

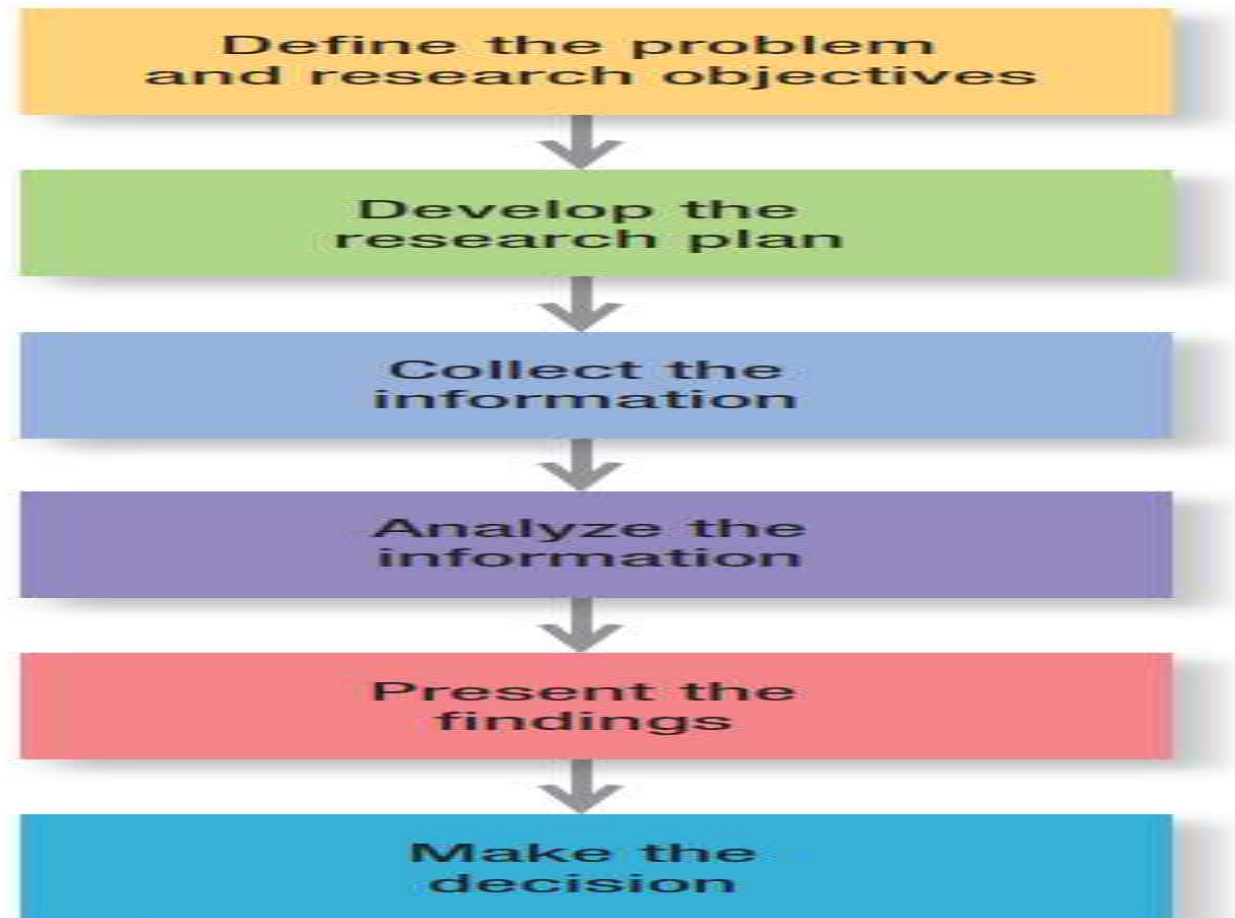
# Big DATA & Marketing Research

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# The Scope of Marketing Research

- American Marketing Association
  - Marketing research is the function that links the consumer, customer, and public to the marketer through information—information used to identify and define marketing opportunities and problems; generate, refine, and evaluate marketing actions; monitor marketing performance; and improve understanding of marketing as a process.

# The Marketing Research Process



# Step 1

- Define the problem
- Define the decision alternatives
- Define the research objectives

# Step 2: Develop the Research Plan

- Data sources
  - Secondary data vs. primary data
  - Six major forces in the broad environment

Demographic

Natural

Economic

Technological

Socio-cultural

Political-legal

# Big Data

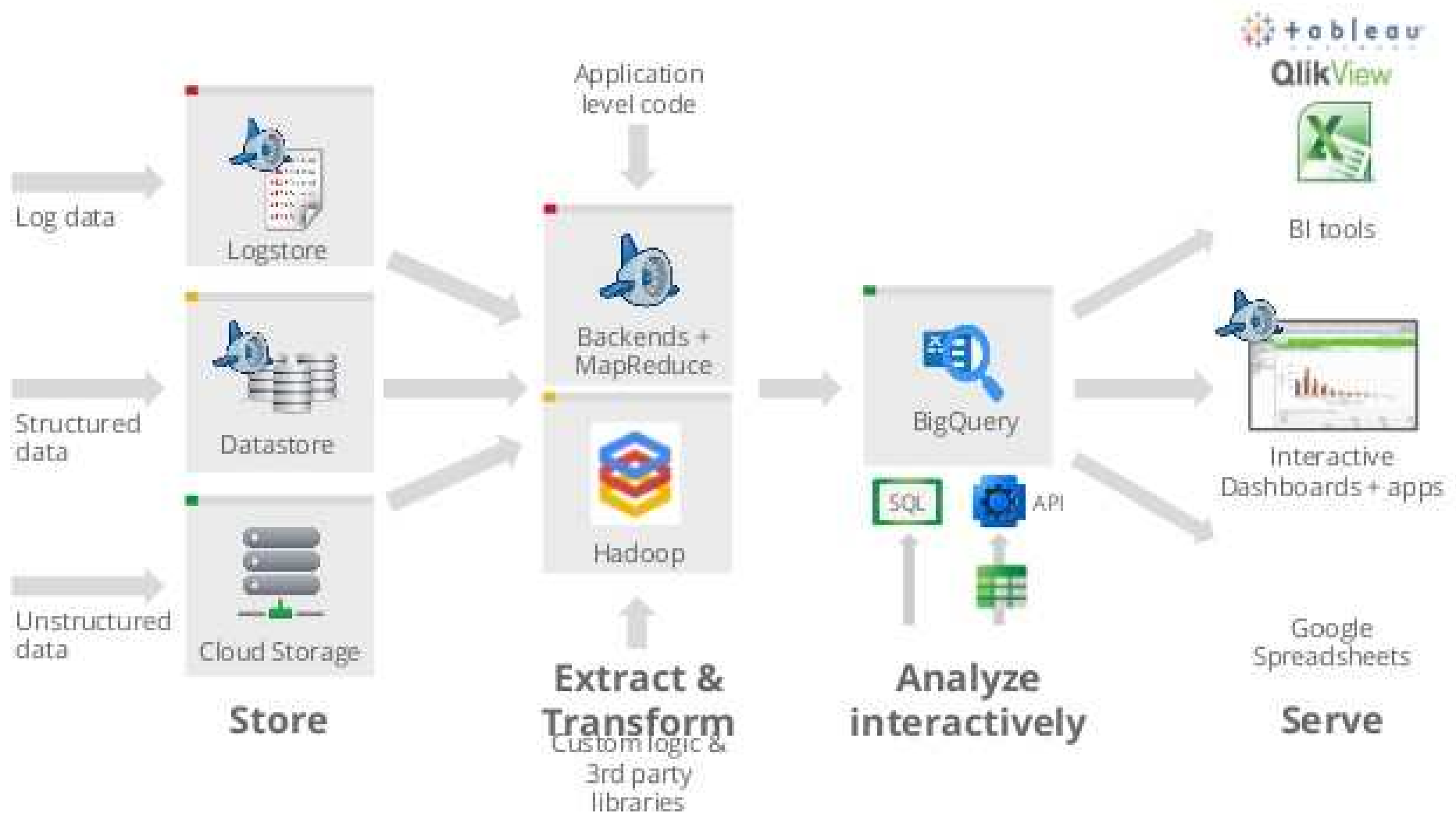




## What is Big Data?

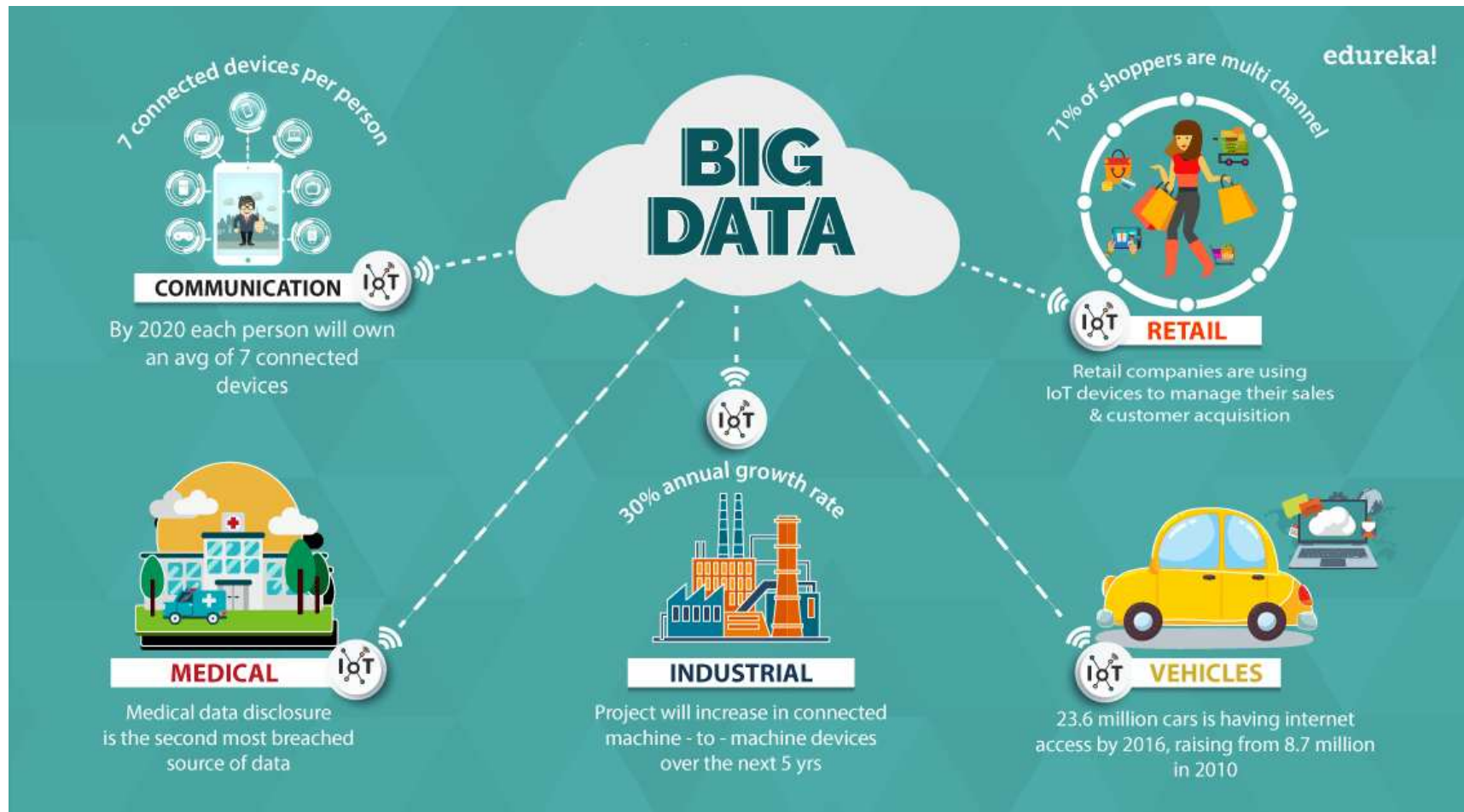
**A massive volume of both structured and unstructured data that is so large to process with traditional database and software techniques**

# Big Data Processing Pipeline





# Application of BiG Data



# Analyzing the Macroenvironment

- Need & Trend
  - Fad : Crocs
  - Trend : Single-house hold
  - Megatrend : Urbanization

# Research Method

- ✓ Observational research
- ✓ Focus group research
- ✓ Survey research
- ✓ Behavioral research

# Research Instruments

Questionnaires

Qualitative measures

Technological devices

# Questionnaire

**TABLE 4.1**

**Types of Questions**

Name	Description	Example
<b>A. Closed-End Questions</b>		
Dichotomous	A question with two possible answers	In arranging this trip, did you personally phone American? Yes _____ No _____
Multiple choice	A question with three or more answers	With whom are you traveling on this flight? <input type="checkbox"/> No one <input type="checkbox"/> Children only <input type="checkbox"/> Spouse <input type="checkbox"/> Business associates/friends/relatives <input type="checkbox"/> Spouse and children <input type="checkbox"/> An organized tour group
Likert scale	A statement with which the respondent shows the amount of agreement/disagreement	Small airlines generally give better service than large ones. Strongly disagree    Disagree    Neither agree nor disagree    Agree    Strongly agree 1 _____ 2 _____ 3 _____ 4 _____ 5 _____
Semantic differential	A scale connecting two bipolar words. The respondent selects the point that represents his or her opinion.	I find American Airlines ... Large _____ Small Experienced _____ Inexperienced Modern _____ Old-fashioned
Importance scale	A scale that rates the importance of some attribute	Airline in-flight service to me is Extremely important    Very important    Somewhat important    Not very important    Not at all important 1 _____ 2 _____ 3 _____ 4 _____ 5 _____
Rating scale	A scale that rates some attribute from "poor" to "excellent"	American in-flight service is Excellent    Very Good    Good    Fair    Poor 1 _____ 2 _____ 3 _____ 4 _____ 5 _____
Intention-to-buy scale	A scale that describes the respondent's intention to buy	If ultra high-speed Wi-Fi service were available on a long flight, I would Definitely buy    Probably buy    Not sure    Probably not buy    Definitely not buy 1 _____ 2 _____ 3 _____ 4 _____ 5 _____

# Questionnaire

B. Open-End Questions		
Completely unstructured	A question that respondents can answer in an almost unlimited number of ways	What is your opinion of American Airlines?
Word association	Words are presented, one at a time, and respondents mention the first word that comes to mind.	<p>What is the first word that comes to your mind when you hear the following?</p> <p>Airline_____</p> <p>American_____</p> <p>Travel_____</p>
Sentence completion	An incomplete sentence is presented and respondents complete the sentence.	When I choose an airline, the most important consideration in my decision is _____ .
Story completion	An incomplete story is presented, and respondents are asked to complete it.	"I flew American a few days ago. I noticed that the exterior and interior of the plane had very bright colors. This aroused in me the following thoughts and feelings . . . ." Now complete the story.
Picture	A picture of two characters is presented, with one making a statement. Respondents are asked to identify with the other and fill in the empty balloon.	
Thematic Apperception Test (TAT)	A picture is presented and respondents are asked to make up a story about what they think is happening or may happen in the picture.	

# Sampling

- Sampling plan
  - Sampling unit: Whom should we survey?
  - Sample size: How many people should we survey?
  - Sampling procedure: How should we choose the respondents?

# Survey Method

- ✓ Mail
- ✓ Telephone
- ✓ Personal
- ✓ Online



# Online Research

- Advantages
  - Inexpensive
  - Expansive
  - Fast
  - Honest
  - Thoughtful
  - Versatile
- Disadvantages
  - Small
  - Skewed
  - Excessive turnover
  - Technological problems
  - Technological inconsistencies

# Step 3 to 6

Step 3: Collect the Information

Step 4: Analyze the Information

Step 5: Present the Findings

Step 6: Make the Decision

# Good Marketing Research

**TABLE 4.2**

**The Seven Characteristics of Good Marketing Research**

1. Scientific method	Effective marketing research uses the principles of the scientific method: careful observation, formulation of hypotheses, prediction, and testing.
2. Research creativity	In an award-winning research study to reposition Cheetos snacks, researchers dressed up in a brand mascot Chester Cheetah suit and walked around the streets of San Francisco. The response the character encountered led to the realization that even adults loved the fun and playfulness of Cheetos. The resulting repositioning led to a double-digit sales increase despite a tough business environment. <sup>43</sup>
3. Multiple methods	Marketing researchers shy away from overreliance on any one method. They also recognize the value of using two or three methods to increase confidence in the results.
4. Interdependence of models and data	Marketing researchers recognize that data are interpreted from underlying models that guide the type of information sought.
5. Value and cost of information	Marketing researchers show concern for estimating the value of information against its cost. Costs are typically easy to determine, but the value of research is harder to quantify. It depends on the reliability and validity of the findings and management's willingness to accept and act on those findings.
6. Healthy skepticism	Marketing researchers show a healthy skepticism toward glib assumptions made by managers about how a market works. They are alert to the problems caused by "marketing myths."
7. Ethical marketing	Marketing research benefits both the sponsoring company and its customers. The misuse of marketing research can harm or annoy consumers, increasing resentment at what consumers regard as an invasion of their privacy or a disguised sales pitch.

# Marketing Metrics

- Measures that help marketers quantify, compare, and interpret performance

TABLE 4.3		Sample Marketing Metrics	
I. External		II. Internal	
Awareness		Awareness of goals	
Market share (volume or value)		Commitment to goals	
Relative price (market share value/volume)		Active innovation support	
Number of complaints (level of dissatisfaction)		Resource adequacy	
Consumer satisfaction		Staffing/skill levels	
Distribution/availability		Desire to learn	
Total number of customers		Willingness to change	
Perceived quality/esteem		Freedom to fail	
Loyalty/retention		Autonomy	
Relative perceived quality		Relative employee satisfaction	

**TABLE 4.4**

## Sample Customer-Performance Scorecard Measures

- Percentage of new customers to average number of customers
- Percentage of lost customers to average number of customers
- Percentage of win-back customers to average number of customers
- Percentage of customers falling into very dissatisfied, dissatisfied, neutral, satisfied, and very satisfied categories
- Percentage of customers who say they would repurchase the product
- Percentage of customers who say they would recommend the product to others
- Percentage of target market customers who have brand awareness or recall
- Percentage of customers who say that the company's product is the most preferred in its category
- Percentage of customers who correctly identify the brand's intended positioning and differentiation
- Average perception of company's product quality relative to chief competitor
- Average perception of company's service quality relative to chief competitor

# Example Of A Marketing Dashboard



# References

- Kortler's Marketing Management