**Problem definition:**

1. **Situation analysis:**
   1. Symptom, Cause, decision to make to address that.
      1. Manager’s assumption: Crowded, the consumer may not be happy with it. So the business is not maximizing the sales they could get.
   2. Sub-decisions.
      1. Expand to the second floor or not?
         1. What to add
            1. Coffee bar: internet, Free wifi. atmosphere.
      2. Profitable, cost? Source of money to invest. （not related to marketing research).
2. **Clarify marketing goals:**
   1. what‘s the target market: **existing customers** vs. new customers.
   2. What’s KPI: increase sales, or satisfaction
3. **Identify info needs**
   1. To measure current customer satisfaction with the store size.
   2. To measure current customer satisfaction with the assortment.
   3. What lines to be added to the second floor: coffee shop, internet cafe
      1. Satisfaction with current decoration, atmosphere.
   4. Cost of remodeling (not related to marketing research, X), terms of financing.
4. **Clarify scope** 
   1. Which questions will be answered in marketing research.
5. **Set the overall research objective.** 
   1. Current customer satisfaction with the store and merchandise.
   2. Current desired changes at the store, if any.
6. **Develop a set of Research questions for each objective.**
   1. Guidance: crystal ball not required by the consumer, specific enough for the consumer, only a clear/short answer needed from the consumer.
   2. What % of current customers would like the store to be larger?
   3. What % of customers would like to have a coffee shop added?
   4. What % of current customers like or dislike about current store decor.
   5. Example of bad research question”
      1. what percentage of consumers would like a **second floor** in the store (coffee shop)
      2. Crystal: how likely the sale will increase?

**Bad/vague research question & sample issues.**

• Is the Maneater an effective place to advertise?

* Target audience.
* What kind of information to be advertised
* Effective: driving awareness, driving purchase
* What do you mean by ‘effective’?
* Advertise what?

• What incentive would make a student try an off-campus restaurant for

lunch instead of eating on campus?

* (Free sample, buy one get one free, punch card ….)
* What kind of incentive?

• How many people have heard of Brain Child Design Team?

* What kind of people/ target market: student club members.
* What kind of people?

1. Would sales improve if we moved to a new location?

* Specify what type of sales (consumer cannot tell you about sales -> intention or likelihood to shop?)
* Specify what location they are considering moving to (good-> what the location is)
* Quantify how large of an improvement they want to see (good - sub question for the current state) → RQ1: what the frequency of our consumers shopping with us now per week? (current status) RQ2: (potential changes)
* The consumer cannot tell you about sales or profit.
* They can only answer your questions related to their control, such as willingness to visit,
* What kind of location?

2. How important is service to customers?

* What type of staff or service? (good - fast, friendly, knowledgeable on the product… )
* What specific business? （define your biz and target market - new and existing customers, existing Mizzou students customers）
* Focus on specific type of customer
* What kind of service?

3. For a major purchase, what price is considered reasonable by the

average customer?

* *Doesn’t specify the particular economic demographic (ie. lower class, middle class, upper middle class and so on). (good, define the average customer)*
* *Doesn’t define what the major purchase (varies based on economic status) is. (good, more about the type of major purchase, such as car)*
* *Doesn’t define their definition of reasonable (varies based on economic status).*

Define the average and major purchase.

4. How reliable is on-campus parking?

* Who is it reliable to (students, faculty, staff, visitors, prospective students, etc)? (good - define your target market)
* What you mean by reliable: availability? Availability of covered parking?
* When is it most or least reliable (fall, spring, summer semesters)? (good) --》 difference RQ
* At which locations is it most or least reliable (Greek town, parking garages, near dorms, etc)? (good)
* What do you mean by reliable?

5. Do food prices or atmosphere influence the customer more? (more about ‘influence’ what? Importance for restaurant consideration? To spend more?)

* If given the choice, would a customer prefer a restaurant that has great food prices or a great atmosphere? (what becomes more specific here?)
* Do you prefer a darker or lighter atmosphere? (see question 7. This is not the focus of this RQ).
* What kind of influence? Willingness to visit, willingness to pay?

6. What percentage of customers are regular customers versus infrequent customers?

* What defines regular versus infrequent (regular = more than twice a week) (good)
* Customers of what store? (this will be the background information)
* What type of customers? (demographic - age, gender, student) (good - difference RQ vs. descriptive RQ)
* Define the frequency

7. What do college students think about a quiet lounge bar with couches versus an entertainment bar with dancing?

* What age group associates with a quiet lounge group with couches versus entertainment bar? (college student has included that. I think you mean difference RQ.)
* What is the location of the bar? (good)
* What are the prices at the bar? (good. Features. What about the atmosphere of the two options, can the consumer visualize it easily?)
* Cannot be answered with a short answer.
* The description is not specific enough

**Conclusion:**

1. Define your target market clearly and make sure the consumers in the target market can answer your question.
2. Define the variable clearly. Make sure the variable can help a manager choose a decision alternatives.
3. List the response options clearly, so that the RQ can be easily translated into QQ.

**The examples to illustrate the difference between research questions (RQ) and questionnaire questions (QQ) for the CE1**.

* The research question is what the information need by the manager.
* The corresponding questionnaire question is about how the research question can be asked to the consumer.

1. RQ: What percent of current customers would like a larger selection at the bookstore?

QQ: The selection of books at this store is....

\_\_ too small \_\_about right \_\_larger than I need

1. RQ: How likely are customers to use a coffee bar if it was added to the bookstore?

QQ: If an upstairs coffee bar was added to the bookstore, how often would you use it?

\_\_most times I visit the store

\_\_sometimes when I visit the store

\_\_rarely

\_\_never

1. RQ: What improvements would customers like to see at the bookstore?

QQ: Are there any changes you'd like to see made to the bookstore?

If so, please describe \_\_\_\_\_\_

**Three types of research questions (descriptive, difference, association): refer to the class discussion.**

**Practice - How would you use the QQ to answer the RQ below?:**

RQ: Is there a difference between students and other professions in terms of the likelihood of using an upstairs coffee bar if added?

**iClicker** - what type of research question is it?

QQ1: If an upstairs coffee bar was added to the bookstore, how often would you use it?

\_\_most times I visit the store

\_\_sometimes when I visit the store

\_\_rarely

\_\_never

QQ2: