

Unit II: Development of a Research Study

Outcomes

Upon completion of this unit, students should be able to:

- Discuss the importance of research-based decision making in a company.
 - Identify issues and problems in a company that might be addressed with the use of a research study.
 - Explain a company's indicators that point to either effective or ineffective use of research.
- Examine the developmental components of a research study.
 - Explain how the use of secondary and primary research within a company will aid in the development of a research study.
- Summarize how a company applies research methods to solve problems within the organization.

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Primary vs. Secondary Research

- An organization must determine whether primary or secondary research fits its purpose.
- Each type has advantages and disadvantages.
- Which type of research to use is a question every organization must ask.



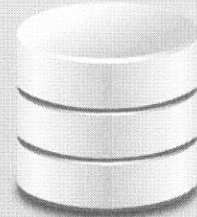
{jean_victor_balin, 2009}

As a company's management team determines that there is a need to conduct some level of research, the researcher needs to determine whether he or she will utilize secondary research or primary research. There are fundamental differences in the two types of research, and determining which type to use is a question that every organization must ask.

What is Secondary Research?

- **Secondary research**—information that has already been gathered and is available

- Located in internal or external databases
- Referred to as big data
- Data mining—uncovers patterns, correlations, and relationships
- External databases—government sources and other public databases



(rg1024, 2010)

Secondary research consists of information that has already been gathered and is available to the researcher.

This can be either in the form of internal or external databases.

With respect to internal, companies gather data constantly, putting it into a large database commonly referred to as big data. From there, data mining is performed. This process consists of using statistical software to uncover patterns and relevant correlations as well as relationships in the data. In other words, this means analyzing the data to provide the researcher with the basis to draw conclusions. Obviously, the power of technology has made the data-crunching process much more efficient and accurate, providing for more timely and actionable analysis with respect to secondary data.

In the case of external databases, this might include government sources, such as the U.S. Census Bureau, corporate filing to the U.S. Securities and Exchange Commission (SEC), or trade and professional associations to name a few.

Advantages of Secondary Research

Provides clarification of the problem

Can solve the problem on its own

Helps decide which primary methods are most effective

Provides an understanding of problems that can arise with primary methods

Provides additional credibility and supporting information

Is low cost or free

There are several advantages to using secondary research:

Secondary data can provide good clarification of the problem during the exploratory research stage. What this means is that the objectives of the research will actually be more defined after a review of the secondary data.

There is a chance that the secondary data available will be sufficient to solve the problem at hand, without any additional research.

Secondary data assists with the determination of the primary research methods that would be the most effective.

Also, it can provide the researcher with an understanding of problems that may arise with primary collection methods.

The accumulation of secondary data can provide additional credibility and potentially supporting information.

Utilizing secondary data is very low cost, and in most cases, it is free.

Disadvantages of Secondary Research

Available data may not be adequate to answer questions, problems, or issues.

It may not address specifics of the questions.

There is a chance the data is inaccurate.

There are also several disadvantages of the use of secondary data. They include the fact that the secondary data that is available may not be adequate to answer the questions, problems, or issues.

Also, since secondary data is broad based, it does not address specific portions of the specific problem or issue that the researcher has within his or her company. This contributes to a lack of relevance.

Finally, secondary data comes from many different sources and, thus, has the possibility of being inaccurate.

What is Primary Research?

- Primary research is data collected in a variety of ways to solve a particular problem.
- There are several steps that a researcher will follow when conducting a primary research study.

Primary research, on the other hand, consists of a survey, experiment, observation, etc. that is collected to solve the particular problem or issue at hand.

If it is determined that primary research is what is needed to solve a problem, there are several steps that should be followed when conducting the research.

Primary Research Design

Perform literature review

- This is done prior to beginning the study.
- It is completed by compiling secondary data.

Develop a plan

- Identify the problem.
- Watch for new challenges.

Once it has been determined that a primary research study is necessary, the researcher begins by putting together a literature review. This consists of an accumulation of secondary data that will aid in the process of putting together the primary research study.

From there, the researcher develops a plan for the research study. This begins with the recognition of a problem or opportunity. The business environment is constantly changing, both internally as well as externally, causing new issues and concerns within the organization. Changes in the political or legal environment, economic changes, socio-cultural changes, and/or advancements in technology can create new challenges and opportunities for businesses. Additionally, competitive pressures, as well as developments within the industry, will provide additional uncertainties.

Primary Research Design

Establish research objectives

- This maintains focus and allows for evaluation of the study.

Create research design

- There are two types of designs:
 - causal studies and
 - descriptive studies.

The second stage of the marketing research process involves establishing the objectives of the research. This is important in order to maintain focus and allow the organization to evaluate whether the research study has accomplished the goals established at the beginning of the study.

Creating the research design is the next step in the research process. By definition, the research design is the actual plan that is to be followed. Broadly speaking, there are two basic designs. The first would be *causal studies*, in which the study is looking at how changes in one area might affect another. The idea is to understand how one thing affects another. The other design study would be the *descriptive study*, which is basically the gathering of facts with analogies and correlations done after the accumulation of the data.

Primary Research Design

Determine research methods

- Surveys, observations, or experimental research can be used.

Determine sampling process

- Not every member of a population can be surveyed.
- A representative group (sample) is used.

Upon completion of the research design, a method of research is decided upon. In other words, the researcher needs to determine the methods that he or she will use to gather the research. This might involve survey research, observation research, or experimental research—to name a few. This stage of the market research process, research methods, is the underlying premise of this course. We will spend a significant amount of time developing an understanding of the different research methods used today in business and industry.

Once the methods have been successfully determined, the sampling process must be determined. Realistically, a researcher cannot survey *every* member of the population. Besides being impossible, it is time intensive and costly to attempt to acquire data from every member of the population. Instead, a researcher will survey a representative group, which is referred to as the *sample*.

Primary Research Design

Collect and analyze data

Communicate results

- Communication is critical.

Once the sample has been identified, the data can be collected, analyzed, and finally communicated. This communication of the results is critical in that it must be presented in such a way that the implications of the study are clearly understood by all appropriate stakeholders.

Primary Research Design

Identify the problem—Identification of areas that are considered problematic or in need of improvement

Collect data—Process of surveying and collecting responses

Analyze data—Analysis of data, including the interpretation and application to solve the problem

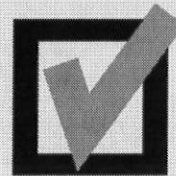
Determine research objectives—Clear definition of objectives and goals of the research study

Select a sampling process—The decision about who will be asked to participate in the survey

Communicate results—Writing and presenting the results

Create the research design—Descriptive or causal design

Select a research method—Methods used to gather data



(jetxee, 2006)

This slide presents the steps of the research process in chronological order. You will notice planning the literature review and developing a plan for the research study are not specifically listed on this chart. This is because these steps are sometimes considered as being preliminary work done before the research design officially begins.

Take a few minutes to review the steps of primary research design. Click play or the next button on the playbar to advance to the next screen.

Conclusion

- To increase the chances a research study will be used and effective, a researcher should do the following:
 - communicate his or her results effectively,
 - support the interpretations with data,
 - control overall research costs, and
 - deliver the information in a timely manner (McDaniel, 2015).

At the end of the day, if researchers communicate their research results effectively, support their interpretations with quality data, control overall research costs, and deliver the information in a timely manner, they increase the probability that the research information will be used within an organization (McDaniel, 2015).