



Market Research Lecture

- This lecture will cover
 - Quantitative Research
 - When to use Quantitative Research
 - Quantitative Research Methods
 - Survey Methods
 - Observational Research



Quantitative research

- About measurement of WHAT is happening
- Representative sample - draw statistical inferences for entire target population
- High level of control and structure of questionnaire and procedures
- Mode of interview varies (face to face, phone, self-completion, internet)
- Relatively large samples



When used....

Quantitative

- Measuring size, characteristics, attitudes and behaviours of target populations
- Determining broad behavioural and attitudinal patterns
- Hypothesis testing
- Validation of qualitative findings



Cost and Time Factors....

Qualitative

- Cheaper
- Quicker

Quantitative

- More expensive
- Longer

However...

Online quantitative can be very fast and very cost effective

Large scale qualitative studies can be very time consuming and expensive



When to use quantitative research

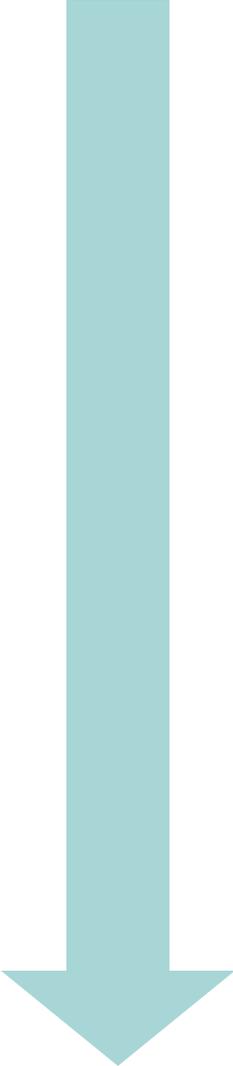


When is quantitative research appropriate...

- When analysing and explaining consumer behaviour on a large scale
 - Testing a hypotheses (or idea)
 - A more detailed understanding of “what” is happening in the market
- Segmenting customers on a numerical basis, via question on who they are and what they do



Keys steps in quantitative research



Define the overall research problem

Define the target sample

Choose the questions to ask

Choose the data collection method

Collect the raw data and process it

Analysis and presentation



Methods of quantitative research...

The most common methods of quantitative research:

- Survey interviews
 - Face-to-face; telephone; online; mail / handed out
- Observational research
 - Watch people in action
 - Discrete – hidden observation
 - Obvious – visible observation



Face to face survey interviews

- A one on one session asking questions from a prepared questionnaire
- Typically 10 - 20 minutes (up to 1 hour in some cases)
- Interviewer can probe for more detailed responses with flexible questions
- Can be conducted at home, office or other location, such as a street or a shopping mall



Strengths and weaknesses of face to face surveys

Strengths

- Trust and rapport
- Can help the interviewee if they do not understand a question
- Can show physical items to people
- Quality of data is superior

Weaknesses

- Time consuming
- Hard to contact a lot of people quickly
- Expensive
- Data has to be processed later
- Reliant on skilled interviewers



Telephone interviews

Similar to face to face except....

- The telephone is used
- The interview is shorter (5 – 15 minutes)
- The questions are more structured and thus less flexible
- The raw data is usually downloaded automatically, via computer assisted telephone interviewing (CATI)



Strengths and weaknesses of telephone surveys

Strengths

- Faster than face to face interviews
- Able to contact more people quickly
- Can help the interviewee if they do not understand a question
- Quality of data is reasonably good

Weaknesses

- Harder to build trust over the phone
- Low response rates, causing “timing blow outs”
- Lack of flexibility with probing for answers



Internet surveys

- Are a self completion survey, so the respondent completes it by themselves
- The respondent (interviewee) is contacted by email or SMS and invited to click onto a survey link
- There they complete the survey by following the prompts and answering the questions
- Data is automatically downloaded and processed
- Duration of 10 – 20 minutes



Strengths and weaknesses of internet surveys

Strengths

- A high response compared to mail surveys (20% vs 5% for mail)
- Respondent can complete at a time suitable for them
- More considered responses
- Automatic data processing

Weaknesses

- No one to help the respondent if they have a problem with a question
- Vulnerable to sampling error caused by “self selecting”
- Dependant on a good quality data base



Mail and handed out surveys

- Are both self completion surveys, so the respondent completes it by themselves
- The survey is posted out, or handed out
- Duration of 5 – 45 minutes
- Usually structured with a few flexible questions (known as open ended questions)
- Raw data is then entered manually into the computer for final processing



Strengths and weaknesses of mail and handed out surveys

Strengths

- Cheap, as no interviewers or website are required
- Respondent can complete at a time suitable for them
- More considered responses
- Can use longer surveys in some cases

Weaknesses

- No interviewer to help the respondent
- Low response rates to mail surveys (5%)
- Takes a long time to get all the mail surveys returned
- For a hand out survey to work, everyone must complete the survey



Observational research

- YOU OBSERVE PEOPLE WITHOUT MAKING CONTACT
 - VISIBLE OBSERVATION
 - They know you are watching them
 - They have got used to your presence
 - HIDDEN OBSERVATION
 - They don't know you are watching them
 - Your presence cannot affect their actions



PERSONAL OBSERVATION

- Watch what people actually do in a buying situation
- Study things such as:
 - How long they take
 - How many products they look at before buying
 - The order in which they look
 - Are any products always looked at first? Why?
 - Does their behaviour change if the price is discounted?
 - Or do other factors influence them? (Eg time?)



Strengths and weaknesses of observational research

Strengths

- You can watch people in their natural environment
- Everything happens in real time
- It is an objective method

Weaknesses

- No feedback unless you ask questions
- People will often change their behaviour if they think they are being watched