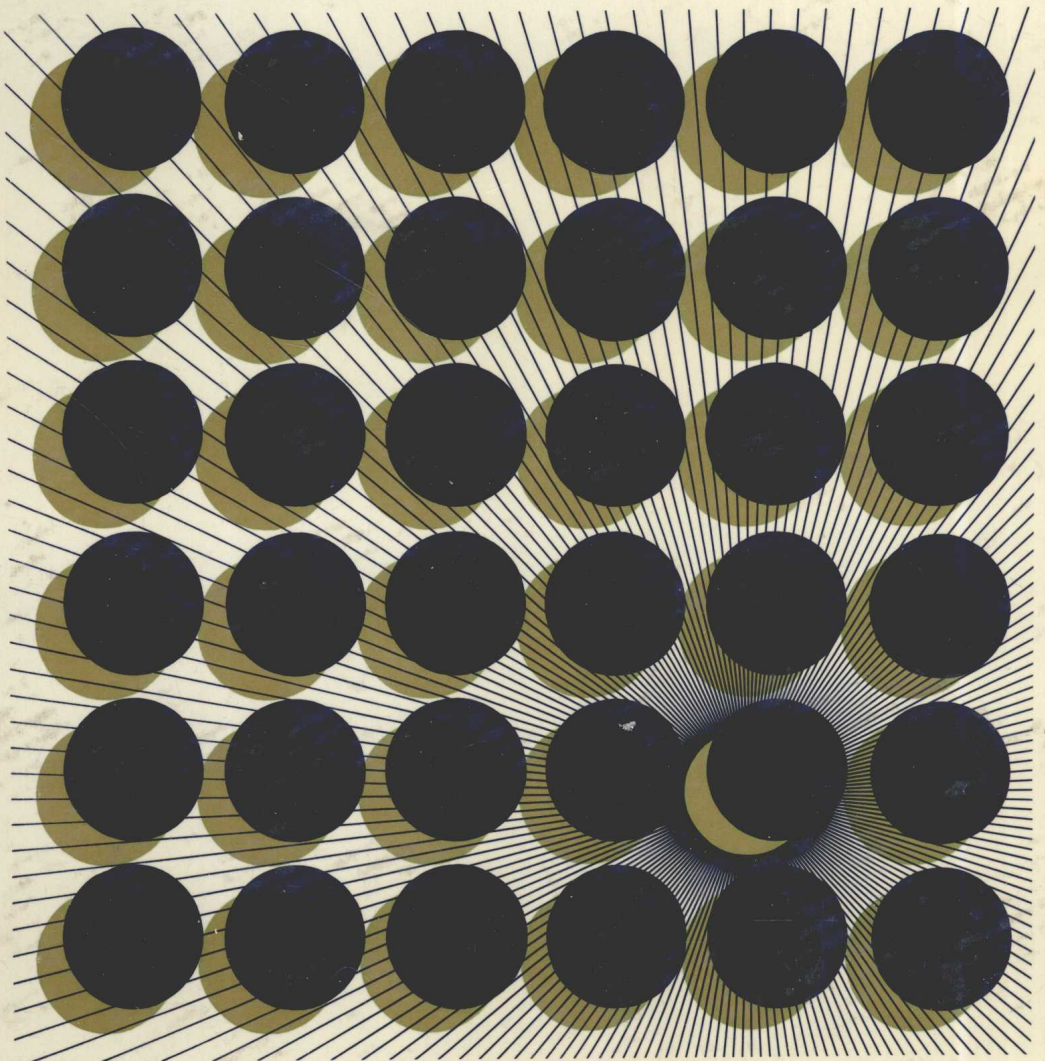


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MARKETING RESEARCH



GEORGE KRESS

Third Edition

MARKETING RESEARCH

GEORGE KRESS

Colorado State University



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PREFACE

The marketing concept states that if a product is to have long term success, it must satisfy existing needs. The fact that this book is now in its third edition indicates that it seemingly has met the needs of a large number of people.

This new edition uses the same basic approach as the earlier editions in that it provides a concise, easily understood coverage of those activities that comprise marketing research.

This edition follows the adage: “If it ain’t broke, don’t fix it.” Thus, there have not been dramatic changes in either the material or format of the third edition, but there have been a large number of minor changes. Some chapters have been reorganized to allow better flow of ideas, others have been expanded to incorporate new concepts or provide more current materials. A section on researching international markets has been added, as have descriptions of some additional techniques for analyzing data. The coverage on ethical aspects has been expanded, and the use of computers in research is incorporated throughout the text.

The book’s specific goals remain the same:

1. to describe the mechanics of good marketing research
2. to identify those factors that can affect research both negatively and positively
3. to help its readers become better users of research

Although most managers are frequent users of research, very few ever become heavily involved in the actual collection of data. Thus, the primary purpose of texts and courses dealing with marketing research should not be training researchers; rather, it should be to provide future decision makers with the background needed to evaluate and properly use the data collected by others.

This book follows a format of “how to conduct research” which seemingly contradicts the position taken in the previous paragraph. The reasoning for such a format, however, is that if a manager is to effectively evaluate collected data, he or she must first understand the basic components of sound research.

The core of this book is its coverage of the basic steps in the research process. Each step is identified and covered in the order in which it would be performed in an actual research project.

The first two chapters provide an overview of marketing research. Chapter 1 defines marketing research, its role in business firms, and its contribution to various marketing decisions. Chapter 2 explains why marketing is an art rather than a science and how this relates to such things as laws, hypotheses, and theories, and how it affects the validity and reliability of market research. This chapter also looks at the role of marketing research in an information system.

The next thirteen chapters describe the various steps in the research process: selecting the project's direction; determining the types of information needed; selecting techniques for acquiring this information; choosing and using samples; gathering the data; processing, analyzing, and interpreting the collected data; and finally, preparing the actual research report.

The final three chapters deal with subjects not covered in most other research texts: the unique aspects of researching industrial and international markets; ethical issues related to marketing research; and the ways that users of research can enhance the research performed for them.

This book was written for the following audiences:

1. Students in introductory courses in marketing research or general business research courses. Although aimed primarily at undergraduates, this material has also been used successfully for research courses in M.S. or M.B.A. programs.
2. People taking short courses in management development programs or in-house training sessions intended to turn decision makers into more effective users of research.
3. Businesspersons who have been assigned some temporary research responsibilities but possess little or no experience in such activities and need to obtain a quick introduction to the "how to" of research.

This book is well suited to those teaching situations in which the instructor gives students quick coverage of the basic steps of research and then follows up with actual research projects. Statistical procedures are presented in a manner that readers with only a limited background in statistics should be able to handle.

I am grateful to the Literary Executor or the late Sir Ronald A. Fisher, F.R.S., to Dr. Frank Yates, F.R.S., and to Longman Group Ltd., London, for permission to reprint Tables III and IV from their book *Statistical Table for Biological, Agricultural and Medical Research* (6th edition, 1974).

I am grateful also to my reviewers for their comments and suggestions: Jeffrey S. Gutenberg, S.U.N.Y. Geneseo; Karen A. Stuart, Central Pennsylvania Business School; L. Milton Glisson, North Carolina Agricultural and Technical State University; Nancy P. Schmitt, Westminster College; Seymour Fine, Rutgers University; Charles Walker, Harding University; Suzanne Gott, Green Mountain College; Pam Horwitz, Maryville College; and Joseph A. Bellizzi, Kansas State University. I also wish to thank Angie Wood and Jan Morgan for their outstanding word processing assistance.

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THE CONCEPT OF MARKETING RESEARCH

The creator of Sherlock Holmes, Sir Arthur Conan Doyle, was exceedingly proud of his own observational and deductive skills. Once, while with friends at a restaurant, he boasted that he could usually tell someone's occupation from just a brief observation of that person. When challenged to demonstrate this skill, Doyle stopped the first man walking by his table and attempted to identify his occupation.

After a brief scanning of the person's attire and physical characteristics, Doyle said, "You play in an orchestra." When the man acknowledged that he did, Doyle's friends, in amazement, asked how he came to that conclusion.

"His protruding lips, his baggy cheeks and large chest indicated this man engaged in excessive intake and expulsion of air, leading me to conclude he played a musical instrument. By the way, young man, which instrument do you play?"

"The drums," was his response.

The preceding anecdote about Sir Arthur Conan Doyle has been used to introduce all three editions of this text because it illustrates why many people have mixed feelings toward marketing research. They realize that researchers can provide solid information; but that information doesn't guarantee that the right decision will be made.

Each recent decade seems to have had at least one major product failure that can be used to raise questions about the value of marketing research. In the 1950s it was the Edsel. In the 1960s, it was Du Pont's Corfam. The 1970s saw the U.S. car industry jolted