

Research for Marketing Decisions

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Week - 02

Lecture - 08

Step #2 Developing an approach to the problem Components of an approach

The second thing is objective evidence. what is objective evidence ? Objective evidence is apart from the theory which you can get from Google Scholar, objective evidence means anything that is not captured by the theory but that has been proven to impact that particular concept or service quality constituents are there in the theory but there is one which is missing, which can come from objective evidence. Objective evidence means any evidence which is not captured in the theory but which is captured in either consulting report or any other report and which is seen to impact or which is seen to be a variable of service call constituent of service quality that is objective evidence which means looking at practitioner literature or any other evidence which says that apart from these five constituents of service quality there is another constituent that can impact that that is the constituent of service quality that is counted by people as in determining the service quality, so that is objective evidence, which means looking at the reports, market research reports to see whether there is any other factor apart from these five that could explain the service quality. It is not an evidence it has still to be tested and verified in so many different scenarios only then it will become objective evidence. So, it is just an idea yeah.

. Yes. So you could have that as a part of theory but to have that as a part of theory you need to verify, re-verify, re-verify in many different scenarios to say that wherever the theory has worked to say that it will be part of this theory in all these scenarios but not part in all these scenarios. Now some of your questions I am trying to answer in a very simple way but there are very complex answer of this when we talk to research scholars so so i'm trying to be very simple so sometimes the the uh you know the complete content

of that explanation I would not be able to give because that it will be out of this scope. So.... So from these two things we will get to know

the constituents we will be able to break the component some of we will be able to get the answer to some of the components like what are the constituents of service quality and we will be able to break components into research questions and hypothesis. So let's say from in the Motilal example we got to know the sixth constituent as provided and providing unexpected and latent service so we know five vector responsiveness. How quickly people respond to your request? The employers of the restaurant respond to your request. Reliability. How accurate is their service?

Empathy. How polite and courteous are they? The fourth one, tangibles. How good are the facilities visually? And fifth one is their courtesy or I don't remember what is courtesy or empathy would be very close.

There is some other factor that I am not able to recall. Assurance. Right, right, right. So the sixth one is now, you know, there is a trend whenever we go to a good restaurant, dine-in restaurant and they find out it is our birthday or anniversary.

They'll bring a cake. They'll cut it. Their employees will stand. Everybody will clap. It has now become very common.

But when it started, it was an unexpected surprise. So let's say providing unexpected and latent service becomes another factor. So, now we have these six vectors that explain the service quality. Now, this is all about what theory is. I would not go into each and everything.

You need not also understand all this. Read the textbook, but whatever I spoke, if you understand that, that must be enough. Assurance is there, right? Now, the next one is analytical, verbal. These are just the ways to represent the theory in terms of relationship.

Just like I showed you in the circular boxes, you know, one leading to another, that is called graphical model. All these analytical, verbal, graphical, these models are ways of depicting that theory, representing that theory, presenting that theory to the people. So verbal is when you verbally say what leads to what. Graphical is when you pictorially show. Graphical is this.

Mathematical is the same thing when you represent service quality. Service quality, there are six factors. Independent variables, there is one dependent, let's say repatronage. So,

when you run the regression what you do you add the coefficient beta coefficient beta 1 times responsiveness plus beta 2 times this that is what C plus the constant. So, you can simply state it in the regression form assuming that there will be a linear relationship.

So, it is just showing where where all the objective evidence and theory is applied to to break the research question to break the components to research questions and hypothesis. Hypothesis is a statement that can be verified it is a claim that is unproven one of the hypothesis let's say the height of average height or the average height of male students at IIT is 5'7 this is the hypothesis you go out and test it Using a sample, you cannot sample 12,000. But let's say 6,000 is the population of male students. You cannot.

You have to select a sample. Get the average height. And do it. So hypothesis is a claim. The statement that can be tested.

Using the statistical methods. That is why we try to break the component into research questions, research questions into hypothesis. Sometimes the components get solved just by looking at the theory as I said one of the components was components was what are the constituents of service quality ? So by looking at the theory you got to know what are the constituents ? What is their definition and even how are you going to measure them. The measurement also of the concepts can be different different stress that you are getting from this class can be measured if I give you a five point Likert scale. I can also measure if I put a heart rate monitor.

I can also get if I put a BP machine. I can also get by looking at your facial expression. So there can be multiple measures of the same thing. We will come to that little later. So now we have the idea about the constituents of service quality.

So we can break one of the components of Motilal restaurant. So one of the component of Motilal restaurant business issue was how do people evaluate Motilal restaurant and competing restaurants in terms of constituents identified in component 2. Component 2 was what are the constituents of service quality. We have 6 components of service quality. So once the component 2 is resolved, we are going to use those factors to break the component 3 into research questions and hypothesis as it is given on the screen.

So research question 1 is do people who are familiar with Motilal and competing restaurants evaluate Motilal restaurant poorly as compared to competing restaurant in terms of responsiveness of employees? And then you further break this research question into hypothesis. But conceptual framework is like graphical model is a conceptual

framework, it is analytical. Analytical model means the model which has variables and interrelationships you can say it verbally it will become verbal, you can write it graphically it will become conceptual framework you can in many ways. So, you can likewise write research question and hypothesis for all other components right ? Component 3 you can write research question and hypothesis for all other constituents right ? One of the components as I said so so component 2 you got the answer component 3 now the I said specification of the information needed also as the one of the thing, it is just

listing the variables for which you need to collect the data, listing the variables that are part of your hypothesis or research question so that you don't forget measuring them when you proceed further that is what is specification of the information needed. One of the components as I said would always be coming from the marketing research problem whether it comes or not you have to write it what are the demographics and psychographics of your customers always you have to write what are the demographics and psychographics of your customers. Are there different segments of your customers related to your product category or service category? These two questions you have to do. Irrespective of whether you can get it from marketing research problem or not.

Can they be meaningfully segmented? The first one is what are demographics and psychographics? Demographics, what are demographics? Age, gender, income, occupation, education. Geography.

Geography. Not geography. Geography. Geographics. So demographics would have all that.

What is psychographics? Lifestyle variables. What are those? Because this is where the difference between you and any other student will come. Because most do not understand.

If they understand what is psychographics, they don't know what to do with that. What are psychographics? Okay and why I am saying that this psychographics is very important because demographics at the end of the day we are trying to predict consumer behavior, explain why people buy certain things demographic do not explain as much as psychographics. Psychographics they are the better predictor of a customer behavior that is why we should know what is psychographics whenever you are doing any marketing related consulting or research project you have to measure psychographics, now what are psychographics ? Psychographics somebody said lifestyle right it could also constitute

the values that that the segment people hold okay, that is all right. We want to know in a form form which can be useful to us the values okay but then we have to use it how to use it ? or lifestyle what does it mean ? we have to you have to get into the field to get that data, feeding habit or like what do they eat.

How many times do they eat or what do they wear? How they transport to their... Okay, that is right. That is activities. So one is, so if you want to break lifestyle into certain things, lifestyle can be understood through activities, opinion and interests. Activities are the things that people do.

Interests are something they are interested in. Hobbies. Or what are their interests? What excites them? What they do at their leisure time, free time.

Interest opinions is what opinion they have about the critical issues that government is facing or country is facing or their type of people are facing ? And if you look at activity, there will be thousand activities which we do every day. Interest, we would have interest in so many different things related to different different things. Opinion, we would have opinion about everything. So, what does it mean that depending upon your product category or your service category, you have to pick up on in all these activities, what should be the activities I should be worried about in order to try to explain the consumption of this product.

Let's say green tea. For green tea, you need to look at some activities related to exercise, restraint related to you know tasty food. So all those activities, interest, opinions from that you will get to know the lifestyle of various segments and then you understand which should be your segment and so on. So you need not measure all activities which means for green tea consumption you need not look at

Whether the person is, whether the green tea consumption of males, you need not look at the activity that whether the person is the one who teaches his or her, for male, whether he is the person who take active part in teaching his son or daughter. So that is irrelevant activity related to green tea consumption. You need to look at the activities that are relevant to green tea consumption. Maybe exercise.

Does he walk to the office? Does he do any physical exercise in the morning? How much energy how much is the food consumption, how much is the tea consumption, how much is any colas consumption and so on. These are relevant activities related to, because this will give you one aspect of the lifestyle activities, then interest, then opinions.

They were there and then if you mix it up with values, then you will get an understanding of lifestyle. And how you have to mix it up? You have all these variables, you have to input the measurement on all these variables into cluster analysis and cluster analysis is a algorithm that will tell you method, that will tell you statistical method, that will tell you you have these many segments there are one segment this is like this other this like this third like this now you select which segment you would want to sell the green tea to or make the green tea to and sell and distribute again importance of values. why value is also important ? There is a value theory which says there are nine values and we have a different priority of values than the westerners.

Depending upon what you value, what your segment value, what your people value, that also defines a part of the psychographics. We value achievement in life. That is why we are here. We want to do something for us. Some might be here because their parents have given them push, dhakka.

I don't want to do it, but because of my parents' sake, I am sitting. That person would value freedom. I'll be free. I'll be out of my house. Nobody can say me anything.

I don't want to. I am not very ambitious. I don't want to achieve anything. But my freedom is very important. That is his value.

For some, family becomes very important than achievement. And there then many behaviors are driven by that. So, that is why values also become very very important. You might see that they values are just you know just like concepts in the air. We would not understand and to go, but they are very very strong predictor.

Ok. So, these are psychographics. See the your task becomes whatever I say you go back and look at try to see try to read on psychographics and see where you can actually get more understanding of psychographics. If you are in analytics position in a bank you want to run the model related to you know, who are the customers who you can provide this platinum credit card.

So you will run these models only. Psychographics you will have to identify. If you will not know what is psychographics, you will look at what is given and try to do things. So many of these simple where you need not think simple sort of analytics will be automated. If you have to keep your worth

then you need to have understanding that that will be how in the long term you will be able to retain your and do well in your jobs because the simple mathematical models, the

regression based models this can be automated the contextual intelligence is something which cannot decision making based upon your experience, contextual intelligence and what the data module says that will determine how well you will do so that is the idea work on your understanding. Now let's quickly look at one more example of problem definition process i'll move little quickly before we actually start doing something on our own. So, this example is also given in your textbook because many of you have not read. Let's quickly look at what is there. There's a department store called Sears.

It is facing a decline in patronage. What broadly is the management decision problem? What should be done to improve the patronage? It is not enough because we need to look at the marketing research problem. So we need to do the four activities, research activities to discover the probable cause and the activities

are done on discussion with decision maker, he says he has no idea. Experts also says uh contact ex by contacting experts they say that uh serious customers as well as customers from other major department stores they did not reveal any particular code so from there also you did not get anything secondary data also revealed nothing so there is the idea from the four activities that in some activities in some factors Sears is good in other factors competing stores are good. So there is no particular probable cause to narrow down to, so in that case the marketing research problem is defined as determine the relative strengths and weaknesses of Sears vis-a-vis other major competitors with respect to factors that influence store patronage. This is the marketing research problem which is broken down into components.

So what factors influence a department store patronage, maybe price, variety, nearness to the home location, so many things. So look at the theory, whatever you don't get objective evidence, whatever still is not there, use your brain, put something, try, you know, breaking the components into research questions. So these are something that came up. So this is a graphical model, nothing more, mathematical model and so on. So uh the idea is till step two we we have finished right. So we will now do some exercises.