

# Chapter Twenty

## Managing Marketing Research

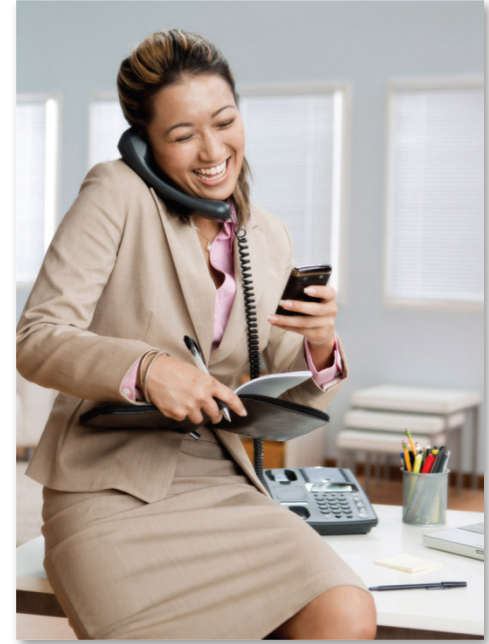


### LEARNING OBJECTIVES

1. Understand what clients want from a marketing research supplier or department.
2. Learn about managing a marketing research supplier organization.
3. Learn about communication.
4. Gain insights into the unique management issues of managing a corporate marketing research department.
5. Learn about client profitability management.
6. Gain insights into staff management and development.
7. Learn how to manage a marketing research department.

### What Clients Want – A Researcher Who:

1. Maintains client confidentiality
2. Is honest
3. Is punctual
4. Is flexible
5. Delivers against project specifications
6. Provides high-quality output
7. Is responsive to the client's needs
8. Has high quality-control standards
9. Is customer-oriented in interactions with client
10. Keeps the client informed throughout a project



# Managing the Research Process

## **Research Management:**

Overseeing the development of excellent communication systems, data quality, time schedules, cost controls, client profitability, and staff development.

# Managing the Research Process

## Some Key Issues:

- Organizing the Supplier Firm
- Data Quality Management
- Time Management
- Cost Management
- Outsourcing

# Outsourcing

## **Outsourcing:**

Having personnel in another country perform some or all of the functions involved in a marketing research project.

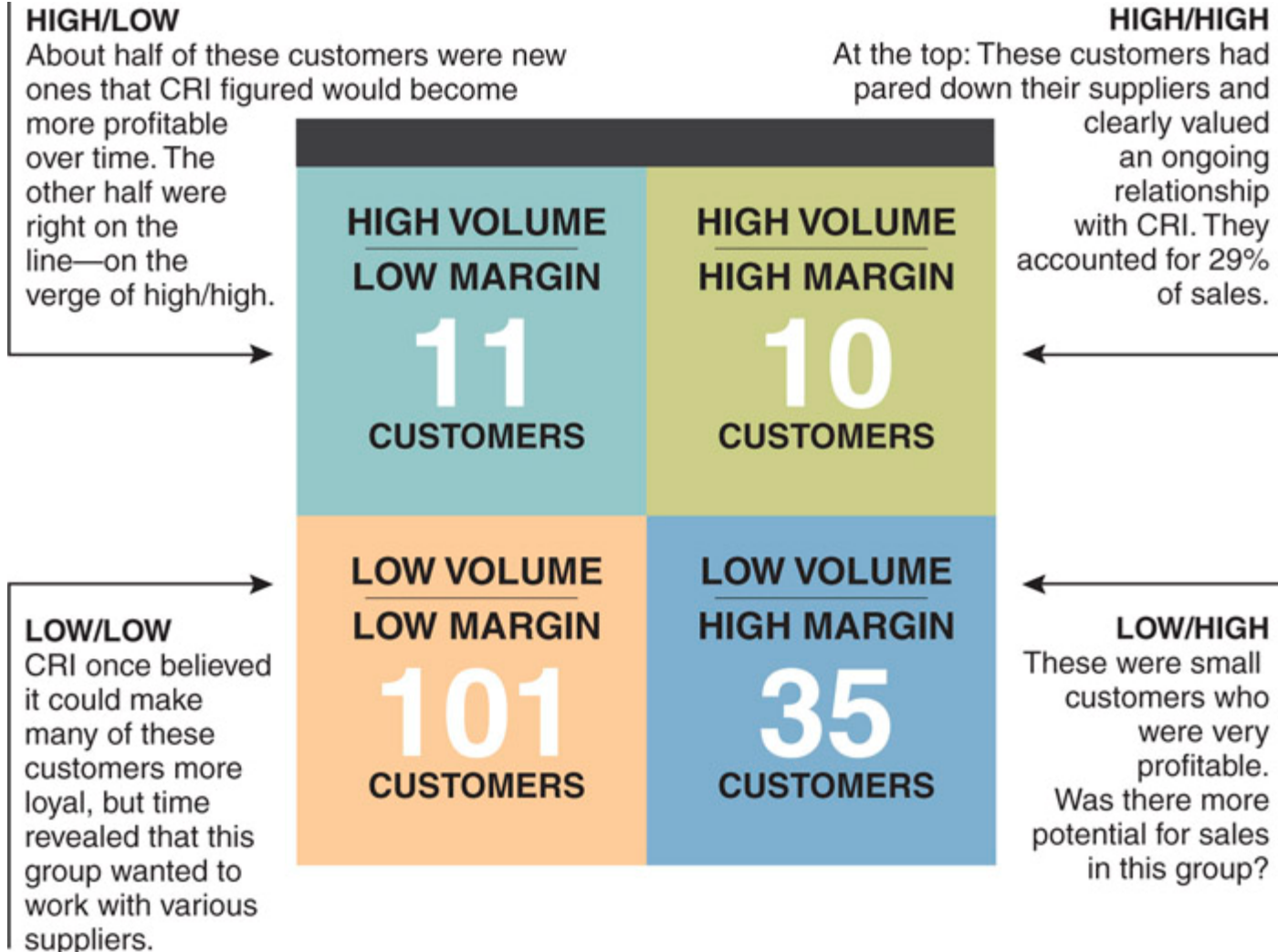
## **Captive Outsourcing:**

When a research firm creates a wholly-owned foreign facility for outsourcing.

# Outsourcing Issues

- Confidentiality
- Infrastructure
- Quality of deliverables
- Domain knowledge
- Cultural issues
- Job losses in the client country and associated negative publicity for the agency
- Employee liability

# Client Profitability Analysis



# Screening Questions Used by CRI

- How did you hear about us?
- What kind of work is it (in terms of industry scope)?
- What's your budget?
- What are your decision criteria?
- Whom are we competing against for your business?
- Why are you thinking of switching?



# Staff Management and Development

## Some Key Techniques:

- Create an environment that encourages risk taking, experimentation, and responsibility.
- Foster recognition and accountability.
- Provide job autonomy within a certain structure.
- Attract and support people with entrepreneurial attitudes.
- Connect rewards to a business result.
- Open your financial books.
- Offer diversity within your organization.
- Provide clear promotional paths.

# Managing a Marketing Research Department

## Critical Issues:

- Allocating the research department budget.
- Prioritizing projects.
- Retaining skilled staff.
- Selecting the right marketing research suppliers.
- Moving marketing research into a decision-making role.

# Retaining A Skilled Staff

- Conduct regular performance reviews that give continuing feedback on a job well done—or offer ways to improve.
- Offer public recognition for great work. Some examples are in the text.
- Give differential pay raises that recognize superior performance.
- Vary the work in order to keep everyone interested.

# Selecting the Right Marketing Research Suppliers

## Key Questions:

- How long has the vendor been in business?
- For what other companies has the vendor conducted research projects?
- What are the academic backgrounds and experience of those persons who will be working on the projects, that is, the project director, field director, data processing manager, and so forth?
- Does the composition of the project team strike the right balance between top-level management and technical researchers and analysts?
- Does the success of the project depend on the capabilities of a subcontractor?

# Soft Skills of the Ideal Marketing Researcher

- Lifelong Learners
- Adapt Easily
- Act as a Partner

# Two Approaches to Measuring ROI

## ROI Lite

$$\text{ROI Lite} = \frac{\$ \text{ Value} \times \text{Increased Confidence}}{\text{Cost of Research}}$$

## ROI Complete

$$\text{ROI Complete} = \frac{\$ \text{ Value} \times \text{Increased Confidence} \times \text{Increased Likelihood of Acting}}{\text{Cost of Research}}$$

# Key Terms & Definitions

- [Research Management](#)
- [Outsourcing](#)
- [Captive Outsourcing](#)
- [Outsourcing Issues](#)
- [What Clients Want](#)
- [Client Profitability Management](#)
- [Sample Client Screening Questions](#)
- [Managing Difficult Clients](#)
- [Staff Management and Development](#)
- [Managing a Marketing Research Department](#)
- [Retaining a Good Staff](#)
- [Selecting the Right Marketing Research Supplier](#)
- [Maintaining a Competitive Advantage](#)
- [Measuring Return on Investment \(ROI\)](#)
- [ROI Example](#)

*Links and* [Key Terms & Definitions](#) *button are active when in “Slide Show Mode”*