Block 1: Introduction to market research and defining the market research problem

(Activity solutions can be found at the end of the document.)

Market research contributes to the marketing decision-making process through the collection, analysis and interpretation of relevant information in order to identify marketing problems and propose possible solutions. This block introduces what market research is, and explores how to define the market research problem.

Learning Outcomes

- Describe the nature and scope of market research and how it contributes to marketing decision-making
- Explain the sequence of steps in the market research process
- Make a distinction between problem-identification market research and problem-solving market research
- Explain the limitations of market research
- Explain the purpose and components of a research brief and a research proposal.

Reading list

Malhotra, N.K., D. Nunan and D.F. Birks. *Marketing Research: An Applied Approach*. (Pearson, 2017) 5th edition [ISBN 9781292103129] Chapters 1 and 2.

Introduction to market research

For each section of *Introduction to market research*, use the LSE ELearning resources to test your knowledge with the Key terms and concepts flip cards.

What's it all about?

A market researcher's role is to support a firm's decision-makers (i.e. management) by collecting, analysing and interpreting information necessary to identify and solve various marketing problems. In order to understand market research, we must answer the following questions:

What is marketing?

Marketing has been defined as an organisational function and a set of processes for creating, communicating and delivering value to customers, and for managing customer relationships in ways which benefit the organisation and its stakeholders.

What is the marketing concept?

The marketing concept is a business philosophy which holds that the key to achieving organisational goals consists of the company being more effective than its competitors in creating, delivering and communicating customer value to its chosen markets.

What is a marketing strategy?

Market research is in practice about collecting information. The essence of marketing is that a firm will make what it can sell, rather than sell what it can make. Therefore, marketing requires an assessment of consumer needs through market research and the orientation of all a firm's activities directed toward the satisfaction of those needs.

The key technique of marketing is that of market research. Information about a firm's market and its customers is collected and analysed in order to determine who buys the firm's products, why and when, and under what circumstances. On the basis of this analysis a marketing policy evolves.

A firm typically faces many challenges, such as:

- Distribution
- Market segmentation
- Price setting
- Promotions
- Identifying the market
- Methods of selling
- Product development
- Sales/services.

Although for the most part we will be considering firms (commercial enterprises), market research is also applicable to the public sector, charities etc.

Definitions

Marketing

A specialised function of management including all those activities concerned with the development, production and distribution of products to identifiable markets, where they will provide satisfaction to those who buy them.

Market research

'The systematic gathering, recording and analysing of data about problems relating to the marketing of goods and services' (American Marketing Association).

'Market research is the means used by those who provide goods and services to keep themselves in touch with the needs and wants of those who buy and use those goods and services' (Market Research Society).

'The systematic objective and exhaustive search for, and study of, facts relevant to any problem in the field of industrial marketing' (Industrial Marketing Research Association).

Market research should ideally result in a detailed understanding about *all factors which are likely to influence demand for specific products/services*. Inevitably, the factors will be a mixture of **controllable and uncontrollable variables**.

Activity 1.1

Describe the task of market research.

What are the disciplines needed in market research?

Taking a holistic view, market research is in practice a combination of:

- **Demography** socio-economic characteristics
- **Economics** trends, utility
- **Psychology** perception and learning theories, group influences
- Social anthropology environmental influences, cultural norms and values
- **Sociology** social class, social mobility, diff usion of innovations, household behaviour, lifestyle
- Statistics sampling, multivariate analysis, modelling.

However, given the emphasis on the collection, analysis and interpretation of information, the focus in this course will be on *statistics*, complemented in places with aspects of *demography* and *economics*.

Marketing decisions

A firm's marketing decision-makers need to optimise the strategic market position, which takes into account:

- Customer targeting (for example, moving into new or overseas markets)
- Competitors' activities
- The company
- Customer research (factors affecting buying behaviour, attitudes etc.).

Positioning is then reflected in the right marketing mix giving rise to the four 'p's model:

The four 'p's – the marketing mix variables

- Product a tangible good or an intangible service for which decisions about the design, development, testing of a new product, improvement of existing ones, packaging etc. are taken.
- Price an indicator of quality, where pricing decisions will impact profits and the
 marketing strategy. Price discrimination (charging different prices to different
 consumers) could be applied, which would require information on different
 consumers' price elasticities of demand which quantifies price sensitivities.
- Placement ensuring a firm positions its product in the right place, at the right time, at the right price. Even e-commerce firms need to engage potential customers with appropriate web placement.

• Promotion - publicising the product to consumers and differentiating the product from any competitors (helped by a strong brand image), for example through advertising, social media marketing, search engine marketing etc.

The following video explains how these controllable variables combine with other, uncontrollable variables in the marketing system.

https://emfss.elearning.london.ac.uk/mod/book/view.php?id=25514&chapterid=5248

Click on the link to watch the video, or read the transcript below.

Speaker 1:

The marketing mix variables are all controllable and are examples of independent variables in the marketing system. These combine with uncontrollable or situational factors to exert an influence on various dependent variables of interest usually behavioral responses and/or performance measures.

Note that the weight of each situational factor will vary depending on the firm or industry, such as the demand or/and in competition within the industry, as well as the country of operation, ie, the legal political environment operated in, and/or the government regulations faced. Some factors could even be considered global such as technological advancement or the global macroeconomic climate.

Turning to the effects, appreciate that profit maximization may not be the only goal of the firm despite what a conventional microeconomics problem might assume. For example, a new entrant to the marketplace might develop a marketing strategy which prioritizes building market share by luring some consumers from the industry incumbents. This may mean having to heavily discount the product launched to incentivize consumers to switch brand. Other performance measures could also outrank profit such as sales, increasing revenues with demand generation marketing, or cashflows.

Behavioural responses could be alternative managerial objectives, perhaps linked with performance measures. For example, raising brand awareness may be a necessary condition to increasing market share. Preference for a product and intention to buy are other possible behavioural responses which a firm may wish to monitor.

Supporting the marketing decision-maker

To support the marketing decision-maker it is necessary to:

Understand:

Understand the forces which shape different customer groups – this could help predict future customer behaviour.

Test:

Test market variables to see whether they have the intended impact on dependent variables – casual research design will be introduced in the next chapter.

Describe:

Describe the nature and scope of customer groups – by having a clear 'profile' of each group it allows the firm to develop bespoke marketing strategies for each group.

Monitor and Reflect:

Monitor and reflect upon successes and failures – as will be emphasised, market research does *not* guarantee success. A statistical model may predict that a particular marketing mix will achieve an outcome (such as increased brand awareness, or higher sales) but there may be unintended consequences of the marketing action, hence we should monitor whether our response expectations are met (or exceeded!), and be prepared to *u-turn* if the outcome falls short of our expectations.

Classification of market research

We will partition market research into two broad categories – problem identification research and problem-solving research. For examples of problem-solving research, see Table 1.1 of the textbook.

Problem identification research	Problem-solving research
Market research undertaken to help identify problems which are not necessarily obvious in the present, yet exist or are likely to occur in the future.	Market research undertaken to help solve specific marketing problems.
Examples include researching market potential, market share, brand/corporate image, market characteristics, sales analysis, forecasting and future trends (such as a long-run trend toward autonomous vehicles).	Examples include researching segmentation and any of the four 'p's.

Misconceptions of market research

Market research itself *does not make decisions*, rather it guides marketing decision-makers by supplying evidence obtained from data analysis. Market research itself *does not guarantee success*, rather over the long run it can *increase the proportion of 'good' outcomes (successes)*, and hence for any single marketing initiative it can *increase the probability of success*.

Market researchers are expected to:

- **Think** conceptually, and understand the link between information and important business concepts
- Communicate using language those who commission research think in and speak
- **Interpret** findings in a holistic manner appreciating that the qualitative and quantitative data which are collected, analysed and interpreted are unlikely to be perfectly representative of the respective customer groups
- **Integrate** findings with others supporting marketing decision-makers by achieving a broad understanding of the market.

The market research process

Figure 1.1 shows the linear description of the market research process. A typical market research problem always begins with a research brief, outlining the broad objectives of the research. Next, Stage 2 requires the development of a detailed research proposal which provides more detail about how the research project will be conducted. Data collection (primary and/or secondary data) are then collected in Stage 3, before data analysis and evaluation in Stage 4. Given the market research findings are meant to support the marketing decision-makers, market researchers then need to prepare and present their findings through a research report, with Stage 5 concluding the market research process.

Although the stages are sequential, a priori consideration of the appropriate data analysis will feed into Stages 2 and 3 as it is important to ensure collected data are relevant and that we have collected the 'right' data (including types of variables) to analyse.

Stage 1: Research brief

11

Stage 2: Research proposal

 $\downarrow \downarrow$

Stage 3: Data collection

 $\downarrow \! \downarrow$

Stage 4: Data analysis & Evaluation

 \parallel

Stage 5: Preparation & Presentation of Research report

Linear description of the market research process

Figure 1.2 breaks down the requirements of each stage. The subsequent blocks in this course will focus initially on Stages 1 and 2 (defining the market research problem and developing research designs, including secondary data and aspects of qualitative research), followed by work on Stage 3 (data collection - scaling techniques, questionnaire design, sampling methods and sample size determination), with the remainder of the course devoted to Stage 4 (data analysis - a selection of multivariate statistical techniques will be explained, each appropriate for solving a specific type of market research problem). The writing up of results in Stage 5 will be touched on during the interpretation of statistical results when marketing conclusions can be drawn.

Sequential stages of market research

	Brief	Proposal	Data collection	Analysis	Report writing	
--	-------	----------	-----------------	----------	----------------	--

Defines the nature and scope of the research objectives.	Work plan - specifies: - research problem - population involved - factors affecting behaviour - research methodologies - estimates of time - terms of contract, including cost and payment terms.	Important to check: - sampling scheme - data sources (internal research, external field research) - time schedule of operations - fieldwork organisations.	Important to check: - methods of analysis - statistical terms	Important to check: - report is clearly written - text is supported by well-devised tables, graphs etc.
--	---	--	---	---

Market research associations

Browse the websites of some market research associations and use the <u>discussion forum</u> to share your thoughts on how useful they could be to:

- A student studying ST3188 Statistical methods for market research
- A professional researcher researching a specific market research problem
- A professional marketer who is looking to use market research to improve their marketing effectiveness.

Suggested websites are:

- ESOMAR European Society for Opinion and Marketing Research
- MRS The Market Research Society (UK)
- <u>CASRO The Council of American Survey Research Organizations</u>

1.2 Defining the market research problem

For each section of *Defining the market research problem*, use the LSE ELearning resources to test your knowledge with the Key terms and concepts flip cards.

Defining the market research problem

It is essential to correctly diagnosis the market research problem at the outset. If the diagnosis is wrong, no matter how well-designed and executed the stages of the market research problem are, the whole exercise could be of no value. Defining the market research problem can involve talks with decision-makers, discussions with industry experts, and exploring secondary data.

We consider defining the market research problem and developing a research approach. The correct diagnosis of market research problems cannot be compromised. Regardless of how well subsequent stages are conducted, the whole process may be worthless if the diagnosis is weak.

Click below for an interactive quiz (Activity 1.1 Decision and research problems):

https://emfss.elearning.london.ac.uk/mod/quiz/view.php?id=25516&forceview=1

Purpose of a written market research brief

A market research brief clarifies the nature and scope of the research objectives. Specifically, it:

- Helps the commissioner of the research to be clearer about how decision-making will be supported
- Provides agreement among all parties who may benefit from the market research
- Helps to plan and administer the market research
- Makes it less likely that disputes between parties emerge
- Forms the basis for negotiating among competiting market research companies.

<u>Figure 2.1 of the textbook</u> outlines the components of the market research brief.

Structure of a market research proposal

A market research proposal has the following components:

- 1. Executive summary a concise overview of the whole proposal.
- 2. Background background information about the firm and its industry more widely.
- 3. Problem definition clarifying the problem to be addressed.
- 4. Research objectives possible research hypotheses to be tested.
- 5. Research design the research design to be employed (exploratory, descriptive or causal outlined in the next block).
- 6. Fieldwork/data collection the logistics of collecting any primary data, including the sampling method(s) to be used.
- 7. Data analysis specification of the type(s) of statistical analysis to be conducted to investigate the research objectives.
- 8. Reporting whether interim reports are to be produced, and the format of the final report.
- 9. Cost and timetable an indication of the budget required and the expected timescale for the research.
- 10. Research organisation and researchers details of the individuals and the market research organisation behind the proposal.
- 11. Appendices any non-essential tables etc. can be relegated to an appendix.
- 12. Agreement a formal document to be signed by all parties.

Contrasting definitions of decision and research problems

At this point, it is worth clarifying the distinction between a marketing decision problem and a market research problem.

A *marketing decision problem* typically relates to one of the four 'p's, i.e. one (or more) of the marketing mix variables. In contrast, a *market research problem* relates to a more specific research aim such as a particular goal which a market research project would help answer - typically linked to a firm's business objectives.

The following example illustrates, as does <u>Table 2.1 of the textbook</u>.

Marketing decision problem	Market research problem		
Should a firm bring a new product to market?	Research consumer preferences and purchase intentions for the proposed new product.		
Should an advertising campaign be changed?	Research the effectiveness of the current advertising campaign.		
Should the price of the product be increased?	Research the price elasticity of demand and the impact on sales and profits of various price level changes.		

Components of the research approach

How the researcher perceives the market research problem affects the **paradigm** they will adopt in either an implicit or explicit manner.

Theoretical foundations are summarised in <u>Table 2.2 of the textbook</u>.

Analytical models can take different forms - **verbal models**, **graphical models** and **mathematical models**. For example, suppose a marketing manager wishes to include an investment in sponsorship as part of their portfolio of integrated marketing communications.

For an example of a *verbal model*, the marketing manager wishes to understand the impact of her sponsorship investment. She starts by deciding which key objectives should be fulfilled through a sponsorship relationship. She then selects a sector (sports, arts, culture, environment, broadcast) and the type of property (event, team, performance, individual, programme). Once the sector and property have been selected, she sets specific objectives which can be developed to help to set realistic targets and a set of metrics as a means to measure success.

In a graphical model, this could be represented as:

Custom -> Preference -> Understanding: evaluation -> Awareness.

In a *mathematical model*, we might have:

$$y = \beta_0 + \sum_{i=1}^k \beta_i x_i$$

where:

y is the sponsorship impact

 β_0 and the β_i s, for i = 1, ..., k, are *model parameters* to be estimated statistically

The $x_i s$ are sponsorship requirement factors.

Research questions are refined statements of the specific components of the problem.

A **hypothesis** is an unproven statement or proposition about a factor or phenomenon which is of interest to the researcher. *Often, a hypothesis is a possible answer to the research question.* Figure 2.7 of the textbook links the development of research questions and hypotheses to theoretical foundations and analytical models.

Summary

This first block has provided a broad introduction to the domain of market research - specifically, the collection, analysis and interpretation of information necessary to identify and solve various marketing problems. In practice, market research is an interdisciplinary industry, although this course will primarily focus on the statistical aspects of market research.

The four 'p's model was introduced where the product, price, placement and promotion combine to give the marketing mix variables. Each serves as a controllable independent variable in the marketing system alongside uncontrollable situational factors. Collectively, these causes affect many possible dependent variables of interest, including behavioural responses and performance measures.

While market researchers do not actually make decisions, they support marketing decision-makers in a firm by providing data-based evidence to support a particular marketing strategy. Although success can never be guaranteed, conducting sound market research can increase the probability of a desirable outcome.

The stages of the market research process were outlined, beginning with a market research brief, followed by a more detailed research proposal (the components of both were discussed). Data collection and analysis form the next steps, concluding with the presentation of results in a report.

Questions, solutions and case study

To access the solutions to these questions and case study, click here to access the printable Word document or click here to go to LSE's Elearning resources.

Questions on the block's topics

- 1. Describe the task of market research.
- 2. What decisions are made by marketing managers and how does market research help support these decisions?
- 3. Describe the steps in the simple linear market research process.
- 4. What management skills are increasingly being demanded from market researchers?
- 5. What arguments would you use to defend investment in market research?
- 6. What factors fuel the growth of international market research?
- 7. Discuss the ethical issues in market research which relate to the client, the supplier and the participant.
- 8. Why is it vital to define the market research problem correctly?
- 9. What are the components of a market research brief?
- 10. What are the components of a market research proposal?
- 11. Describe some of the reasons why management is often not clear about the 'real' problem they face.

Case study: Tattoos aren't us

When teen actresses Liv Tyler and Alicia Silverstone appeared in the popular video for the Aerosmith song 'Crazy', the belly rings they wore created a demand for body piercings in places other than the ear! Also, tattoos, traditionally associated with sailors and tough guys, have become popular. Today, body piercing shops and tattoo parlours are often housed in the same establishment.

The rise in the phenomenon of tattooing and body piercing did not escape the attention of James, owner of The Psychedelic Shack, a shop which caters to the popular culture market. James had developed a successful business by carefully observing trends in the market and sensing which trends would become profitable business lines. His tattooing business was based on solid facts about the market. By the early 2000s, 10% of people have or have had a tattoo. Research also showed tattooing was a youth phenomenon. James knew, based on his experience that virtually all of his tattooing customers were in the 18- to 24-year-old category. He also knew that research showed tattooing was equally attractive among males and females and it was equally appealing to different ethnic groups. It was also inversely related to education. School-leavers, or those with less than secondary school education, were much more likely to be tattooed and have body piercings than graduates.

Although James' shop enjoyed revenue generated by tattooing and body piercing in the late 1990s and early 2000s, James wondered what the trend would be in the future. Historically, James knew that virtually everything considered 'cool' today ends up being 'a drag' in the future. However, what interested James was the fact that tattooing had the major disadvantage of being permanent. He recalled reading research which showed that 91% of people agree with the statement that 'people should be careful about getting tattoos because they are permanent'. Sure, there are laser removal devices, but they are very expensive and do not always remove all of the tattoo. What will happen when these teens and twenty-somethings turn 30? What will happen when the next generation of pop artists appear without tattoos and body jewellery? What will happen when the next pop superstar actually is a non-conformist and speaks out against tattoos? James knew all too well what would likely happen, and he was interested in serving the market's needs for tattoo removal just as he had served the market's needs for tattooing.

James conducted some research and found the following information in a magazine which reports trends in demographics and values of the population, given in Table 1. The magazine had commissioned an online research firm to conduct a national survey about attitudes toward tattoos. James reviewed the research findings. He is considering investing in a tattoo removal system which will be effective in totally removing tattoos. He also knows that developing such a system will be very costly and that the only way to reduce the cost of removal on a per-tattoo basis is to have a large volume of customers. He will not make his decision based on the above research results, but he will decide whether or not to pursue his interests further.

18-24	25-29	30-39	40-49	50-64	65+	Total	
Intelligent	42%	38%	33%	10%	1%	10%	28%
Fashionable	60%	52%	10%	6%	2%	18%	25%
Independent	12%	18%	20%	15%	10%	6%	23%
Would hire	40%	23%	8%	9%	2%	4%	15%

Table 1: What do people think about tattoos? Percentage of adults who associate the following terms with visible tattoos, by age group.

Look at the terms in Table 1 shown to participants.

- 1. How should James interpret the meaning of these terms?
- 2. Looking only at the total column, what insights do you think the data provide to James?

3. Examine the data across the age groups from 18-24 to 65+ for each term. What would you conclude?

Should James continue to pursue his idea of a new, effective, low-cost tattoo removal system? Explain.

Learning outcomes checklist

Use this to assess your own understanding of the chapter. You can always go back and amend the checklist when it comes to revision!

- Describe the nature and scope of market research and how it contributes to marketing decision-making
- o Explain the sequence of steps in the market research process
- Make a distinction between problem-identification market research and problem-solving market research
- o Explain the limitations of market research
- o Explain the purpose and components of a research brief and a research proposal

Block 1: Introduction to market research and defining the market research problem

Answers to Questions on the block's topics:

- 1. It is the task of market research to provide relevant, accurate, reliable, valid and current information in order to support sound marketing decisions. Market research helps to remove uncertainty by providing relevant information about consumers, marketing variables and the environment in which decision-makers operate.
- 2. Marketing managers make strategic and tactical decisions in the process of identifying and satisfying customer needs. They make decisions about potential opportunities and problems, target market selection, market segmentation, planning, implementing and controlling marketing plans. They devise the most effective ways to realise opportunities and overcome problems. The market researcher supports marketing managers by seeking to do the following.
- Describe the nature and scope of customer groups.
- Understand the nature of forces which shape customer groups.
- Understand the nature of forces which shape the marketer's ability to satisfy targeted customer groups.
- Test individual and interactive marketing mix variables.
- Monitor and reflect upon past successes and failures in marketing decisions.
- 3. The steps involved in the simple linear process are as follows.
 - Problem definition. Define the market research problem to be addressed in terms of discussion with decision-makers, interviews with experts and analysis of secondary data.
 - Developing an approach to the problem. Develop a broad specification of how the problem would be addressed, which involves the formulation of an objective or theoretical approach, analytical models, research questions, hypotheses and the identification of characteristics or factors which influence the research design.
 - Research design formulation. This is a framework for conducting the market research project, which specifies the details of the procedures necessary for obtaining the required information.
 - o *Fieldwork or data collection*. Data collection involves the use of some kind of field force which could operate either in the field, as in the case of personal interviewing, or from an office, as in the case of telephone, mail or electronic surveys.
 - Data preparation and analysis. Data preparation involves the editing, coding, transcription and verification of data, and the purpose of data analysis is to derive meaning from the data which have been collected.
 - o Report preparation and presentation. The report should address the specific research questions identified in the problem definition, describe the approach, the research

design, data collection and data analysis procedures adopted and present the results and the major findings.

- 4. Market researchers in many cases still tend to focus on their own processes instead of the client's needs. Decision-makers do not want a 15-page explanation of why a specific tool or technique has been used. They want researchers to tell them what they should do. Market researchers should provide actionable consumer insights which can be used to improve the decision-making process for key executives.
 - The market research industry is seeing a broad differentiation between types of market research companies and market researchers. One type is the market researcher who becomes 'techniques focused', driven by the demands of marketers and buyers who view market research as a commodity. The alternative is the market researcher driven by the demands for researchers with more creativity and strategic marketing intelligence. Moving toward a business model which is driven by market researchers offering strategic marketing intelligence means that researchers and the market research industry of the future will be required to do the following.
 - O Think conceptually by recruiting a new generation of 'conceptual' thinkers, i.e. researchers who feel comfortable working with higher-order business concepts and talking the language of senior decision-makers.
 - Communicate in the way which those who commission research think by knowing how
 to communicate in the way senior people think, i.e. researchers presenting findings as a
 'compelling narrative', not as disparate blocks of information.
 - o Interpret findings in terms of the whole picture by thinking holistically about 'evidence', i.e. researchers with the skills to work in a 'holistic' way with all available customer evidence, recognising the need to heavily interpret often imperfect marketing information.
 - Integrate findings with others who support marketing decision-makers by working in a
 multidisciplinary way with related marketing services companies, researchers working
 alongside branding and design and other marketing specialisms to gain a wider market
 understanding.
- 5. There are two major misconceptions of the role of market research.
 - Market research does not make decisions. Rather, research replaces hunches, impressions or a total lack of knowledge with pertinent information.
 - Market research does not guarantee success. Research can only improve the probability of making a correct decision. Anyone who expects to eliminate the possibility of failure by doing research is both unrealistic and likely to be disappointed. The real value of research can be seen over a long period where increasing the percentage of good decisions should be manifested in improved bottom-line performance and in the occasional revelation which arises from research.
- 6. The main factor has been the growth of international trade. The development of global approaches by many organisations has seen many domestic market threats and international market opportunities. Developments in global communications through the growth of the internet and satellite television have resulted in more knowledgeable and demanding domestic and business consumers in international markets. Given the growth and reach of trade, marketing and advertising activities have fuelled the need for international market research.
- 7. Some of the ethical issues in market research which pertain to the client include protecting the public from misrepresentation and providing full and accurate information to the supplier regarding the true purpose of the research, the nature of the problem being addressed and

time, cost and resource constraints. Also, clients should not knowingly disseminate conclusions from a project which are not consistent with, or warranted by, the data. Additionally, they should not solicit specialised research designs or techniques from one supplier and deliver them to another for execution without the approval of the design or technique originator.

Some of the ethical issues in market research which pertain to the supplier include adherence to the basic and commonly accepted standards of scientific investigation: research should be conducted in an objective manner free of personal biases and motivations, the accuracy and validity of the procedures or findings should not be misrepresented, details about the procedures and techniques used should be made available to the client upon request, and the confidentiality of the client and the subjects should be maintained.

Some of the ethical issues in market research which pertain to the participant include assurance of anonymity, the participant's privacy and the participant's right to be informed about the various aspects of the research.

- 8. It is important to define the market research problem correctly as this definition serves as a guideline to the researcher for conducting the rest of a market research problem. Without a correct definition, the researcher may focus on issues and participants which are inappropriate in ultimately supporting decision-makers. The outcome may be research findings which may be misleading or even damaging. The implication of this is that no matter how technically proficient a researcher may be (for example, in terms of designing questionnaires, sampling schemes and analysis of data), without a sound diagnosis of research problems the whole research process may be totally ineffective.
- 9. The research brief may take many forms. At one extreme, it may be a very detailed specification which is used as a tender document, to allow a comparison of costs between different research agencies. A detailed tender document allows very little input from the researcher in terms of ensuring the alignment of the definitions of a management problem and a research problem. At the other extreme, the research brief may be very open-ended, to elicit as much support as possible from the researcher. An open-ended approach may allow for a full and open diagnosis of the management and research problem. It may also lead to an unfocused and ill-defined project. The following layout lies somewhere between an approach which is totally structured and one which is totally open. This layout helps to convey the nature of support needed while allowing the researchers to offer their own experiences and creativity.
- o Background information.
- o *Objectives*: marketing and research.
- o *Target to research*: that is, the individuals who will be researched and to whom the findings will be generalised.
- Who will use the findings: that is, the level of analysis sought and format of presentation.
- o *Constraints*: for example, timing and budget constraints.
- Administrative considerations.
 - This framework can be used if a marketing decision-maker does not present a formal brief. Market researchers can use it as a guide to elicit the required information from decision-makers allowing them to formulate a research proposal.
- 10. A good research proposal should reveal a development of ideas from the research brief. It should show how the researcher has used additional data, negotiations with other parties and their own experiences to create an effective research plan. The decision-maker who is to be

supported, plus any other parties who may contribute to the research process or the decision to pay for the research, should be able to see clear descriptions of each stage and the logical links between each stage. The research proposal should have the following components.

- o Executive summary.
- o Background.
- o Problem definition.
- o Research objectives.
- o Fieldwork/data collection.
- o Data analyses.
- o Reporting.
- Cost and timetable.
- o Research organisation and researchers.
- o Appendices
- o Agreement.
- 11. One reason why decision-makers are often not clear about the real problem is their general tendency to focus on symptoms rather than causes. By being fully involved with issues on a daily basis, they may not have the time and space to 'stand back' and fully reflect on the causes of a problem. Moreover, decision-makers have various time constraints and may not be in a position to gather relevant information to fully analyse the situation. The tacit nature of such marketing decision-making (i.e. actually taking decisions without having to explain the components and interrelationships which found decisions) makes the process of communicating issues difficult. Finally, the problem, as they perceive it, may be coloured by their subjective opinions and biases.

Answers to the Case study: Tattoos aren't us

- 1. 'Intelligent' is a bit ambiguous, but James might interpret this as people perceiving visible tattoos to be an intelligent feature (rather than an indicator of cognitive intelligence). Indeed, one might query whether participants were clear about its meaning in this context. 'Fashionable' and 'would hire' seem to be self-explanatory terms, while 'independent' suggests those with visible tattoos have no inhibitions about being non-conformist.
- 2. The striking result is the percentage of total participants (15%) who indicated that they would hire someone with a *visible* tattoo. This suggests possession of a visible tattoo might be detrimental to career progression. Roughly equal proportions responded that visible tattoos are an intelligent piece of body-art, are fashionable and convey independence.
- 3. The percentages of participants who associate the given terms with visible tattoos are not uniform across the age groups. Specifically, the 18-24 age group seems to find tattoos most socially acceptable hardly surprising given this age group is most likely to get a tattoo. Support for visible tattoos tends to fall as people get older, although there seem to be a few over 65s who find these fashionable perhaps these are retired persons yearning to be young again!
 - Older individuals are much less likely to hire job candidates with visible tattoos, which is useful information given that people who actually do the hiring are more likely to be senior in years.

4. We should treat the data in Table 1 as being indicative rather than conclusive. We have no idea what the sample size was, how representative the sample was (which sampling technique(s) were used, for example) etc. However, there seems to be some evidence of a rejection of visible tattoos among older persons which would suggest a potential market demand for tattoo-removing services - for example, it could be advertised as helping to improve employment prospects.

Given the limitations of the given data, James may wish to commission a more bespoke piece of market research which would target his needs. Of course, he would begin with a detailed research brief.