

# MARKETING RESEARCH

SEVENTH EDITION

AAKER • KUMAR • DAY



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*Dedicated with love*

*To my wife, Kay*  
*To my parents, Patta and Viswanathan*  
*sister, Shanti Prasad*  
*and uncle, N. Kannan*  
*To my wife, Marilyn*

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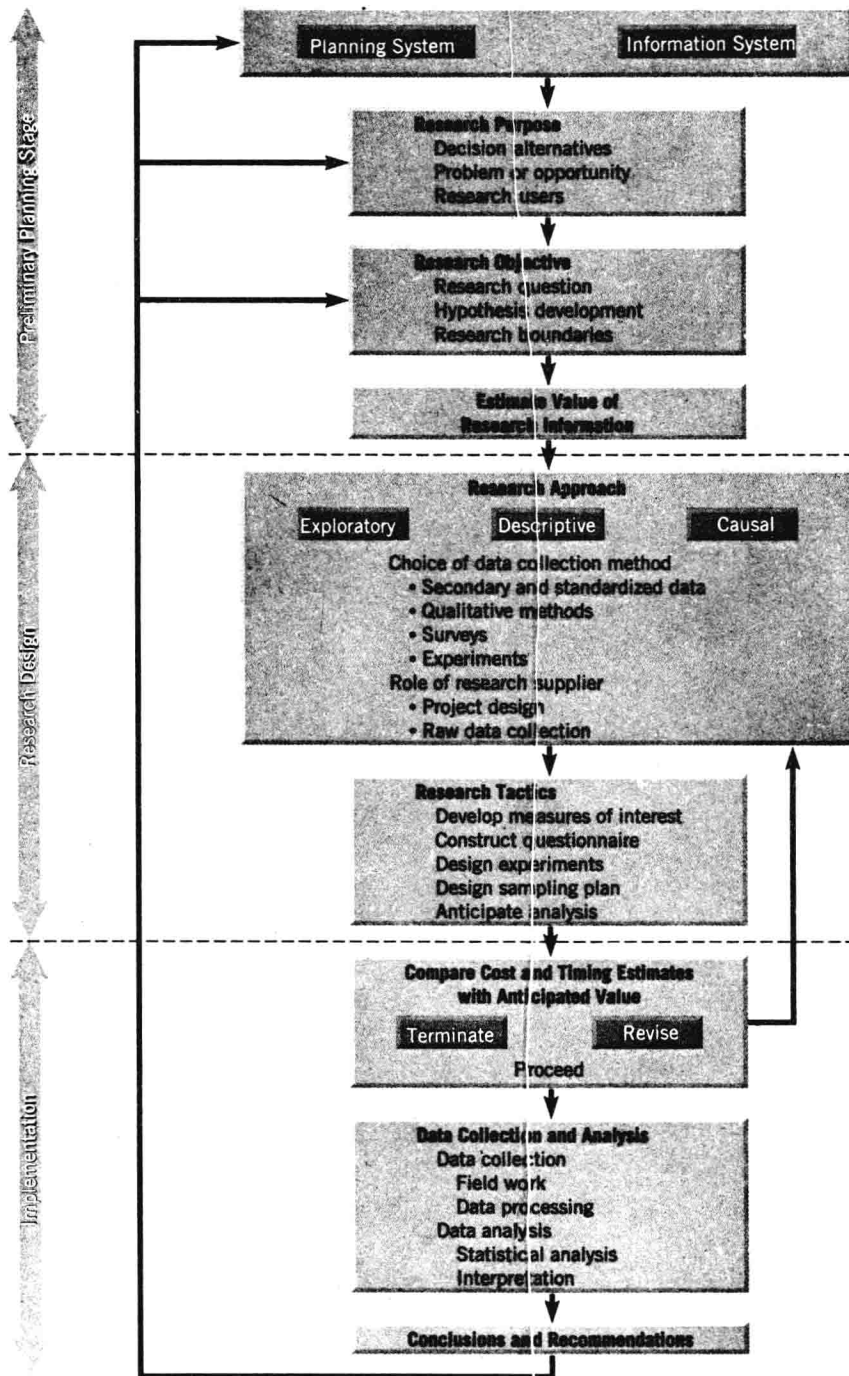
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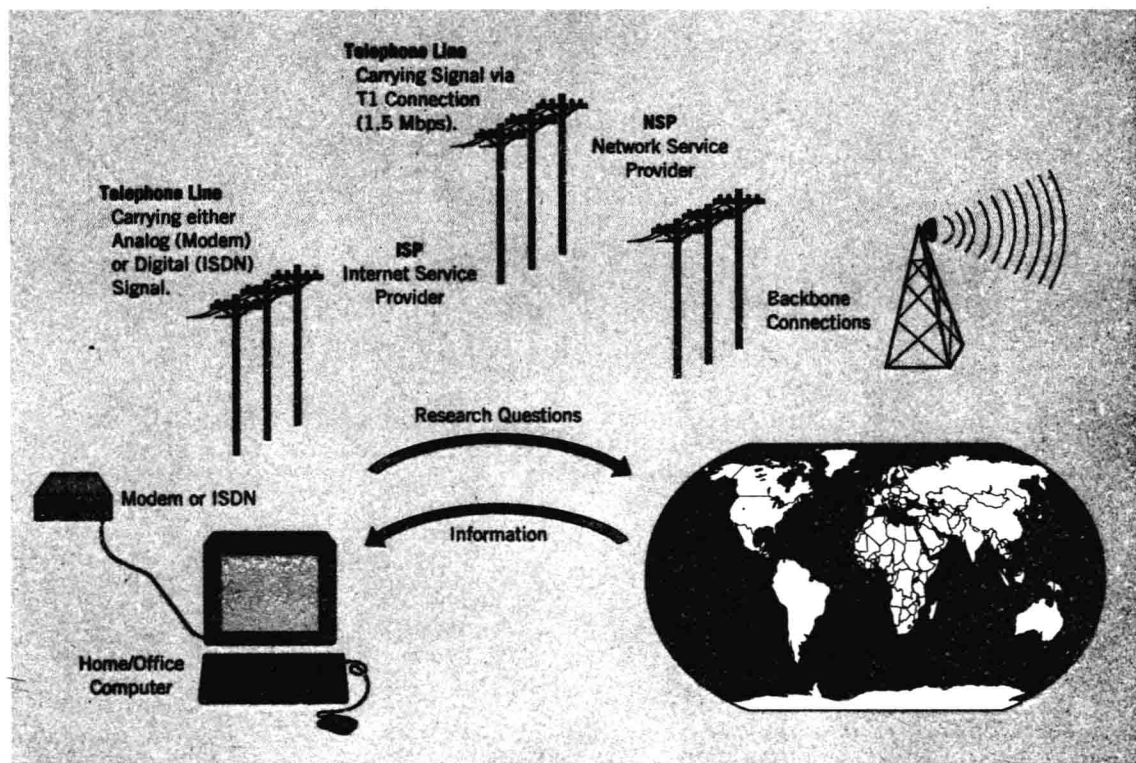
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The Marketing Research Design Process



Accessing the World Wide Web

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# PREFACE

If we can compare marketing to a long train with multiple compartments, then marketing research would justly claim the dual roles of the engine that powers the train and the links that connect the individual compartments to form a cohesive functional unit. In other words, marketing research is pervasive—the *brain* and the *brawn* of any marketing organization.

Having said this, we realize that marketing research is a complex subject and therefore has to be introduced to the student one compartment at a time before the entire train can be visualized. We also realize the danger in this approach. The student can get overly excited or, even worse, overwhelmed by the individual units so that he or she fails to see the proverbial “big picture”—the overarching framework, the subtle but essential interactions between units, and the ultimate purpose, namely, how marketing research can help organizations achieve their goals. Hence, this text takes a “macro-micro-macro” approach toward communicating the intricacies of marketing research and its usefulness to the marketing organization.

The strengths of the previous edition have been maintained in this revised edition. Topics of less interest and relevance to the practice of marketing and marketing research have been eliminated. New topics have been added to position this book as the necessary tool for successfully marching into the next millennium.

One of the most exciting of these new tools is the Internet. The Internet is a multimedia playground for data-intensive tasks and fortunately marketing research is blessed with the advances in this technological wonder. Online marketing research is experiencing a phenomenal growth due to a larger number of people accessing the Internet and the increased speed of surfing the Internet. The computer revolution has facilitated the increase in the power of marketing research with respect to sophisticated data collection and decision-making opportunities. Together, these advances have taken marketing research to the forefront of business strategies that involve trying to win customers’ share of purchases.

We begin with a macro-level treatment of what marketing research is, where it fits within an organization, and how it helps in managerial decision making. Here, we also discuss the marketing research industry, with a brief treatment of both suppliers and users.

The body of the text takes a micro-level approach, detailing each and every step of the marketing research process. In describing the marketing research process, a decision-oriented perspective has been adopted to help students, who are future managers and researchers, make better decisions. Detailed discussions of the process, with numerous examples from the industry, characterize this micro phase.

Finally, we wrap up with a macro-level treatment of the applications of marketing research. Here we address the traditional 4P research, as well as contemporary issues such as brand equity, customer satisfaction research, and emerging issues that continue to fascinate marketers, such as e-commerce, direct marketing, database marketing, and relationship marketing.

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## OBJECTIVES OF THIS TEXT

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Our overall objectives in writing this text continue to be

1. To communicate in an interesting and informative manner the essence of marketing research to “future managers” and “future researchers.” Both groups need to know when marketing research can and should be used, what research alternatives exist, how to recognize effective and ineffective research, and how to interpret and apply the results.
2. To illustrate the usefulness of the Internet, online marketing research, and other advances in technology.
3. To emphasize the current developments in marketing research, such as the distinction between domestic and international market research.
4. To use examples, applications, and illustrations throughout the book, in an effort to tie the material to the real world and thus provide interest and better understanding to the student.
5. To discuss the fastest growing applications of marketing research—e-commerce, direct marketing, and database marketing research, and their impact on businesses.
6. To provide a clear and comprehensive treatment of modern data analysis topics. Each chapter includes simple numerical examples to help students get a hands-on feel for the material.
7. To provide thorough coverage of the most advanced and current marketing research methodologies, pointing out their limitations as well as their potential for enhancing research results.

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## NEW TO THIS EDITION

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In line with these objectives, the seventh edition has undergone some critical changes. The more prominent of these changes are:

1. The chapter on the *Emerging Applications of Marketing Research* has been expanded to include e-commerce coverage. The chapter now focuses on e-commerce, database marketing, and relationship marketing. The growth in e-commerce is phenomenal and a firm's ability to identify individuals and market to them is an important task. Database marketing is on the verge of being the most important tool for businesses facing the challenges of the 21<sup>st</sup> century.
2. The text has been made current by the addition of discussions on new topics of interest and methods of practice in marketing research. For example, *Projective Techniques* have been updated to reflect how emphatic interviewing yields insightful results.
3. The new section on *Marketing Research in Business* in each chapter focuses on the real world applications of Marketing Research. Several current real-world examples such as, how a *Meatless Burger Marketer Reaches to “Crossover” Consumers*, *Beautifying the Japanese Male*, *From Perception to Delivery of Customer Satisfaction* are new to this edition. These additions reflect the current and future trends in the marketing research industry.
4. A number of new cases like *Philip Morris Enters Turkey* and *Dell in Latin America* have been added to this edition. These cases reflect the current and future trends in marketing research.
5. Firm-specific and data-specific URL's are provided in the book so that the users can access the most recent information.
6. Spreadsheet illustrations, using SPSS®, for many statistical techniques discussed in this book are provided as Appendices Five and Six at the end of the

book. Also, the use of other statistical packages like SAS is illustrated on the text Website.

7. SPSS® *Student Version 9.0 for Windows* is available to package with the text. Data sets on the SPSS CD accompany Tables 19–3 and 19–4 (Export Data Set), NewFood Inc. Case, Vancouver Symphony Orchestra Case, and the Pacific Gas and Electric Case are available.

## FEATURES OF THE BOOK

1. The text communicates in an interesting and informative manner the essence of marketing research to future managers and future researchers. Both groups need to know when marketing research can and should be used, what research alternatives exist, how to recognize effective and ineffective research, and how to interpret and apply the results.
2. The Cases and Part Cases are positioned appropriately at the end of chapters and text parts to stimulate interest, add realism to the marketing research curriculum, and help develop decisionmaking skills. These cases cover a wide range of products and organizations.
3. The chapter on *Marketing Research on the Internet* links the reader with the world of marketing research to keep abreast with the emerging trends and changes in the marketplace.
4. The *International Element of Marketing Research* has been continued. Particularly, an effort has been made to provide a clear distinction between the domestic and international marketing research process and prepare the users of this text to face the challenges of multinational research.
5. The chapter on the *Emerging Applications of Marketing Research* focuses on e-commerce, database marketing, and relationship marketing. The growth in e-commerce is phenomenal and the firm's ability to identify individuals and market to them is an important task. Database marketing is on the verge of being the most important tool for businesses facing the challenges at the dawn of the 21<sup>st</sup> century. As firms shift their resources more towards targeted marketing, the discussion in this chapter becomes valuable.
6. The section on *Applications of Marketing Research* has been revised. It included a chapter on the traditional 4P applications, a chapter on more recent developments such as competitive advantage, brand equity, total quality management, customer satisfaction, and a chapter on emerging issues such as e-commerce, database marketing, and relationship marketing.
7. The section on *Marketing Research in Business* in each chapter focuses on the real world applications of Marketing Research.
8. Each chapter also includes *Learning Objectives*, a *Chapter Summary*, and *Questions and Problems*.

## ORGANIZATION OF THE TEXT

The book is organized to reflect the “macro-micro-macro” approach towards imparting marketing research training to the student. The text consists of five parts. Parts I and V deal with the “macro” aspects of marketing research; Parts II, III, and IV deal with the micro aspects.

**Part I**, consisting of four chapters, deals with the nature and scope of marketing research. Here, the overall framework of marketing research is presented, and where and how marketing research fits in with the other aspects of

marketing is explained. The nature of the research industry and suppliers is also discussed here.

**Part II**, consisting of Chapters 5 through 15, deals extensively with the various aspects of data collection. This part is further divided into four sections, one section devoted to each of the three fundamental types of marketing research: exploratory, descriptive, and causal. The final section addresses the issue of sampling.

**Part III**, consisting of three chapters, discusses the fundamental aspects and techniques in data analysis. These include preanalysis issues such as data editing, coding, and simple techniques such as hypothesis testing, chi-square analysis, and the analysis of variance.

**Part IV** is devoted exclusively to advanced and more sophisticated data analysis techniques such as correlation and regression analysis, discriminant analysis, factor analysis, cluster analysis, conjoint analysis, and multi-dimensional scaling. This part consists of four chapters, the last chapter dealing with the aspects of presenting the research results.

In **Part V**, the student is exposed to the traditional, contemporary, and emerging applications of marketing research. This section has three chapters and provides the student with a comprehensive picture of marketing research, highlighting where and how the individual units of the research process fit in while solving marketing problems.

## SUPPLEMENTS TO THE TEXT

- An Instructor's Manual will accompany this text. This manual provides solutions to end-of-chapter Questions and Problems, and discusses all the text cases in greater detail. Exam questions are arranged by chapter, and include multiple-choice and true / false questions. An example of a course syllabus is presented, and many suggestions for the organization of the course are provided.
- PowerPoint presentation of selected material from each chapter is available.
- Data diskettes that contain data for end-of-chapter cases and statistical analysis are available. SPSS®-interpreted examples are available on the CD.
- Videos that illustrate the practice of marketing research are available.
- A Website is developed to support the text. This Website will periodically update information that is relevant for keeping the text up to date. ([www.imc-marketing.com/mr](http://www.imc-marketing.com/mr))
- End-of-chapter questions are also available on a diskette.
- A practice test version for the students has been added to the Website, which provides sample test questions in each chapter.

## ACKNOWLEDGMENTS

Many debts have been accumulated during the years in which seven editions of this book have taken shape. We are especially grateful to our students, who gave us feedback from the consumer's perspective and whose field research projects provided many of the illustrations and problems; to our colleagues, who stimulated us and brought new ideas and approaches to our attention; and to our clients, who gave us many opportunities to put ideas into practice and thus broaden our understanding of marketing research as it is currently practiced. It

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A host of helpful and insightful reviews on the first four editions were received from Scott Armstrong, Ronald Beall, Andrew Brogowicz, Dave Bruzonne, Melvin Crask, William R. Dillon, Chris T. Ford, Gary T. Ford, Michael Hagerty, Chris Lovelock, Barry Mason, Douglas L. MacLachlan, Shelby McIntyre, Thomas Pilon, Peter Riesz, Gary Russell, Eli Seggev, Subrata Sen, Terence A. Shimp, Allan Shocker, Judy Wilkinson, Noel Zabriskie, Curt J. Donmeyer, A. Dwayne Ball, Jeffrey M. Ferguson, Zir Carmon, Anita Desembrana, John H. Summey, Alexandra Campbell, and Sanjit Sengupta.

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Finally, we wish to express our sincere appreciation to our families and friends for their constant support, encouragement, and sacrifices during the creation of this book.

*David A. Aaker  
V. Kumar  
George S. Day*

# BRIEF CONTENTS

## PART I

### The Nature and Scope of Marketing Research

- Chapter 1** A Decision-Making Perspective on Marketing Research, 1
- Chapter 2** Marketing Research in Practice, 22
- Chapter 3** The Marketing Research Process, 40
- Chapter 4** Research Design and Implementation, 70

## PART II

### Data Collection

#### SECTION A

##### Secondary and Exploratory Research

- Chapter 5** Secondary Sources of Marketing Data, 102
- Chapter 6** Standardized Sources of Marketing Data, 128
- Chapter 7** Marketing Research on the Internet, 156
- Chapter 8** Information Collection: Qualitative and Observational Methods, 181

#### SECTION B

##### Descriptive Research

- Chapter 9** Information from Respondents: Issues in Data Collection, 217
- Chapter 10** Information from Respondents: Survey Methods, 233
- Chapter 11** Attitude Measurement, 272
- Chapter 12** Designing the Questionnaire, 303

#### SECTION C

##### Causal Research

- Chapter 13** Experimentation, 331

#### SECTION D

##### Sampling

- Chapter 14** Sampling Fundamentals, 363
- Chapter 15** Sample Size and Statistical Theory, 392

## PART III

### Data Analysis

- Chapter 16** Fundamentals of Data Analysis, 422
- Chapter 17** Hypothesis Testing: Basic Concepts and Tests of Associations, 443
- Chapter 18** Hypothesis Testing: Means and Proportions, 462

## PART IV

### Special Topics in Data Analysis

- Chapter 19** Correlation Analysis and Regression Analysis, 500
- Chapter 20** Discriminant and Canonical Analysis, 532
- Chapter 21** Factor and Cluster Analysis, 553
- Chapter 22** Multidimensional Scaling and Conjoint Analysis, 583
- Chapter 23** Presenting the Results, 610

## PART V

### Applications

- Chapter 24** Traditional Applications of Marketing Research: Product, Price, Distribution, and Promotion, 627
- Chapter 25** Contemporary Applications of Marketing Research: Competitive Advantage, Brand Equity, Customer Satisfaction, and Total Quality Management, 665
- Chapter 26** Emerging Applications of Marketing Research: Direct Marketing, Database Marketing; E-Commerce, and Relationship Marketing, 689

### Appendix 1: Tables, 711

- A-1.** Standard Normal Probabilities, 711
- A-2.**  $\chi^2$  Critical Points, 712
- A-3.** *F* Critical Points, 714
- A-4.** *t* Critical Points, 717
- A-5.** Procedures for Conducting Univariate and Multivariate Analysis in SPSS, 718
- A-6.** Output of Select Tables in SPSS, 722

### Glossary, 733

### Index, 743

---

# CONTENTS

---

## PART I THE NATURE AND SCOPE OF MARKETING RESEARCH

---

### CHAPTER 1 A Decision-Making Perspective on Marketing Research, 1

Learning Objectives, 1  
Introduction, 1  
*A Push to Probe Buying Habits in Latino Homes, 1*  
*Minute Maid Quits Trying to Free OJ, 2*  
*Future Grocery Store: It's Smaller and a Big Challenge for Brand Marketers, 2*  
Role of Marketing Research in Managerial Decision Making, 3  
*Situation Analysis, 4*    *Strategy Development, 6*  
*Marketing Program Development, 8*  
*Implementation, 10*  
Factors that Influence Marketing Research Decisions, 11  
*Relevance, 11*    *Type and Nature of Information Sought, 11*    *Timing, 12*    *Availability of Resources, 12*    *Cost-Benefit Analysis, 12*  
Use of Marketing Research, 12  
*Does Marketing Research Guarantee Success?, 13*  
Ethics in Marketing Research, 13  
*The Sponsor's Ethics, 14*    *The Supplier's Ethics, 15*  
*Abuse of Respondents, 16*  
The Respondent's Ethics and Rights, 17  
International Marketing Research, 17  
Summary, 19  
Questions and Problems, 19  
End Notes, 19  
Case 1-1: Ethical Dilemmas in Marketing Research, 20

---

### CHAPTER 2 Marketing Research in Practice, 22

Learning Objectives, 22  
Information Systems, Decision Support Systems, and Marketing Research, 23

*Databases, 23*    *Decision Support Systems, 23*  
*Applying Information Systems to Marketing Research, 23*  
Marketing Decision Support Systems, 26  
*Characteristics of a MDSS, 26*    *Database, 26*  
*Reports and Displays, 27*    *Analysis Capabilities, 27*  
*Models, 27*    *Gaining Insights from a MDSS, 29*  
Suppliers of Information, 30  
*Corporate/In-House Marketing Research, 30*    *External Suppliers of the Research Industry, 32*    *Type and Nature of Services, 34*  
Criteria for Selecting External Suppliers, 35  
The International Marketing Research Industry, 36  
Career Opportunities in Marketing Research, 36  
Summary, 37  
Questions and Problems, 38  
End Notes, 38  
Appendix: Marketing Research Jobs, 39

---

### CHAPTER 3 The Marketing Research Process, 40

Learning Objectives, 40  
Overview of the Marketing Research Process, 40  
The Preliminary Stages of the Marketing Research Process, 42  
*Step 1—Research Purpose, 42*    *Step 2—Research Objective, 47*    *Step 3—Estimating the Value of Information, 51*  
Planning a New HMO, 52  
The International Marketing Research Process, 55  
*Framing Research Questions in an International Environment, 57*  
Summary, 59  
Questions and Problems, 59  
End Notes, 60  
Appendix: The Value of Research Information Using Bayesian Decision Theory, 61

- Case 3-1: A VideOcart Test for Bestway Stores, 63  
 Case 3-2: Sperry/MacLennan Architects and Planners, 64  
 Case 3-3: Phillips Electronics NV, 67  
 Case 3-4: Philip Morris Enters Turkey, 68

---

## **CHAPTER 4 Research Design and Implementation, 70**

- Learning Objectives, 70  
 Research Approach, 70  
*Types of Research, 72      Detective Funnel, 74      Data Collection Methods, 77      Choosing a Research Approach for the HMO Study, 77*  
 Research Tactics and Implementation, 79  
*Measurement, 79      Sampling Plan, 79*  
*Anticipating the Analysis, 79      Analysis of Value versus Cost and Time Involved, 80      Errors in Research Design, 80*

- Budgeting and Scheduling the Research Project, 80  
 Research Proposal, 82  
*Basic Contents of a Proposal, 83*  
 Designing International Marketing Research, 85  
 Issues in International Research Design, 87  
*Determining Information Requirements, 87      Unit of Analysis, 88      Construct, Measurement, Sample, and Analysis Equivalence, 88*  
 Summary, 89  
 Questions and Problems, 89  
 End Notes, 90  
 Appendix: Errors in Research Design, 90  
 Case 4-1: Reynolds Tobacco's Slide-Box Cigarettes, 91  
 Case 4-2: California Foods Corporation, 95

---

## **Cases for Part I, 99**

- Case I-1: Clover Valley Dairy Company, 99

---

# **PART II DATA COLLECTION**

---

## **SECTION A: SECONDARY AND EXPLORATORY RESEARCH**

---

### **CHAPTER 5 Secondary Sources of Marketing Data, 102**

- Learning Objectives, 102  
 Secondary Data, 102  
 Uses of Secondary Data, 103  
 Benefits of Secondary Data, 104  
 Limitations of Secondary Data, 104  
 Internal Sources of Secondary Data, 105  
*Internal Records, 105      Using Internal Data Effectively, 106      Customer Feedback, 106*  
*Customer Database, 107*  
 External Sources of Secondary Data, 107  
*Published Data Sources, 107      Computer-Retrieveable Databases, 109      Accessing Computer-Retrieveable Databases, 112      Advantages of Computer-Retrieveable Methods, 112      Limitations of Computer-Retrieveable Methods, 112*  
 Census Data, 114  
*Understanding the Census, 114*  
 Standard Industrial Classification System, 116  
 Appraising Secondary Sources, 117  
 Applications of Secondary Data, 118  
*Demand Estimation, 118      Monitoring the Environment, 119      Segmentation and Targeting, 119*  
*Developing a Business Intelligence System, 121*

- Sources of Secondary Data for International Marketing Research, 122  
 Problems Associated with Secondary Data in International Research, 122  
*Data Accuracy, 122      Comparability of Data, 123*  
 Applications of Secondary Data in International Research, 123  
 Summary, 124  
 Questions and Problems, 124  
 End Notes, 124  
 Case 5-1: Barkley Foods, 126  
 Case 5-2: Dell in Latin America?, 127

---

### **CHAPTER 6 Standardized Sources of Marketing Data, 128**

- Learning Objectives, 128  
 Retail Store Audits, 129  
*Nielsen Retail Index, 129*  
 Consumer Purchase Panels, 130  
*Advantages of Consumer Panels, 132      Limitations of Consumer Panels, 132*  
 Scanner Services and Single-Source Systems, 133  
*Scanner-Based Audit Services, 133      Single-Source Systems, 136*  
 Media-Related Standardized Sources, 141  
*Nielsen Television Index, 141      Arbitron Diary Panel, 142      Starch Scores, 143      Multimedia Services, 143*

Applications of Standardized Sources of Data, 143  
*Measuring Product Sales and Market Share*, 144  
*Measuring Advertisement Exposure and Effectiveness*, 144  
*Measuring Promotion Effectiveness*, 144  
*Estimation and Evaluation of Models*, 145  
Summary, 145  
Questions and Problems, 145  
End Notes, 146  
Case 6-1: Promotion of Rocket Soups, 147  
Case 6-2: Kerry Gold Products, Ltd., 151  
Case 6-3: Paradise Foods, 151

---

## CHAPTER 7 Marketing Research on the Internet, 156

Learning Objectives, 156  
What Is the Internet?, 157  
Characteristics of the Internet, 159  
WWW Information for Marketing Decisions, 160  
The Internet and Marketing Research Today, 163  
*Primary Research*, 164    *Secondary Research*, 168  
*Custom Search Service*, 169    *Agents*, 170    *Free Information Providers*, 171    *How to Search for Information on the Web*, 173    *International Marketing Research*, 173  
The Internet and Marketing Research Developments, 176  
*Intranets*, 176    *Speed*, 176    *The Future of the Internet*, 177  
Summary, 177  
Questions and Problems, 177  
End Notes, 178  
Appendix: The Components of the Internet, 178  
Case 7-1: Caring Children's Hospital, 182

---

## CHAPTER 8 Information Collection: Qualitative and Observational Methods, 184

Learning Objectives, 184  
Need for Qualitative Research, 184  
Qualitative Research Methods, 185  
*Use of Computers in Qualitative Research*, 186  
*Individual In-Depth Interviews*, 187    *Focus-Group Discussions*, 189    *Projective Techniques*, 197  
*Limitations of Qualitative Methods*, 202  
Observational Methods, 203  
*Direct Observation*, 203    *Contrived Observation*, 203  
*Content Analysis*, 204    *Physical Trace Measures*, 204    *Empathic Interviewing*, 205  
*Humanistic Inquiry*, 205    *Behavior-Recording Devices*, 205    *Limitations of Observational Methods*, 207  
Recent Applications of Qualitative and Observational Methods, 207

Summary, 208  
Questions and Problems, 209  
End Notes, 210  
Appendix: Myths of Qualitative Research: It's Conventional, But Is it Wisdom?, 211  
Case 8-1: Mountain Bell Telephone Company, 213  
Case 8-2: U.S. Department of Energy (A), 215  
Case 8-3: Acura, 216

---

## SECTION B: DESCRIPTIVE RESEARCH

---

### CHAPTER 9 Information from Respondents: Issues in Data Collection, 217

Learning Objectives, 217  
Information from Surveys, 217  
Sources of Survey Error, 218  
*Nonresponse Errors Due to Refusals*, 219    *Inaccuracy in Response*, 219    *Interviewer Error*, 222  
Methods of Data Collection, 223  
Factors Affecting the Choice of a Survey Method, 225  
*Sampling*, 225    *Type of Population*, 225    *Question Form*, 225    *Question Content*, 226    *Response Rates*, 226    *Costs*, 226    *Available Facilities*, 227    *Duration of Data Collection*, 227  
Ethical Issues in Data Collection, 228  
Summary, 229  
Questions and Problems, 229  
End Notes, 230  
Case 9-1: Essex Markets (A), 231  
Case 9-2: More Ethical Dilemmas in Marketing Research, 232

---

### CHAPTER 10 Information from Respondents: Survey Methods, 233

Learning Objectives, 233  
Collecting Data, 233  
*Personal Interviewing*, 234    *Telephone Interviewing*, 238    *Mail Surveys*, 242    *Web Surveys*, 249  
*Combinations of Survey Methods*, 249    *Trends in Survey Research*, 252    *Choice of Survey Methods for HMO Study*, 257  
Surveys in the International Context, 258  
*Personal Interviews*, 258    *Telephone Interviews*, 259    *Mail Surveys*, 259  
Summary, 260  
Questions and Problems, 261  
End Notes, 262  
Case 10-1: Project DATA: An Urban Transportation Study, 263  
Case 10-2: Roland Development Corp., 269

---

## CHAPTER 11 Attitude Measurement, 272

- Learning Objectives, 272
- What Are Attitudes?, 273
  - Cognitive or Knowledge Component, 273    *Affective or Liking Component, 273*    *Intention or Action Component, 274*
- The Concept of Measurement and Scaling, 274
- Properties of Measurement Scales, 274
- Types of Attitude Rating Scales, 277
  - Single-Item Scales, 277    *Multiple-Item Scales, 284*
  - Continuous-Rating Scales, 287
- General Guidelines for Developing a Multi-Item Scale, 289
- Interpreting Attitude Scales, 290
- Choosing an Attitudinal Scale, 292
- Accuracy of Attitude Measurements, 293
  - Validity, 293    *Reliability, 294*    *Sensitivity, 295*
  - Generalizability, 295    *Relevancy, 296*
- Scales in Cross-National Research, 296
- Summary, 296
- Questions and Problems, 297
- End Notes, 298
- Case 11-1: Wine Horizons, 299
- Case 11-2: National Kitchens, 301

---

## CHAPTER 12 Designing the Questionnaire, 303

- Learning Objectives, 303
- Planning What to Measure, 303
- Translating Research Objectives into Information Requirements, 305
- Formatting the Question, 305
  - Open-Response Questions, 306    *Closed-Response Questions, 307*    *Using Both Open-Response and Closed-Response Questions, 311*
- Question Wording: A Problem of Communication, 311
- Asking Sensitive Questions, 314
- Sequence and Layout Decisions, 316
- Order Bias: Does the Question Create the Answer?, 317
- Pretesting and Correcting Problems, 319
  - Pretest Design, 319    *Role of the Pretest, 321*
- Questionnaire Design for International Research, 321
- Choosing the Question Format for Cross-National Research, 321    *Problems Faced in Wording Questions for International Research, 322*
- Summary, 324
- Questions and Problems, 324
- End Notes, 327
- Case 12-1: Essex Markets (B), 328
- Case 12-2: Smith's Clothing (A), 328
- Case 12-3: Compact Lemon, 329

---

## SECTION C: CAUSAL RESEARCH

---

### CHAPTER 13 Experimentation, 331

- Learning Objectives, 331
- Descriptive versus Experimental Research, 332
  - What Are Causal Relationships?, 332    *Limitations of Descriptive Designs, 332*
  - What Constitutes Causality?, 334
    - Direction of Causation Issue, 334    *Conditions for Valid Causal Inferences, 334*
- Issues in Experimental Research, 335
  - Basic Symbols and Notations, 335
  - Types of Experimental Designs, 337
    - Classical Designs, 337    *Statistical Designs, 334*
  - Laboratory and Field Experiments, 352
  - Threats to Experimental Validity, 352
    - Threats to Internal Validity, 353    *Threats to External Validity, 353*
- Guidelines for Conducting Experimental Research, 354
- Common Misuses of Experimental Research in Marketing, 356
- Limitations of Experiments, 356
  - Cost, 356    *Security, 357*    *Implementation Problems, 357*    *Uncertain Persistency of Results, 358*
- Summary, 358
- Questions and Problems, 359
- End Notes, 360
- Case 13-1: Evaluating Experimental Designs, 361
- Case 13-2: Barrie Food Corporation, 362

---

## SECTION D: SAMPLING

---

### CHAPTER 14 Sampling Fundamentals, 363

- Learning Objectives, 363
- Sample or Census, 363
  - When Census Is Appropriate, 364    *When a Sample Is Appropriate, 364*    *Error in Sampling, 364*
- Sampling Process, 365
  - Determining the Target Population, 365    *Determining the Sampling Frame, 367*    *Selecting a Sampling Procedure, 370*
- Probability Sampling, 371
  - Selecting the Probability Sample, 371    *Multistage Design, 376*
  - Nonprobability Sampling, 378
    - Judgmental Sampling, 378    *Snowball Sampling, 379*
    - Convenience Sampling, 379    *Quota Sampling, 380*
    - Determining the Sample Size, 381    *Nonresponse Problems, 381*

Shopping Center Sampling, 383  
*Shopping Center Selection*, 383     *Sample Locations within a Center*, 383     *Time Sampling*, 384  
*Sampling People versus Shopping Visits*, 384  
Sampling in the International Context, 385  
*Selecting the Sampling Frame*, 385     *Sampling Procedure*, 386  
Summary, 387  
Questions and Problems, 387  
End Notes, 389  
Case 14-1: Exercises in Sample Design, 390  
Case 14-2: Talbot Razor Products Company, 390

---

## CHAPTER 15 Sample Size and Statistical Theory, 392

Learning Objectives, 392  
Determining the Sample Size: Ad Hoc Methods, 392  
*Rules of Thumb*, 392     *Budget Constraints*, 393  
*Comparable Studies*, 393     *Factors Determining Sample Size*, 393

Population Characteristics / Parameters, 394  
Sample Characteristics / Statistics, 395  
Sample Reliability, 396  
Interval Estimation, 398  
Sample Size Question, 399  
*Determining the Population Standard Deviation*, 401  
Proportions, 401  
Coefficient of Variation, 402  
*Several Questions*, 403  
Stratified Sampling, 403  
Multistage Design, 405  
Sequential Sampling, 406  
Summary, 406  
Questions and Problems, 406  
End Notes, 408

---

## Cases for Part II, 409

Case II-1: Pacific Gas & Electric (A), 409  
Case II-2: Currency Concepts International, 416

---

# PART III DATA ANALYSIS

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## CHAPTER 16 Fundamentals of Data Analysis, 422

Learning Objectives, 422  
Preparing the Data for Analysis, 423  
*Data Editing*, 423     *Coding*, 424     *Statistically Adjusting the Data*, 424  
Strategy for Data Analysis, 427  
*Tabulation: Frequency Distribution*, 428     *Tabulation: Descriptive Statistics*, 429     *Difference between Means or Percentages*, 430  
Cross-Tabulations, 431  
Factors Influencing the Choice of Statistical Technique, 433  
*Type of Data*, 433     *Research Design*, 433  
*Assumptions Underlying Test Statistic*, 435  
An Overview of Statistical Techniques, 435  
*Presenting the Results*, 439  
Summary, 440  
Questions and Problems, 440  
End Notes, 441  
Appendix, 442

Steps in Hypothesis Testing, 445  
Basic Concepts of Hypothesis Testing, 446  
*The Null and Alternative Hypotheses*, 446     *Choosing the Relevant Statistical Test and the Appropriate Probability Distribution*, 446     *Choosing the Critical Value*, 446  
Cross-Tabulation and Chi-Square, 449  
*The Concept of Statistical Independence*, 450     *Chi-Square as a Test of Independence*, 451     *Measures of Association for Nominal Variables*, 454     *The Chi-Square Goodness-of-Fit Test*, 457  
Summary, 458  
Questions and Problems, 459  
End Notes, 459  
Case 17-1: Medical Systems Associates: Measuring Patient Satisfaction, 460

---

## CHAPTER 18 Hypothesis Testing: Means and Proportions, 462

Learning Objectives, 462  
Commonly Used Hypothesis Tests in Marketing Research, 463  
*Testing Hypothesis about a Single Mean*, 463  
*Hypothesis Testing for Differences between Means*, 466  
*Hypothesis Testing of Proportions*, 469     *Hypothesis Testing of Difference between Proportions*, 470  
The Probability-Values (*p* Values) Approach to Hypothesis Testing, 471

---

## CHAPTER 17 Hypothesis Testing: Basic Concepts and Tests of Associations, 443

Learning Objectives, 443  
The Logic of Hypothesis Testing, 444  
*An Illustrative Example*, 444

Effect of Sample Size and Interpretation of Test Results, 472  
Relationship between Confidence Interval and Hypothesis Testing, 473  
Analysis of Variance (ANOVA), 474  
*One-Factor Analysis of Variance, 475*     *Expanding the ANOVA Table, 478*  
Summary, 482  
Questions and Problems, 482

End Notes, 484  
Case 18-1: American Conservatory Theater, 484  
Case 18-2: Apple Appliance Stores, 485

---

### Cases for Part III, 488

Case III-1: The Vancouver Symphony Orchestra, 488  
Case III-2: Pacific Gas & Electric (B), 494  
Case III-3: Ralston Development Company, 496

---

## PART IV SPECIAL TOPICS IN DATA ANALYSIS

---

### CHAPTER 19 Correlation Analysis and Regression Analysis, 500

Learning Objectives, 500  
Correlation Analysis, 501  
*Simple Correlation Coefficient, 502*     *Testing the Significance of the Correlation Coefficient, 504*     *Partial Correlation Coefficient, 505*  
Regression Analysis, 505  
*Simple Linear Regression Model, 506*     *Multiple Regression, 514*     *Parameter Interpretation in Multiple Regression, 518*     *Tests of Significance and Their Interpretations, 519*     *Interactions, 523*     *Analyzing Residuals, 523*     *Predictive Validity, 523*  
*Regression with Dummy Variables, 524*  
Summary, 525  
Questions and Problems, 526  
End Notes, 528  
Case 19-1: The Seafood Grotto, 529  
Case 19-2: Ajax Advertising Agency, 530  
Case 19-3: Election Research, Inc., 531

---

### CHAPTER 20 Discriminant and Canonical Analysis, 532

Learning Objectives, 532  
Discriminant Analysis, 532  
*Objectives, 532*     *Basic Concept, 533*     *Methodology, 533*     *Group Assignment, 535*     *Comparing Regression and Discriminant Analysis, 536*  
*Application, 536*     *Estimation, 537*     *Determination of Significance, 537*     *Interpretation, 537*  
*Classification and Validation, 540*  
Multiple Discriminant Analysis, 541  
*Application, 541*     *Discussion of Results, 541*  
Summary of Discriminant Analysis, 544  
Canonical Correlation Analysis, 545  
*Application, 545*     *Discussion of Results, 546*  
Summary of Canonical Correlation Analysis, 549  
Questions and Problems, 549

xiv

End Notes, 551  
Case 20-1: Southwest Utility, 551

---

### CHAPTER 21 Factor and Cluster Analysis, 553

Learning Objectives, 553  
Factor Analysis, 554  
*Purpose, 554*     *Methodology, 554*     *A Geometric Perspective, 554*     *Principal Component Analysis, 556*     *Common Factor Analysis, 565*  
Summary of Factor Analysis, 565  
Cluster Analysis, 566  
*Problem Definition, 567*     *Measures of Similarity, 567*  
*Clustering Approach, 568*     *Number of Clusters, 573*  
*Evaluating and Profiling the Clusters, 575*  
*Statistical Inference, 576*  
Summary of Cluster Analysis, 576  
Questions and Problems, 577  
End Notes, 578  
Case 21-1: Store Image Study, 578  
Case 21-2: Behavioral Research, 580

---

### CHAPTER 22 Multidimensional Scaling and Conjoint Analysis, 583

Learning Objectives, 583  
Multidimensional Scaling, 583  
Attribute-based Approaches, 584  
*Factor Analysis, 584*     *Discriminant Analysis, 585*  
*Comparing Factor and Discriminant Analysis, 585*  
*Introducing Importance Weights, 586*     *Correspondence Analysis, 586*     *Basic Concepts of MDS, 586*  
*Evaluating the MDS Solution, 587*     *Application of MDS with Nonattribute Data, 589*     *Issues in MDS, 592*  
Summary of MDS, 593  
Conjoint Analysis, 594  
*Overview of Conjoint Analysis, 595*     *Interpreting Attribute Importance, 596*     *Collecting Trade-off Data, 597*     *Comparing Data Collection Approaches, 598*