

What Research Design Should We Use?

Introduction

In this exercise, you will take the role of a market researcher who is responsible for recommending the research design for a series of marketing scenarios.

Each scenario is listed below, and you will need to construct a suitable research design which may include surveys, focus groups, in-depth interviews, observational studies, market testing, experiments, or internal data analysis, or perhaps another research approach.

When you review each scenario, think about the research objectives – or in other words – what the firm needs to learn through the research – as this will help guide your choice of research tools and techniques.

Note that you may find that a combination of research methods might be necessary in some of the scenarios.

Remember, this activity is not just about finding answers or making marketing recommendations; it's about structuring the required marketing research plan.

The Four Research Scenarios to Consider

Firm One: Household Furniture Manufacturer

Three years ago, this manufacturer was boasting a Net Promoter Score (NPS) of 75, thanks to its high-quality tables, chairs, and lounges, coupled with its exceptional customer service.

But today, unfortunately, their NPS sits at a score of just 10. This decline was not tied to any singular event but occurred steadily, year after year, despite the company's commitment to maintaining its product quality and pricing strategy.

This downward trend persisted even as the firm continued to invest in increased marketing efforts and customer service improvements.

They are seeking to understand the root causes behind this erosion of their NPS score and what steps they need to take to rebuild it back to 75, as it was just three years ago.

Firm Two: Family-Owned Grocery Chain

Over the last 15 years, this family-owned grocery chain has built a successful business by offering a wide range of organic and locally-sourced products. Its commitment to sustainability, health, and quality has gained a loyal customer base and positioned it as a leader in the organic food market.

They are now considering expanding into a nearby city with similar demographics. They face the choice of three potential locations but are unsure which location would give them the best access to their target market of health-conscious consumers.

Firm Three: Management Consulting Firm

For over three decades, this management consulting firm has built a reputation for its strategic insights and has attracted some big clients.

But there has been a new competitor that has gained traction in poaching some of the firm's longstanding clients. It appears that this new player is using some innovative advisory techniques and cutting-edge solutions, which is often of appeal to firms looking for greater growth and success.

The consulting firm needs to know why some of its key clients are leaving and how they can increase customer retention.

Firm Four: Local Restaurant

This local restaurant offers value-for-money dining and has a stable group of regular customers because of their generous portions along with friendly service.

But with a significant increase in operating costs, especially for wages and rent, profitability has been eroded. The owners know that they need to cut costs (less staff, smaller portions, a new location) or increase prices by around 20-25% without losing too many customers.

But what to do? Can they execute any of these changes without losing customers? Indeed, is the restaurant even viable anymore?

Student Discussion Questions

1. Describe the management problem for each of the four scenarios.
2. List the research objectives (information we want to know) for each of the four scenarios.
3. Outline the best market research technique to use? (That is, surveys, focus groups, observation, database analysis, experiment/market testing, secondary data, and so on) for each of the four scenarios.