
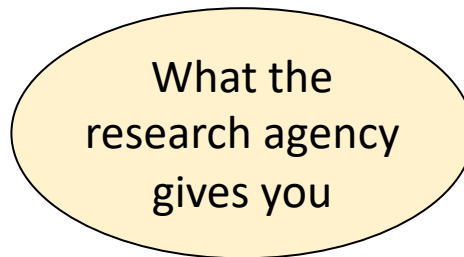
# Writing an Insightful Research Brief

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1. Background
2. Marketing Objective
3. Research Objectives
4. Research TG
5. Decision Area
6. Schedule



What you give  
the research  
agency



- Appreciation of marketing task
- Research approach
- Methodology/design
- Clear action standard
- Info flow/ section objectives & projective techniques (for qualitative)
- Broad Output Map/Presentation Structure
- Timelines
- Cost

Brand : \_\_\_\_\_

**1. BACKGROUND**

- Indicate category details, strategy pursued by us and competition
- Consumer perceptions - basis prior studies (indicate source)
- Relevant marketing mix details of us and competition
- Current issues wrt marketing problems/ tasks (support with data wherever feasible)

**2. MARKETING OBJECTIVES**

- Indicate marketing problems/ situation warranting to initiate this research
- Objectives to be focussed and specific e.g. Stagnation in growth owing to not attracting new consumers

**3. RESEARCH OBJECTIVE**

- Indicate how do specific marketing problems translate into research tasks/objectives  
(wrt category/brand/values and lifestyle etc., as the case may be)  
E.g.
- Motivation / barrier of aware non-triers/ vulnerables/ infrequent users
- Values, aspirations and lifestyle of TG (especially in case of creative development studies)

**4. RESEARCH TG**

- Sharp definition of research TG (flowing from marketing TG)  
E.g.
- Vulnerables of competition users or dual brand users etc.

**5. DECISION AREA (S)**

S.No.	Decision Area (s)	Option (s)	Decision Criteria	Info Needs/ Analysis	Stimulus
					Including need battery*, concept cards, animatics, etc.

**6. SCHEDULE**

Indicate:

- Proposal 3 - 5 days from receipt of brief
- Q're flowchart/ Q're/ Disc. Guide 3-5 days from approval of proposal
- Presentation of findings 2-3 weeks from Q're finalization

**7. PROPOSALS TO INCLUDE**

Indicate in the brief that the 'must haves' for the proposal: E.g.

- Appreciation of brief / marketing task/ decision areas
- Clear action standard
- Information flow/ section objectives and projective techniques, in case of Qualitative
- Research approach (Basis learnings from other studies- encourage various innovative options to help solve specific marketing problem)
- Methodology/design
- Broad presentation format
- Detailed schedule and cost break-up (inclusive of travel)
- Others

Prepared By: \_\_\_\_\_

Approved By: \_\_\_\_\_

Date: \_\_\_\_\_

# 1. Writing an insightful Research Brief

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## Background:

*Focused and brief. Avoid verbosity*

*Quickly build a perspective for the marketing problem*

*Share key consumer learnings acquired so far to avoid 're-inventing the wheel'*

## Marketing objectives:

*Should reflect a sound homework and clarity*

*E.g. Not be enough to say 'need to grow the brand'; pinpoint key issues such as 'to increase penetration' or 'to increase frequency of consumption'*

*Or the marketing objective may be to 'Infuse contemporariness to the brand'*

***Let the MR Cell/ agency be clear on the kind of decisions that you are going to take based on the MR inputs***

## Research objectives:

*These are not information areas, but these are broad areas of investigation which ultimately would help in marketing decision/objective E.g.*

*Inputs for growth by understanding how to increase frequency of consumption*

*Assessing brand health; brand equity*

*Understanding motivation and barriers*

*Assessing consumer feedback to product formulation*

*Assessing consumer feedback to scripts*



# 1. Writing an insightful Research Brief

## MR TG:

*A very crucial part of writing the brief.*

*Careless definition of MR TG will result in entire MR study go waste!*

*Primarily TG should cover the source-of-business consumers*

*Further sharpening of TG must be encouraged: viz. vulnerables users of a brand, lapsers who are positively disposed to a brand, user-ship criteria (not any shampoo users but users of economy shampoo) etc. etc.*

## Decision Area:

*Carefully articulate the marketing decision including the options generated/hypothesized (e.g. Between 18-24 & 28-35 years – which TG to primarily target, should the brand stand for glowing skin or soft & supple skin?)*

## Options:

*Spare sufficient thoughts, especially for those studies where no direct stimuli is being tested.*

*Our decision will be as good as the best option that we generate!*

## Action Standards

*Ask for norms of MR agency; atleast for standard types of research studies*

*Be specific; whether you wish the creative to be high on persuasion or high on clutter breaking ability*

## 2. Evaluation of research agency Proposal

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- **Appreciation of brief:** Ability to understand the marketing problem at hand and translate the 'decision area' into research objectives
- **Efficacy** in research design
  - Approach and methodology suggested: they should be optimum yet rigorous
  - Have we got a design which is customized to our brief?
  - Is the design innovative (specifically in qualitative research)?
  - Has a information flow/analysis plan been given? Has the agency made efforts to link information areas to 'decision area' rather than merely trying sell a specific tool/methodology etc.?
- **Output Map & Presentation Structure**
  - An output map/ Presentation structure makes the MR cell/agency and the marketing team think about the MR objectives and how well they are being met. This also brings everybody on same wavelength of thinking
  - Insist on getting an an output map before commencement of each study so that there is agreement all across on deliverables and how they would be solved
  - For strategic studies we should insist on a Dummy Presentation Structure to ensure that the Brief is being met. This will ensure that the presentation is as per our requirement
- **Cost & Timelines**
  - Is the proposal cost effective? In case we have a rate-card, does it conform to the same?
  - Is the time-line suggested acceptable to us?

## 2. Evaluation of research agency output : Questionnaire

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- Evaluate the questionnaire vis-a-vis each of the research objectives
- Insist on the Q're flow in case of Quantitative studies and Discussion-Flow grid in case of Qualitative studies. Making the flow will make the agency be parsimonious in number of questions to be asked. It will result in focused probe/info gathering
- Ensure that the questionnaire/ DG is :
  - **Efficient :**
    - No data duplication
    - No superfluous questions
  - **Sufficient :**
    - Addresses the decision areas
    - Addresses the key parameters needed to address decision area, viz. for Brand Track: awareness & trials, image scores etc.
    - Tests out various hypotheses
    - Discriminating scales
  - **Valid :**
    - Questions do not induce bias (wording/ response options)
    - Logical and simple flow of questions
  - **Short and simple:** (for the respondent and the interviewer)
    - Duration of each interview should not exceed
      - 45 min.s for a quantitative study – ideal is 30 min.s
      - 1.5 hrs. for a focused group discussion

## 2. Use of a Presentation Structure/ Output Map

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- A structured Output Map should be worked out at the questionnaire/ discussion guide stage
- Helps to have clarity on the co-relation between marketing task, research objective and the questions/ probes
- Should be linked to the questionnaire/ Discussion flow and analyses suggested
- Example: a sample Output Map for a study on Appetite Stimulants

## 2. One Research can have many outputs

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### **Brand Track:**

- 1. Awareness** (TOM/Spont/Total - Brand followed by ad or vice-versa)
- 2. Trials** (Ever trials/tried in last one year/yesterday/current/most often used...)
- 3. Disposition**
- 4. Advertising Diagnostics**
- 5. Brand Image**
- 6. Diagnostics of trials**
- 7. Diagnostics of non-trials** (among aware-non-trials)
- 8. Diagnostics of lapsage**

### 3. Guidelines for Conducting Effective MR

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- Ensure that the brief is consistent and complete
  - Make sure you have clear action standards
  - Provide all your information needs early on
- Provide all client comments to the agency in one go and try to avoid iterations
- Ensure that comments are clear and productive suggesting alternatives and solutions
- Do not allow research executives to be changed in the middle of the study
- Ensure that all stimulus material is available well in time
- Participate in the research execution process :
  - Field briefing
  - Piloting of questionnaire
  - Attend fieldwork
  - Sit through group discussions
- Agree on a presentation structure which meets your research requirements
- Ensure submission of the following by the research agency after the study:
  - Executive Summary
  - Report

### 3. Discussion Guide Guidelines

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- Warm Up section
- Category Information
  - First general information, then specific
  - First unaided responses, then aided
  - First factual information then opinions
- Core Information – Specific reactions pertaining to the research objective, usually involves reactions to some stimulus
  - Insight hypotheses
  - Positioning Concepts
  - Sample Communication
  - Alternate packaging

### 3. Discussion Guide Guidelines

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- Alternative questioning approaches can be used, depending upon the issue being researched
  - The disinterested interrogator
  - The devil's advocate
  - The earnest company representative
  - Creative Exercises
- Brand Perceptions
  - This typically follows category information but could change based on research objective
- Wind up



### 3. Making the most of qualitative research output - Debrief

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- Must take place on the day of the research
- *Step 1:* Put up Charts, one each for each of the broad information areas being covered
- *Step 2:* Each member of listening team puts down salient facts/ findings from the research onto post its and then sticks them on respective charts
- *Step 3:* Common findings are summarized by group leader
- *Step 4:* Each of these is discussed within the listening team to see if all are agreed on what was heard
- *Step 5:* If there are alternate ideas/ thoughts tabled, run a quick hot button within the team to see which are the ones most people find more promising than others

## 4. Guidelines for Appropriate Research Stimulus

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### **Concept card**

- The concept should summarise the key benefit/ offering
- Short: The respondent should be able to comfortably read all the matter in 30s, which is the typical time spent watching an ad
- Simple: It should be written in 'consumer speak'
- The lead-in, benefit and reason to believe should be logically cohesive
- Visuals need to be used *only* if they are essential to communicating the benefit. It should be used as a support to the concept

### **Adcept**

- An adcept is used to describe the creative route in terms of '*why buy me?*'
- Visuals play a critical role in adcepts

### **Animatics (for ad pretest)**

- Should ensure that the animatics are of good quality
- The duration of the animatics should be in line with the intended duration of ad film

## 5. Maximizing qualitative research output - Listen better

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- The consumer is queen – you are here to listen to her. Your point of view can wait for when you make the communication
- Too many cooks .... Not more than 2 interviewers in individual interviews and not more than 3 persons sitting in a group
- Clarify... but do not contradict
- All respondents should get the chance to speak without a few people hijacking the discussion
- Leave behind all preconceived notions before you step into the listening room
- If you want a specific area probed further, send the moderator a note, but keep these to a minimum as it is distracting

## 5. Listening and Documenting

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- Process begins even before going to watch research
- Need to create a recording 'template' which separates out broad sections of areas that the research will cover
- While listening to interviews or FGD's all listeners should note all points of interest
  - Can be done in brief
- These should be noted in their own separate sections to
  - This facilitates memory
  - Can tell watchers whether all points are being covered and if anything needs to be explored in greater detail

## 5. Sample listening template

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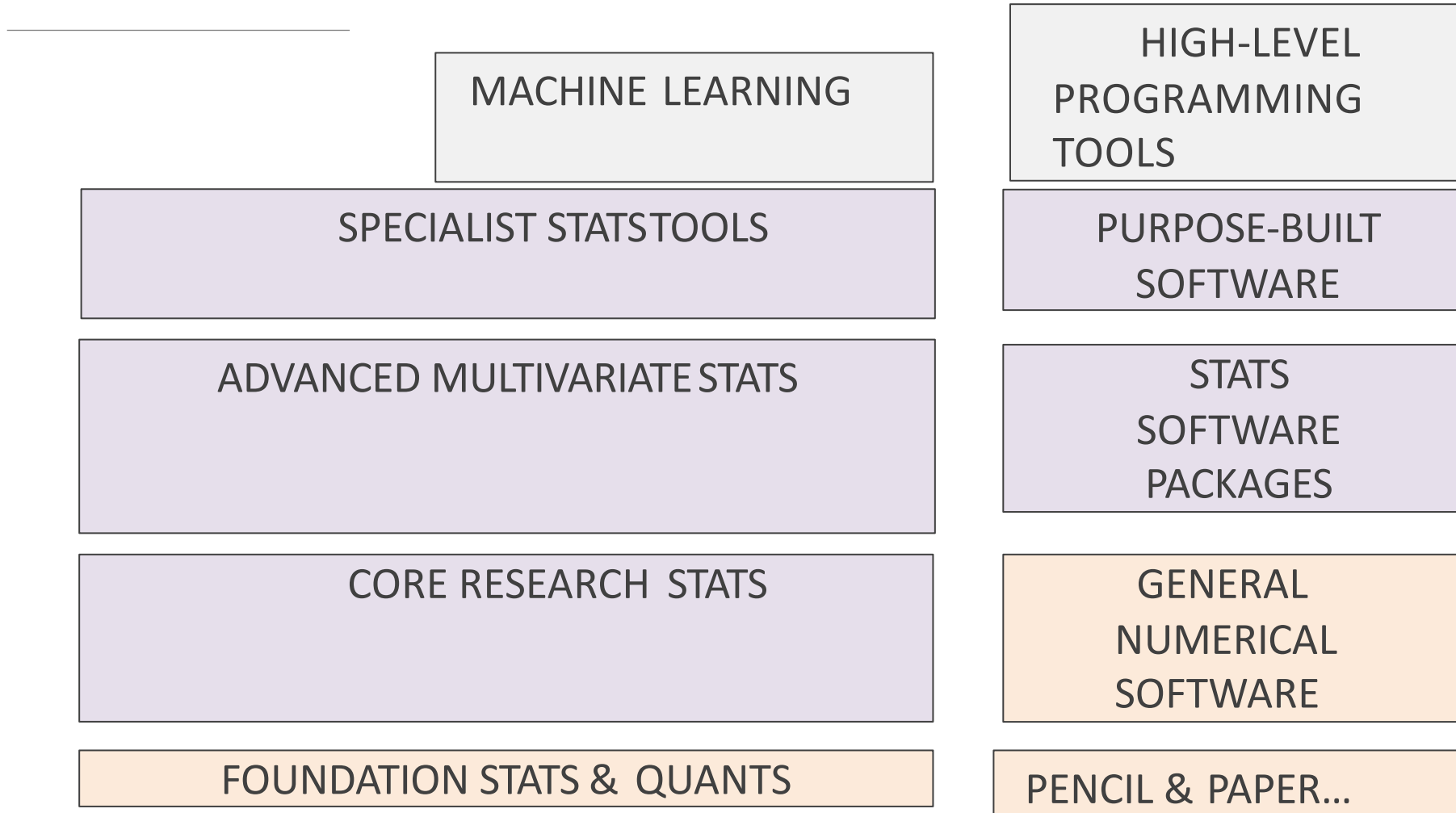
Please describe your activities through the day and which tasks	How has your cooking changed over past years	What have been triggers
	What tasks do you enjoy	

## 5. Guidelines to help interpret research data better

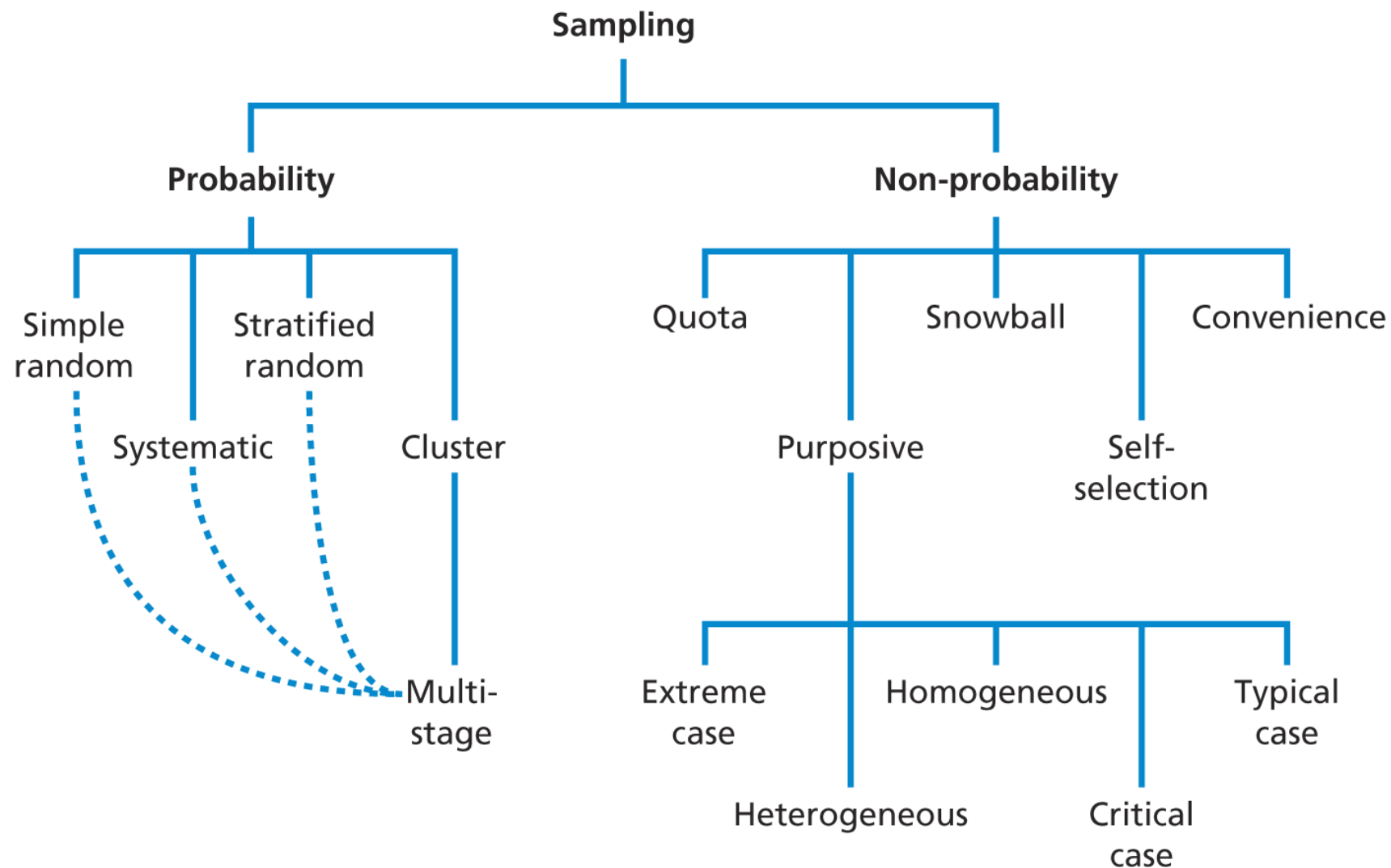
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- Look at the BIG picture
  - Where several pieces of research are available over time, look at all of them to draw the right conclusion
  - Particularly critical when different research agencies are doing different pieces of research
- Ensure that you have information that is relevant to you specifically
  - Sharper definition of respondent
- Ensure that the agency has
  - analysed data basis all relevant variables
  - captured differences, if any, by relevant variables
  - Agency should have provided relevant norms wherever necessary
- In any stimulus testing, please keep in mind that :
  - Consumers do not always mean what they say
- Consumers usually say : *'This is a Good idea'* to almost everything
  - Keep asking yourself :
    - Is it (just) good? Or is it a strong enough reason for these consumers to buy?
    - Be sensitive to non-verbal cues

## 5. Maximizing Quantitative Research output



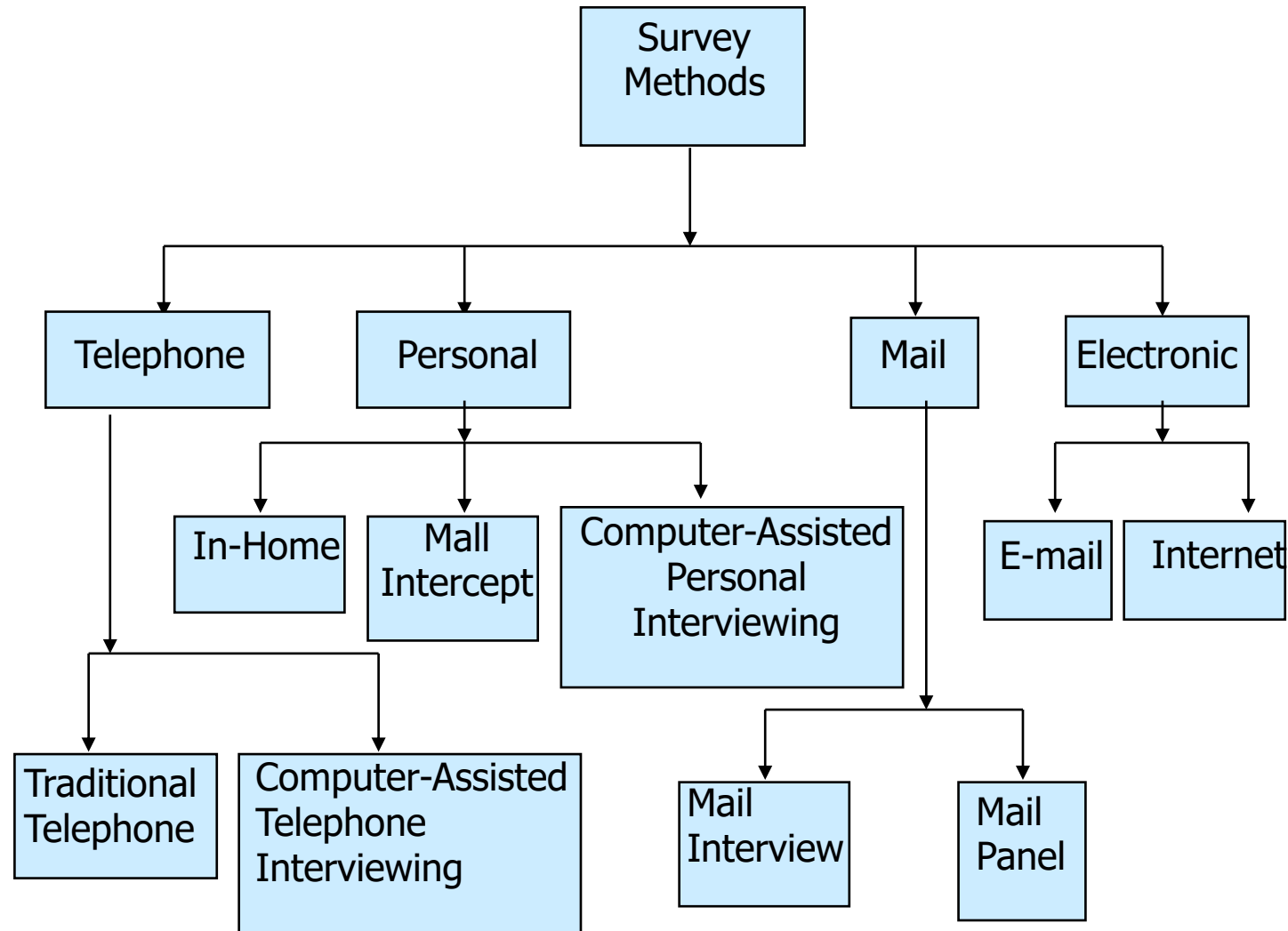
## 5. Quantitative: Defining sample to represent population



Post covid, all this has gone for a toss. Hopefully temporary



# Quantitative: How do we get the Data?



## 5. Quantitative: Missing Data: now what?

[illegible]

## 5. Quantitative: Too much data: Variable (columns) Reduction

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- Reduce no. of variables
  - Are there underlying ‘supervariables’ which e.g.
    - could be used to describe most of the shape of the data using fewer variables?
    - (or) suggest underlying themes in the respondents answers? Factor
    - To uncover limited number of basic characteristic trait dimensions behind human behaviour Analysis
  - To uncover patterns of consumer attitudes or behaviour?
    - To display & understand underlying patterns, e.g.
    - To draw ‘maps’ in 2D or 3D, e.g. perceptual similarity maps

## 5. Quantitative: Too much data: Variable (rows) Reduction

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- How can we group (**cluster**) the data points?
- Typical tasks:
  - Small groups ( $n < 100$ ), exploratory : **hierarchical cluster analysis**
    - Subjective choice of ‘best’ number of groups
  - Large groups, pre-determined no. of clusters: **k-means cluster analysis**
  - More automated exploratory tool: **TwoStep Cluster analysis**
    - Automatic choice of ‘best’ number of groups
- Divides cases into natural groups
  - Exploratory (subjective or automated)
  - Or pre-determined number
- Uses: Segmentation, Market analysis

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...to be continued

# Market Research

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