

SEVENTH EDITION

# MARKETING RESEARCH



DAVID J. LUCK / RONALD S. RUBIN

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# MARKETING RESEARCH

Seventh Edition

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Dedicated to

ADELE K. LUCK and CYNTHIA B. RUBIN

# PREFACE

In the thirty years since this text was first published, the field of marketing research has progressed in both use and technology. Each edition of *Marketing Research* has been modified to reflect these developments, but the general format has remained consistent as the research process continues to follow the same sequence.

Marketing research is now an established input to a firm's decision-making activity, enhanced by computer and telecommunication technology that has improved the validity of data entry. Understanding and practicing marketing research has become such a serious component of business that students in marketing and other majors find it an essential part of their studies.

## OBJECTIVES

The seventh edition of *Marketing Research* treats the subject in an applied context. One difference from other texts is this book's emphasis on practical issues from a user's perspective. Students need to know when and where to use marketing research, how to make it effective and choose among optional methods, and how to interpret results. One objective of this book is to instill discrimination in using research appropriately and effectively.

We recognize that most students in an introductory course in this subject are far more likely to become its users than its doers. They may take part in planning studies and very probably will have to interpret research reports and to distinguish reliable from spurious research, often in their careers. Therefore, we are careful to include core topics that will serve both users and doers of research.

## COMPUTER APPLICATIONS

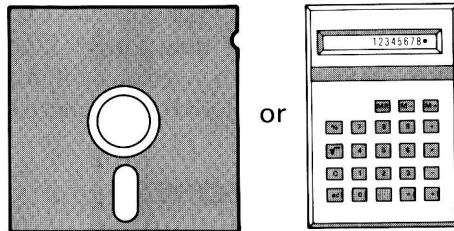
The most notable innovation in this edition integrates microcomputers with the study of marketing research. We have responded to a need voiced by a college senior:

In looking to the future, I've found one shortcoming to existing marketing texts. Many refer to the "Computer age," yet there is no defined way of applying computers to marketing in the texts. Other subjects' texts usually have projects or exercises that involve the computer. I would like to see some computer exercises in my marketing texts. After all, when I start my career, I'll be surrounded by computers. Therefore, the preparation is necessary now to see how computers fit in with the marketing principles.\*

With dramatic improvement now in microcomputers' capabilities, instructors have opportunities to use these machines in classrooms without the obstacles faced in using mainframes or time-sharing systems. Micros' relatively slower speed is offset by the accessibility of a single user system that has adequate storage for many instructional purposes.

This edition is integrated with the use of microcomputers in teaching data analysis. Our approach offers a program structure that has maximum flexibility for instructors to present material in varied ways. For example, instructors can

- 1 Use the cases in the text. At the end of each data analysis chapter (Chapters 14 through 19), special computer application cases are given. Students without access to microcomputers can solve case assignments with calculators. Cases that may be solved either way are marked with these symbols:



- 2 Assign a class research project that is "learning by doing." Data gathered in the project can be processed on the microcomputers with our computer materials.
- 3 Use the data bases supplied with this book. When time prevents a class from conducting a project, using the supplied data bases enables students to con-

\* Valerie B. Ross, "Boring Books Out; Mind-Testing Texts In; But They Need More Computer Exercises," *Marketing Educator*, Winter 1985, p. 3.

centrate on problem definition and the structure, tool selection and usage, and analysis and interpretation of results rather than waste time on laborious computations.

The pedagogical approaches just described can be implemented with the unique software supplement available free to adopters for uses with either IBM PC or Apple II systems. The *Rubin & Luck Data Analysis Disk System*\* includes four data bases and twenty-six programs, presented in a user-friendly, menu-driven format:

- 1 Descriptive Statistics
- 2 Frequency Distribution & Histograms
- 3 Descriptive Statistics for Grouped Data
- 4 Chi-Square Test (Goodness of Fit & Contingency Table)
- 5 Median Test
- 6 Mann-Whitney U Test
- 7 Wilcoxon Matched-Pairs Test
- 8 t-Test for Two Independent Samples
- 9 t-Test given Mean, Standard Deviation, and Sample Size
- 10 t-Test for Related Measures
- 11 t-Test for a Sample Mean
- 12 McNemar Test
- 13 Test for a Significance of a Proportion
- 14 Test for Differences of Two Proportions
- 15 Kolmogorov-Smirnov One Sample Test
- 16 Analysis of Variance (Completely Randomized, Block, & Factorial)
- 17 Latin Square Design
- 18 Scatter Diagram Plot
- 19 Simple Linear Regression & Correlation
- 20 Multiple Linear Regression & Correlation
- 21 Spearman's Rank Correlation
- 22 Two Group Discriminant Analysis
- 23 Contingency Coefficient: C
- 24 Cross Tabulations
- 25 Flow: Selecting Appropriate Analytical Technique
- 26 Survey: Data Base Management Program

Instructors are helped to integrate the microcomputer into their marketing research curricula with instructions provided in the *Teacher's Manual* on setting up a microcomputer-based research course and on running the programs. The program material can be reproduced and supplied to the students.

\* To obtain a copy of the *Rubin and Luck Data Analysis Disk System*, contact Grace Longuet, College Operations, Prentice-Hall, Inc., Englewood Cliffs, N.J. 07632.



## **ORGANIZATION OF THE TEXT**

The text is organized in five parts that take readers through the various activities of research and their context. Part I, "Fundamentals," positions and organizes the book by examining the role of marketing research and its process. Part II, "Planning the Research Project," deals with management's information needs and with determining purpose, design, and plans. It treats alternative designs, data-collection methods, and the possibilities in secondary sources.

Part III, "Performing the Data Collection," covers the important area of data collection. It includes topics of measurement and scaling, of questionnaire design, of sampling, of field procedures, and of data preparation. Part IV, "Processing and Analyzing Data," presents the procedures used to analyze data and to interpret them. Finally, Part V, "Presentation and Follow-through," discusses the nature of research reporting and evaluation. It also includes managing research and ethical issues.

At the end of each chapter is a set of review questions and one or more relevant cases. With the number of cases expanded, more variety and alternatives are provided.

## **ACKNOWLEDGMENTS**

Many people's inputs underlie any effective textbook. We wish to acknowledge those of our many students whose feedback (in and out of classrooms) have told us so much about what worked (and what did not). A number of colleagues who helped us are thanked for their ideas and suggestions about the previous and new editions. Much credit is given to Gary Hinden for his unflagging work on the Computer Data Analysis programs, which helped make this pedagogical approach a reality. Also we have depended on Florence Rendulic for her word processing assistance in the preparation of the Instructor's Manual. We thank our publisher, Prentice-Hall, for continuing to give unflagging support during the publishing process while also holding us to high standards. Also we acknowledge the various contributions built into this book by our former coauthors: Donald Taylor and Hugh Wales.

We specifically thank several people for their contributions, including the outside reviewers whose evaluations and ideas led to many improvements in the manuscript: William Bearden, University of South Carolina; Armen Taschian, Kennesaw College; Robert Dwyer, University of Cincinnati; Kip Beeker, Boston University; and Pat Anderson, Quinnipac College. Among the firms that provided illustrative material we wish to thank Minnesota Mining and Manufacturing Company, Coca-Cola USA, DuPont, and Miles Laboratories. Among the many persons at Prentice-Hall who made this book possible, we single out Whitney Blake, editor of marketing books, and our production editor, Maureen Wilson.



Again, we strongly urge readers to inform us of any faults or improvements that they perceive. As others have in the past, they will help us to improve education in marketing research.

DAVID J. LUCK  
RONALD S. RUBIN

# CONTENTS

Preface      xiii

## PART I      FUNDAMENTALS

### ONE

Introduction      1

*What is marketing research?      Basic and applied research      Value and limitations      Overview of the research process      Users and doers      Summary      Review questions*

**Case 1-1    General Mills, Inc. (A)**

### APPENDIX A

Career Relevance of Marketing Research      11

### TWO

Application of Marketing Research      15

*Variety of applications      The client/researcher interface      Articulation with decision stages      Information systems and marketing research      Summary      Review questions*

**Case 2-1    Coca-Cola USA (A)**

**Case 2-2    General Mills, Inc. (B)**

## PART II PLANNING THE RESEARCH PROJECT

### THREE

#### Research Objectives and Plans 31

*Overview of this chapter*    *Research objectives*    *The research plan*    *Summary*    *Review questions*

**Case 3-1 Union Motors Corporation (A)**

**Case 3-2 Coca-Cola USA (B)**

### FOUR

#### Research Designs 51

*The nature of research designs*    *Benefits of designs*    *Major types of designs*    *Summary*    *Review questions*

**Case 4-1 Union Motors Corporation (B)**

### FIVE

#### Experimental Designs 68

*The setting of experiments*    *True experimental designs*    *Extensions of true experimental designs*    *How to select an experimental design*    *Summary*    *Review questions*

**Case 5-1 Miles Laboratories, Inc.**

**Case 5-2 Coca-Cola USA (C)**

### SIX

#### Specifying Data and Acquisition Methods 95

*Data objectives*    *Data types*    *Sources of data*    *Communication approaches*    *Formulating a data plan*    *Summary*    *Review questions*

**Case 6-1 Coca-Cola USA (D)**

**Case 6-2 Union Motors Corporation (C)**

### SEVEN

#### Secondary Data 117

*General types of data*    *Systematizing the data search*    *Tailoring data to decisions*    *Guides to secondary data*    *Principal sources*    *Summary*    *Review questions*

**Case 7-1 Abbott & Frank**

**Case 7-2 BankWest**

**Case 7-3 Econo-Drugs, Inc.**

## PART III PERFORMING THE DATA COLLECTION

### EIGHT

#### Basic Concepts of Measurement and Scaling 139

*Measurement and meaning    Levels of measurement    Meaning*  
*Criteria for good measurement    Sources of measurement problems*  
*Managerial considerations for measurement error avoidance*  
*The development of measurement scaling methods    Basic rating scales*  
*Specific attitude scales    Selecting the appropriate scale to use*  
*Summary    Review questions*

**Case 8-1 Delaware Art Museum**

**Case 8-2 North Star Beverages, Ltd.**

### NINE

#### Questionnaire Design 173

*Functions of questionnaires    Questionnaire design    The observational form    Summary    Review questions*

**Case 9-1 Totality Research, Inc.**

**Case 9-2 Hampton Mayoral Survey (A)**

### TEN

#### The Sampling Process and Selection 209

*Reasons for sampling    Managerial objectives of sampling    The sampling process: an overview    Nonprobability methods of selection*  
*Summary    Review questions*

**Case 10-1 Lowe & Harper Department Store**

**Case 10-2 Tyme, Inc.**

**Case 10-3 Pastry World, Inc.**

**Case 10-4 The Yorkshire Tavern**

### ELEVEN

#### Probability Sampling Methods 231

*Fundamental conditions    Distribution relationships    Interval estimating    Estimating the population mean and its precision*  
*Estimating a proportion and its precision    Probability sampling techniques    Validation    Researcher summary of sampling selection    Summary    Review questions*

**Case 11-1 Selection of telephone numbers**

**Case 11-2 American Wine, Inc.**

**Case 11-3 Robotronics, Inc.**

## TWELVE

## Sampling-Size Decisions 264

*The sample-size decision*    *Determining sample size and efficiency when estimating means (continuous variables)*    *Determining the sample size when estimating proportions*    *Sample size in relation to total population*    *Stratified sample size*    *Additional comments related to sample-size determination*    *Summary*    *Review questions*

**Case 12-1 Hampton Mayoral Survey (B)**

**Case 12-2 State Farm Mutual Automobile Insurance Company**

**Case 12-3 East Central Florida Automobile Club**

**Case 12-4 Mount Vernon House of Furniture**

**Case 12-5 Florida Solar Energy Center**

## THIRTEEN

## Field Procedures 296

*Field procedures for data-collection methods*    *Error sources in field work*    *Managing the field work*    *Summary*    *Review questions*

**Case 13-1 Consolidated Telephone Company (A)**

**Case 13-2 Cathay Cosmetics**

## PART IV PROCESSING AND ANALYZING DATA

## FOURTEEN

## Data Preparation and Processing 338

*Validation*    *Editing*    *Coding*    *Data-processing methods*    *Utilizing computers*    *Microcomputers in marketing research*    *Planning the interpretive program*    *Conducting data processing*    *Summary*    *Review questions*

**Case 14-1 Consolidated Telephone Company (B)**

**Case 14-2 The Sneaker Shack**

## FIFTEEN

## Data Analysis and Interpretation: Introduction 373

*Some problems of understanding analysis*    *Nature and functions of statistical analysis*    *Nature of interpretation*    *The interrelationship between analysis and interpretation*    *The interpretative process*    *Bringing the data into order*    *Statistical summarization*    *Measures of dispersion*    *Graphical presentation*    *Selecting appropriate analytical methods*    *Summary*    *Review questions*

**Case 15-1 Associated Beverage Company (A)**

**Case 15-2 Acetam Laboratories, Inc.**

- Case 15-3 Tropical Pools, Inc.**
- Case 15-4 Rainbow Paint Company**
- Case 15-5 Hampton Mayoral Survey (C)**
- Case 15-5 Coca-Cola USA (E)**

SIXTEEN

Analysis of Differences 426

*General hypothesis-testing procedure      Marketing and statistical decisions: a*  
*caution      Nonparametric statistics      Parametric statistics*  
*Summary      Review questions*

- Case 16-1 Value-Mart Discount Stores**
- Case 16-2 Cutcraft Cutlery Corporation**
- Case 16-3 Lovely Lady Cosmetics, Inc.**
- Case 16-4 Data Facts Research**
- Case 16-5 Acme Marketing Company**
- Case 16-6 Athlade**
- Case 16-7 National Motors, Inc.**
- Case 16-8 Small Grocers Association**

SEVENTEEN

Analysis of Experiments 476

*Randomized block design      Latin square design      Factorial*  
*design      Analysis of covariance      Summary      Review questions*

- Case 17-1 Silken Hosiery, Inc.**
- Case 17-2 The Prime Candy Company**
- Case 17-3 The Williams Advertising Agency**
- Case 17-4 Super Clean Toothpaste**

EIGHTEEN

Investigation of Associations (Dependence Methods) 500

*Measures of association between two nominal variables      Measures of*  
*association between two ordinal variables.      Measurement of association*  
*between two or more interval variables      Additional measures of*  
*association      Summary      Review questions*

- Case 18-1 Gold Stamp Company**
- Case 18-2 All Nu Automotive Parts**
- Case 18-3 Sudsway Company**
- Case 18-4 American Insurance Company**

NINETEEN

Investigation of Associations (Interdependence Methods) 542

*Factor analysis   Cluster analysis   Multidimensional scaling   Planning requirements for efficient analysis   Summary   Review questions*

- Case 19-1   Perceptions of a Discount Store**
- Case 19-2   Associated Beverage Company (B)**
- Case 19-3   United Foods, Incorporated**

**PART V      PRESENTATION AND FOLLOW-THROUGH**

TWENTY

Presentation of Research Findings and Follow-through 566

*Role of the report   Types of reports   Contents of the report for executives   Principles of report preparation   Personal presentations   Follow-through   Summary   Review questions*

- Case 20-1   Central City Reporter**
- Case 20-2   Florida Engineering Society Journal**
- Case 20-3   U.S. Department of Commerce International Business Study**

TWENTY-ONE

Managing Marketing Research 615

*Client/researcher interface revisited   Clients' research management concerns   Managing marketing research departments   Marketing research agencies   Organization   Resources for marketing research   Summary   Review questions*

- Case 21-1   Hercules Farm Equipment**

TWENTY-TWO

Ethical Issues in Marketing Research 632

*Code of ethics   Ethical issues involving the treatment of respondents/ subjects   Ethical issues in the treatment of buyers/clients   Ethical issues relating to the treatment of researchers   Concluding comments on ethical issues   Summary   Review questions*

- Case 22-1   Unethical Situations?**
- Case 22-2   Lawn Darts**
- Case 22-3   Kiddie Playthings, Inc.**
- Case 22-4   Crystal Clear Water Conditioning Company**
- Case 22-5   Associated Field Services, Inc.**



## APPENDIX B

Codes of Ethics 654

## APPENDIX C

Approving a Proposed Project 659

## APPENDIX D

Table of Random Numbers 668

## APPENDIX E

Cumulative Normal Distribution 669

## APPENDIX F

Percentiles of the  $t$  Distribution (One- and Two-Tailed Tests) 670

## APPENDIX G

Percentiles of the  $\chi^2$  Distribution 671

## APPENDIX H

Percentiles of the  $F$  Distribution 672

## APPENDIX I

Critical Values of  $U$  in the Mann–Whitney Test 676

## APPENDIX J

Critical Values of  $T$  in the Wilcoxon Signed Rank Test 677

Indexes 679

*Name index* 679*Subject index* 680

# INTRODUCTION

Business firms' use of marketing research has grown continuously over the past fifty years, since managers painfully learned the cost of market ignorance. Its use has extended now into political and other nonbusiness organizations. The modern manager must have knowledge of its methods and how to use it profitably. This chapter introduces you to some definitions, presents an overview of the research process, and offers a glimpse of the profession.

## WHAT IS MARKETING RESEARCH?

The natural starting point is to define our subject, and so we quote the traditional definition of the American Marketing Association. Marketing research is

The systematic gathering, recording, and analyzing of data about problems relating to the marketing of goods and services.<sup>1</sup>

The key word that distinguishes research from a haphazard gathering of observations is *systematic*. The systematic conduct of research requires particularly these two qualities: (1) orderliness, in which the measurements are accurate and the cross section is fair, and (2) impartiality in analysis and interpretation. Keep these two criteria in mind.

<sup>1</sup> Committee on Definitions, *Marketing Definitions: A Glossary of Marketing Terms*. (Chicago: American Marketing Association, 1960), p. 17.