**This Week**
- Project Proposals are due
- Chap 6 – Primary Data Collection - Observation
- Chap 7 – Primary Data Collection – Survey Research
- Case: Chap 4 – U.S. Sports Car Market
- Case: Chap 5 – Cahners Business Information

**Next Week**
- Chap 8 – Primary Data Collection – Experimentation
- Case: Chap 6 – Yamaha Digital phones
- Class review of Proposals
Learning Objectives
Slide 1 of 2
- To develop a basic understanding of observation research.
- To learn the approaches to observation research.
- To understand the advantages and disadvantages of observation research.
- To explore the types of human observation.

Learning Objectives
Slide 2 of 2
- To describe the types of machine observation and their advantages and disadvantages.
- To define the concept of single-source research.
- To explore the tremendous impact scanner research has had on the marketing research industry in the past few years.

Observation Research Defined
Observation research can be defined as the systematic process of recording the behavioral patterns of people, objects, and occurrences without questioning or communicating with them.
<table>
<thead>
<tr>
<th>Situation</th>
<th>Example</th>
</tr>
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<tbody>
<tr>
<td>People watching people</td>
<td>Observers stationed in supermarkets watch consumers select frozen Mexican dinners. The purpose is to see how much comparison shopping people do at the point of purchase.</td>
</tr>
<tr>
<td>People watching phenomena</td>
<td>Observer stationed at an intersection counts traffic moving in various directions.</td>
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<tr>
<td>Machines watching people</td>
<td>Move or videotape cameras record behavior as in people-watching-people example.</td>
</tr>
<tr>
<td>Machines watching phenomena</td>
<td>Traffic-counting machines monitor traffic flow.</td>
</tr>
</tbody>
</table>

- **Open Observation**  
  - The process of monitoring people who know they are being watched.

- **Disguised Observation**  
  - The process of monitoring people, objects, or occurrences that do not know they are being watched.
Structured Observation
- A study in which the observer fills out a questionnaire-like form or counts the number of times an activity occurs.

Advantages and Disadvantages of Observation Research

Advantages
- Observation research provides the researcher the opportunity to watch what people actually do rather than relying on reports of what they say they do.
- This approach can avoid much of the biasing factors caused by the interviewer and question structure associated with the survey approach.

Disadvantages
- Only behavior and physical personal characteristics can usually be examined. The researcher does not learn about motives, attitudes, intentions, or feelings.
- Observation research can be time consuming and costly if the observed behavior occurs rather infrequently.
Mystery Shoppers
- People employed to pose as consumers and shop at the employer’s competitors to compare prices, displays, and the like.

One-Way Mirror Observations
- The practice of watching unseen from behind a one-way mirror.

Shopper Patterns
- Drawings that record the footsteps of a shopper through a store.

Content Analysis
- A technique used to study written material (usually advertising copy) by breaking it into meaningful units, using carefully applied rules.

Humanistic Inquiry
- A research method in which the researcher is immersed in the system or group under study.

Theory-Construction Diary
- A journal that documents in detail the thoughts, premises, hypotheses, and revisions in thinking of a humanistic researcher.
- **Methodological Log**
  - A journal of detailed and time-sequenced notes on the investigative techniques used during a humanistic inquiry, with special attention to biases or distortions a given technique may have introduced.
  - **Audit**
    - The examination and verification of the sales of a product.

- **Traffic Counters**
  - Machines used to measure vehicular flow over a particular stretch of roadway.

- **Electroencephalogram (EEG)**
  - A machine that measures the rhythmic fluctuations in electrical potential of the brain and can be used to measure an individual's emotional response to a stimulus.

- **Galvanic Skin Response (GSR)**
  - The measurement of changes in the electric resistance of the skin associated with activation responses.

- **Pupillometer**
  - A machine that measures changes in pupil dilation and can be used to assess stimulus response.
- People Meter
  - A microwave computerized rating system that transmits demographic information overnight to measure national TV audiences.
- Scanner-Based Research
  - A system for gathering information from a single group of respondents by continuously monitoring the advertising, sales, promotion, and pricing they are exposed to and the things they buy.

- BehaviorScan
  - A single-source system that maintains a 3,000 household panel to record consumer purchases based upon manipulation of the marketing mix.
- InfoScan
  - A scanner-based tracking service for consumer packaged goods.
Learning Objectives
Slide 1 of 2

- To understand the reasons for the popularity of surveys.
- To learn the types of error in survey research.
- To describe the types of surveys.
- To gain insight into the factors that determine the choice of particular survey methods.

Learning Objectives
Slide 2 of 2

- To realize the importance of the marketing research interviewer.
- To appreciate the differences between domestic and international survey research.

Reasons for the Popularity of Surveys

The need to know why.
The need to know how.
The need to know who.
Types of Error in Survey Research

- Sampling Error
  - Error that results from chance variation - referred to as random error or random sampling error.

- Systematic Error
  - Error that results for the research design or execution.

- Systematic Error (continued)
  - Types of systematic error
    - Frame error: Error resulting from an inaccurate or incomplete sample frame.
    - Population specification error: Error that results from an incorrect definition of the universe, or population.
    - Selection error: Error that results from following incomplete or improper sampling procedures or not following proper ones.

- Measurement Error
  - Error that results from a variation between the information being sought and that actually obtained by the measurement process.
  - Types of Measurement Error
    - Surrogate information error: Error that results from a discrepancy between the information needed to solve a problem and that sought by the researcher.
- Measurement Error (continued)
  - Types of Measurement Error
    - Interviewer error: Error that results from the interviewer consciously or unconsciously influencing the respondent.
    - Measurement instrument bias: Error that results from the design of the questionnaire or measurement instrument.
    - Processing error: Error that results from incorrect transfer of information from the document to the computer.

- Measurement Error (continued)
  - Types of Measurement Error
    - Nonresponse bias: Error that results from a systematic difference between those who do and do not respond to the measurement instrument.
    - Response bias: Error that results from the tendency of people to answer a question falsely, through deliberate misrepresentation or unconscious falsification.

- Types of Surveys
  - Door-To-Door Interviewing
    - Interviews conducted face to face with consumers in their homes.
  - Mall Intercept
    - Interviews conducted in public areas of malls by intercepting shoppers and interviewing them face-to-face.
Types of Surveys

- Executive Interviewing
  - The industrial equivalent of door-to-door interviewing.
- Telephone Interviewing
  - Interviewing respondents over the telephone.
- Central Location Telephone Interviews
  - Interviews conducted through calls to respondents from a centrally located marketing research facility.

Types of Surveys

- Computer-Assisted-Telephone Interviewing (CITI)
  - Central location telephone interviewing in which the interviewer enters answers directly into a computer.
- IVR Automated Telephone Surveys
  - A recent development that simplifies telephone surveys by using interactive voice response technology to conduct interviews.

Types of Surveys

- Direct Computer Interviewing
  - Interviews conducted by a computer that asks questions and accepts responses.
- Self-Administered Questionnaire
  - Questionnaire filled out by the respondent with no interviewer present.
Types of Surveys

Mail Surveys
- Ad Hoc Mail Surveys:
  - Questionnaires for a particular project sent to selected names and addresses with no prior contact by the researcher.
- Mail Panels:
  - Precontacted and screened participants who are periodically sent questionnaires.
  - A mail panel is a type of longitudinal study. A longitudinal study is one in which the same respondents are resampled over time.

Tactics Employed to Increase Mail Survey Response Rate

- Advance postcard or telephone call alerting respondent of survey
- Follow-up postcard or phone call
- Monetary incentives (nickel, dime, quarter, half-dollar)
- Premiums (pencil, pen, keychain, etc.)
- Postage stamps rather than metered envelopes
- Self-addressed, stamped return envelope
- Personalized address and well-written cover letter
- Promise of contributions to favorite charity
- Entry into drawing for prize
- Emotional appeals
- Affiliation with universities or research institutions
- Personally signed cover letter
- Multiple mailings of the questionnaire
- Bids for sympathy
- Reminder that respondent participated in previous study
Factors Determining Choice of Particular Survey Method

- Sampling Precision Required
- Budget Available
- The Need to Expose the Respondent to Various Stimuli
- Quality of Data Required
- Length of the Questionnaire

Factors Determining Choice of Particular Survey Method

- Necessity of Having Respondent Perform Certain Specialized Tasks
- Incident Rate
  - Percentage of people or households in the general population that fit the qualifications to be sampled.
- Degree of Structure of the Questionnaire

Key Considerations in Conducting International Survey Research

The Willingness on the Part of the Potential Respondents to Participate

- Language and Comprehension Barriers
- The researcher’s ability to resolve problems
Current size of market
Growth trends
Leading brands
Demographic
What should Jack do?

Would you call this an online focus group? Why or why not?
What disadvantages do you see to qualitative online research? What advantages are there?
Go to http://www.chiltonco.com and determine what other types of research Chilton is conducting. Report your findings to the class.