

Chapter 2 – The Research Process and Ethical Concerns

I. Learning Objectives:

Upon completing this chapter, the student should be able to:

1. Outline the marketing research process.
There are four general stages in the marketing research process:
 - a. Problem definition
 - b. Data collection

Data sources include:
 1. Existing data from internal sources
 2. Existing data from external sources
 3. Primary (i.e., new) data from individuals
 - c. Data analysis
 - d. Information reporting
2. Describe the general approaches to marketing research.
There are two general approaches to marketing research:
 - a. The collection of data to address specific problems (e.g., the flashlight analogy, a great deal of light is directed at a specific point)
 - b. The development of decision support systems that provide marketing intelligence on an ongoing basis (e.g., the candle analogy, a steady glow of light that illuminates broadly, not at any particular point)
3. Cite the most critical error in marketing research.
Total error is more critical than any error, regardless of size, that might occur at any given stage.
4. Highlight the main difference between the utility, justice, and rights approaches to ethical reasoning.
 - Utility approach – focuses on society as the unit of analysis and stresses the consequences of an act on all those directly or indirectly affects. If benefits > costs, the act is ethical; if benefits < costs, the act is unethical.
 - Justice approach – focuses on the equitably distributed costs and benefits. If societal consensus is fair distribution, the act is ethical.
 - Rights approach – focuses on the individual as the unit of analysis and stresses the consequences of an act on a person's basic rights. An act is unethical if an individual's basic rights are violated.
5. Describe types of research that should be avoided.
 - Unethical research – examples include suggesting and advocacy research
 - Research to support a decision that has already been made

- Research for which adequate resources are unavailable
- Research in which costs > benefits

II. Chapter Outline:

- A. The Marketing Research Process
 - Exhibit 2.1: The Marketing Research Process
 - Exhibit 2.2: Questions Typically Addressed at the Various Stages of the Research Process
 - 1. Problem Definition (Chapters 3 and 4)
Manager's Focus
 - 2. Data Collection: Existing Data (Chapters 5 through 7)
 - 3. Data Collection: Primary Data (Chapters 8 through 15)
 - 4. Data Analysis (Chapters 16 through 18)
 - 5. Information Reporting (Chapters 19 and 20)
 - 6. The Goal: Minimize Total Error
- B. Marketing Research Ethics
 - Exhibit 2.3: Questionable Ethical Decision Making in Marketing Research
 - Research Window 2.1: The Code of Marketing Research Standards (Marketing Research Association, Inc.)
- C. Three Methods of Ethical Reasoning
 - Exhibit 2.4: Applying the Ethical Frameworks in Practice
 - Exhibit 2.5: An Analytical Approach to Ethical Problems
 - Exhibit 2.6: Practical Guidelines for Ethical Analysis
- D. Research to Avoid
Manager's Focus
Manager's Focus
- E. Summary
- F. Key Terms
- G. Review Questions
- H. Discussion Questions, Problems, and Projects

III. Answers to Review Questions:

- 1. The research process provides information needed for decision making. It includes four stages: problem definition, data capture, data analysis, and information reporting.

2. Data may be captured by retrieving processed data from internal databases or from external sources, or it may be collected as primary data (i.e., retrieving unprocessed data from internal sources).
3. The most important error in research is total error; any research process will have some kind of error or another. The goal is to minimize total error in the research process, not just any particular type.
4. The utility approach focuses on society as the unit of analysis, and it stresses the consequences of an act on all of those directly or indirectly affected by it. If the benefits of the act to society exceed its costs, the act is considered ethical; if the net benefits are negative, the act is unethical. The justice approach considers the degree to which costs and benefits are fairly distributed based on societal consensus. The rights approach focuses on the individual as the unit of analysis and specifically on the rights to which every individual is entitled.
5. It is important to consider ethics in order to avoid causing harm of any kind (e.g., economic, physical, or mental) to an individual or a group.

IV. Instruction Suggestions:

1. Emphasize the difference between existing data and new, primary data and point out that both have important roles in the modern marketplace.
2. Next, turn to a discussion of the research process. Briefly review the process to:
 - a. Illustrate the structure of the course. Each instructor can point out the relative emphasis to be placed on each section.
 - b. Highlight the areas of additional study that those students seeking to become marketing research specialists might pursue. This discussion can be tied directly to related courses in the curriculum.
 - c. Emphasize the key error in research—**total error**. It is helpful here to point out that sampling error is one part of total error, and that increasing sample size to reduce sampling error might actually increase total error. This helps to allay somewhat the tendency demonstrated by beginning researchers to argue that the key to most research problems is to increase sample size.
3. Illustrate the interrelationships of the stages. It is particularly helpful here to demonstrate how slight changes in research questions can lead to substantial changes in the research process. This can be accomplished by alternate phrasings of a research question such as, "Who buys condominiums?" versus "Why do people buy condominiums?" and tracing through the research that would be needed to answer each question. The differences in data collection, sampling, and field force procedures soon become obvious with class discussion.

4. Turn next to a discussion of marketing research ethics. While the issue of ethics in marketing research is best addressed over the course of the term rather than in a single period, it is useful to sensitize students early to the fact that most marketing research techniques involve ethical issues, and that the decision as to what is morally right in a given situation is not always clear. One useful way to begin is to review the essential differences between the utility, justice, and rights perspectives.

The utilitarian perspective focus on the greatest good for the greatest number, while the rights view emphasizes on fairness to the individual. There is one fundamental problem with the utilitarian view—namely, that individuals or small groups can suffer major harm because their “large costs” are averaged with small gains to a large number of other people, with the result that the net benefit for the act is positive.

This is also a good time to point out that although the frameworks emphasize different perspectives by which the ethicality of some contemplated act can be evaluated, neither approach provides precise answers to ethical decisions. In a utilitarian analysis, for example, one still needs to quantify costs and benefits; in deontological reasoning, one needs to evaluate the seriousness of a right’s infringement.

Once students have a better understanding of the nature of the arguments under each framework, it is useful to challenge them further with a few moral research dilemmas they might encounter. Because students will only have limited understanding of the techniques of marketing research and their advantages and disadvantages early in the term, it is useful to pose an example to students that they can most easily understand.

While the discussion of ethics should now alert students to the possibility that there are often moral issues when doing marketing research, they will likely develop a greater appreciation for ethical concerns in research if the topic is returned to periodically throughout the term.