Chap. 2
Defining Marketing Research Problem

Marketing Research Process
1. Problem Definition
2. Development of an Approach to the Problem
3. Research Design Formulation
4. Data Collection
5. Data Analysis
6. Report Preparation and Presentation

• Step 1: Problem Definition
  1. Why is it important?
     - A broad statement of the general marketing research problem and identification of its specific components
     - if problem is misunderstood, ....

• Problem Definition
  1. Why is it important?

Example:
  • Rate a product on such criteria as “Hearty Flavor” and indicate how important each criterion was.

Problem Definition Process

<table>
<thead>
<tr>
<th>Tasks Involved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discussion with Decision Maker</td>
</tr>
<tr>
<td>Interviews with Experts</td>
</tr>
<tr>
<td>Secondary Data Analysis</td>
</tr>
<tr>
<td>Qualitative Research</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Problem Definition</td>
</tr>
<tr>
<td>Management Decision Problem</td>
</tr>
<tr>
<td>Marketing Research Problem</td>
</tr>
</tbody>
</table>

Management Decision Problem vs Marketing Research Problem

Decision problem
What marketing managers need to do

Research problem
What marketing managers need to know
How the information to be obtained

Action Oriented
Information Oriented
Now what?

Step 1: Problem Definition
- Management Decision Problem
- Marketing Research Problem

Step 2: Approach to the Problem
- Objective/Analytical Research
- Theoretical Model
- Questions
- Hypotheses

Step 2: Developing an Approach to the Problem

Focus:
Developing more specific devices to address the components of the research problems defined at previous step

Includes:
- Theory / Objective evidence
- Analytical model (verbal/graphical/mathematical)
- Research question (define it)
- Hypotheses

End product in this step

Research Question (example)

Research problem:
To understand customers’ behavioral profile

Research question:
Do they exhibit store loyalty?

Do they combine shopping with eating out?

4. Hypothesis (Ex.)

Research question:
Do my customers buy more of my brand if I lower price?

Hypothesis:
H: My customers buy more of my brand if I lower price.

Research question:
Do customers of Sears exhibit store loyalty?

Hypothesis:
H: Customers of Sears are loyal.

Think of your own example!