BRIEF CONTENTS

PART 1	Introductio	Introduction and Early Phases of Marketing Research 27		
	Chapter 1	Introduction to Marketing Research 28		
	Chapter 2	Defining the Marketing Research Problem and Developing		
		an Approach 57		
PART 2	Research Design Formulation 89			
	Chapter 3	Research Design 90		
	Chapter 4	Exploratory Research Design: Secondary and Syndicated Data 118		
	Chapter 5			
	Chapter 6	Descriptive Research Design: Survey and Observation 190		
	Chapter 7	Causal Research Design: Experimentation 234		
	Chapter 8	Measurement and Scaling: Fundamentals and Comparative Scaling 266		
	Chapter 9	Measurement and Scaling: Noncomparative Scaling Techniques 288		
	Chapter 10	Questionnaire and Form Design 316		
	Chapter 11	Sampling: Design and Procedures 353		
	Chapter 12	Sampling: Final and Initial Sample Size Determination 387		
PART 3	Data Colle	ction, Preparation, Analysis, and Reporting 415		
	Chapter 13	Fieldwork 416		
	Chapter 14	Data Preparation 433		
	Chapter 15	Frequency Distribution, Cross-Tabulation, and Hypothesis Testing 463		
	Chapter 16	Analysis of Variance and Covariance 508		
	Chapter 17	Correlation and Regression 537		
	Chapter 18	Discriminant and Logit Analysis 574		
	Chapter 19	Factor Analysis 606		
	Chapter 20	Cluster Analysis 632		
	Chapter 21	Multidimensional Scaling and Conjoint Analysis 658		
	Chapter 22	Structural Equation Modeling and Path Analysis 690		
	Chapter 23	Report Preparation and Presentation 725		
CASES				
	Running C	Case with Real Data		
	Case 1.1	HP: Using Marketing Research to Gain a Competitive Edge 752		
	Comprehe	ensive Critical Thinking Cases		
	Case 2.1	Baskin-Robbins: Can It Bask in the Good 'Ole Days? 757		
	Case 2.2	Kid Stuff? Determining the Best Positioning Strategy for Akron Children's Hospital 760		

6 BRIEF CONTENTS

Data Analy	ysis Cases with Real Data			
Case 3.1	AT&T Wireless: Ma Bell Becomes Ma Again 762			
Case 3.2	IBM: A Top Provider of Computer Hardware, Software,			
	and Services 766			
Case 3.3	Kimberly-Clark: Competing Through Innovation 774			
Comprehensive Cases with Real Data				
Case 4.1	4.1 JPMorgan Chase: Chasing Growth Through Mergers and			
	Acquisitions 781			
Case 4.2	Wendy's: History and Life After Dave Thomas 787			
Comprehe	nsive Harvard Business School Cases			
Case 5.1	The Harvard Graduate Student Housing Survey (9-505-059) 793			
Case 5.2	BizRate.Com (9-501-024) 793			
Case 5.3	Cola Wars Continue: Coke and Pepsi in the Twenty-First Centu			
	(9-702-442) 793			
Case 5.4	TiVo in 2002 (9-502-062) 793			
Case 5.5	Compaq Computer: Intel Inside? (9-599-061) 793			

Case 5.6 The New Beetle (9-501-023) 793

CONTENTS

Foreword 19
Preface 21
Acknowledgments 24
About the Author 25
Commendation 26

PART 1 Introduction and Early Phases of Marketing Research 27

35
ng
44
50
d
earch

Defining the Marketing Research Problem and Developing an Approach 57 Objectives 57 Overview 58 Importance of Defining the Problem 59 The Process of Defining the Problem and Developing an Approach 60 Tasks Involved 60 Discussions with Decision Makers 60 Interviews with Industry Experts 63 Secondary Data Analysis 64 Qualitative Research 65 Environmental Context of the Problem 66 Past Information and Forecasts 66 Resources and Constraints 67 Objectives 68 Buyer Behavior 68 Legal Environment 69 Economic Environment 69 Marketing and Technological Skills 69 Management Decision Problem and Marketing Research Problem 70 Defining the Marketing Research Problem 71 Components of the Approach 73 Objective/Theoretical Framework 73 Analytical Model 74 Research Questions 75 Hypotheses 76 Specification of Information Needed 78 International Marketing Research 79 Marketing Research and Social Media 80 Approach to the Problem 81 Mobile Marketing Research 82 Ethics in Marketing Research 82 HP Running Case 83 • Summary 83 Key Terms and Concepts 84 • Suggested Cases, HBS Cases, and Video Cases 84 Live Research: Conducting a Marketing Research Project 85 • Acronyms 85 Exercises 85 • Internet and Computer

Exercises 86 • Activities 86

the Name 87

Video Case 2.1 Accenture: The Accent Is in

Research Design 90 Objectives 90 Overview 91 Research Design: Definition 92 Research Design: Classification 92 Exploratory Research 94 Descriptive Research 96 Cross-Sectional Designs 97 Longitudinal Designs 98 Relative Advantages and Disadvantages of Longitudinal and Cross-Sectional Designs 99 Causal Research 101 Relationships Among Exploratory, Descriptive, and Causal Research 103 Potential Sources of Error 104 Random Sampling Error 104 Nonsampling Error 104 Budgeting and Scheduling the Project 107 Marketing Research Proposal 107 International Marketing Research 108 Marketing Research and Social Media 109 Mobile Marketing Research 111 Ethics in Marketing Research 111 HP Running Case 112 • Summary 112 Key Terms and Concepts 113 • Suggested Cases, HBS Cases and Video Cases 113 Live Research: Conducting a Marketing Research Project 113 • Acronyms 114 • Exercises 114 • Internet and Computer Exercises 114 • Activities 114 Video Case 3.1 National Football League: The King of Professional Sports 116

Exploratory Research Design: Secondary and Syndicated Data 118

Objectives 118 Overview 119

Primary Versus Secondary Data 120

Advantages and Uses of Secondary Data 121

Disadvantages of Secondary Data 121

Criteria for Evaluating Secondary Data 121

Specifications: Methodology Used to Collect the Data 122

Error: Accuracy of the Data 123

Currency: When the Data Were Collected 123 Objective: The Purpose for Which the Data Were

Collected 123

Nature: The Content of the Data 123 Dependability: How Dependable Are the Data? 124

Classification of Secondary Data 125 Internal Secondary Data 126 Customer Databases 126 Data Warehouse and Data Mining 126 CRM and Database Marketing 127 External Secondary Data 128 Business/Nongovernment Data 128 Government Sources 128 Syndicated Sources of Secondary Data 130 Syndicated Data from Households 131 Surveys 131 Purchase and Media Panels 134 Electronic Scanner Services 135 Syndicated Data from Institutions 137 Retailer and Wholesaler Audits 137 Industry Services 138 Combining Information from Different Sources: Single-Source Data 139 Big Data 140 International Marketing Research 140 Marketing Research and Social Media 142 Mobile Marketing Research 143 Ethics in Marketing Research 144 HP Running Case 144 • Summary 145 Key Terms and Concepts 145 • Suggested Cases, HBS Cases, and Video Cases 145 Live Research: Conducting a Marketing Research Project 146 • Acronyms 146 Exercises 146 • Internet and Computer Exercises 147 • Activities 147

Video Case 4.1 The Mayo Clinic: Staying Healthy with Marketing Research 148

Exploratory Research Design: Qualitative Research 150

Objectives 150

Overview 151

Primary Data: Qualitative Versus Quantitative Research 152

Rationale for Using Qualitative Research 154

A Classification of Qualitative Research Procedures 155

Focus Group Interviews 155

Characteristics 156

Planning and Conducting Focus Groups 157 Other Variations in Focus Groups 161 Advantages of Focus Groups 162 Disadvantages of Focus Groups 163 Applications of Focus Groups 163 Online Focus Group Interviews 164 Advantages of Online Focus Groups 164

Disadvantages of Online Focus Groups 164	Electronic Methods 200
Uses of Online Focus Groups 165	Email Interviews 200
Depth Interviews 166	Internet Interviews 200
Characteristics 166	A Comparative Evaluation of Survey
Techniques 167	Methods 202
Advantages and Disadvantages of Depth Interviews 168	Task Factors 204
Applications of Depth Interviews 169	Situational Factors 207
Projective Techniques 170	Respondent Factors 208
Association Techniques 170	Some Other Survey Methods 210
Completion Techniques 171	Selection of Survey Methods 210
Construction Techniques 173	Observation Methods 211
Expressive Techniques 174	Structured Versus Unstructured Observation 21
Advantages and Disadvantages of Projective	Disguised Versus Undisguised Observation 212 Natural Versus Contrived Observation 212
Techniques 175 Applications of Projective Techniques 175	Observation Methods Classified by Mode of
Analysis of Qualitative Data 177	Administration 212
Software Packages 178	Personal Observation 212
	Mechanical Observation 213
International Marketing Research 179	Audit 215
Marketing Research and Social Media 179	Content Analysis 215
Focus Groups 180 Depth Interviews 181	Trace Analysis 217
Projective Techniques 181	A Comparative Evaluation of Observation
Limitations 181	Methods 218
Mobile Marketing Research 182	A Comparison of Survey and Observation
Ethics in Marketing Research 183	Methods 219
HP Running Case 184 • Summary 184	Relative Advantages of Observation 219
Key Terms and Concepts 184 • Suggested	Relative Disadvantages of Observation 219
Cases, HBS Cases, and Video Cases 185	Ethnographic Research 220
Live Research: Conducting a Marketing Research	Other Methods 221
Project 185 • Acronyms 185	International Marketing Research 221
Exercises 186 • Internet and Computer	Selection of Survey Methods 222
Exercises 186 • Activities 187	Marketing Research and Social Media 223
Video Case 5.1 Nike: Associating Athletes,	Surveys 223
Performance, and the Brand 188	Observation 225
	Mobile Marketing Research 226
Descriptive Research Design:	MMR and Survey Research 226
Survey and Observation 190	MMR and Observation Research 227
Objectives 190	Ethics in Marketing Research 228
Overview 191	HP Running Case 229 • Summary 229 Key Terms and Concepts 229 • Suggested
Survey Methods 193	Cases, HBS Cases, and Video Cases 230
Survey Methods Classified by Mode of	Live Research: Conducting a Marketing
Administration 194	Research Project 230 • Acronyms 230
Telephone Methods 194	Exercises 231 • Internet and Computer
Traditional Telephone Interviews 194	Exercises 231 • Activities 231
Computer-Assisted Telephone	Video Case 6.1 Starbucks: Staying Local
Interviewing (CATI) 194	While Going Global Through Marketing
Personal Methods 196	Research 232
Personal In-Home Interviews 196	
Mall-Intercept Personal Interviews 196	7 Causal Research Design:
Computer-Assisted Personal Interviewing	Experimentation 234
(CAPI) 197	Objectives 234
Mail Methods 198	Overview 235
Mail Interviews 198	Concept of Causality 236
Mail Panels 200	Concept of Causanty 250

Mail Panels 200

Conditions for Causality 236 Concomitant Variation 237 Time Order of Occurrence of Variables 238 Absence of Other Possible Causal Factors 238		Live Research: Conducting a Marketing Research Project 262 • Acronyms 262 Exercises 262 • Internet and Computer Exercises 263 • Activities 263
Role of Evidence 238		Video Case 7.1 Aflac: Marketing Research Quacks Like a Duck 264
Definitions and Concepts 239		Quacks Like a Duck 204
Definition of Symbols 240		Measurement and Scaling: Fundamentals
Validity in Experimentation 240 Internal Validity 241	O	and Comparative Scaling 266
External Validity 241		Objectives 266
Extraneous Variables 241		Overview 267
History 241		Measurement and Scaling 268
Maturation 242		Scale Characteristics and Levels of
Testing Effects 242		Measurement 268
Instrumentation 242		Description 268
Statistical Regression 242		Order 268
Selection Bias 243		Distance 269
Mortality 243		Origin 269
Controlling Extraneous Variables 243		Primary Scales of Measurement 269
Randomization 243		Nominal Scale 269
Matching 243		Ordinal Scale 271
Statistical Control 244		Interval Scale 272
Design Control 244		Ratio Scale 273
A Classification of Experimental Designs 244		A Comparison of Scaling Techniques 274
Preexperimental Designs 245		Comparative Scaling Techniques 275
One-Shot Case Study 245		Paired Comparison Scaling 275
One-Group Pretest-Posttest Design 246		Rank Order Scaling 277
Static Group Design 246		Constant Sum Scaling 278
True Experimental Designs 247		Q-Sort and Other Procedures 279
Pretest-Posttest Control Group Design 247		International Marketing Research 280
Posttest-Only Control Group Design 247		Marketing Research and Social Media 281
Quasi-Experimental Designs 249		Mobile Marketing Research 281
Time Series Design 249 Multiple Time Series Design 249		Ethics in Marketing Research 282
·		HP Running Case 283 • Summary 283
Statistical Designs 250 Randomized Block Design 250		Key Terms and Concepts 283 • Suggested
Latin Square Design 252		Cases, HBS Cases, and Video Cases 284
Factorial Design 253		Live Research: Conducting a Marketing
Laboratory Versus Field Experiments 254		Research Project 284 • Acronyms 284
Experimental Versus Nonexperimental		Exercises 285 • Internet and Computer
Designs 255		Exercises 285 • Activities 285
Limitations of Experimentation 256		Video Case 8.1 Procter & Gamble: Using
Time 256		Marketing Research to Build Brands 286
Cost 256		Massurament and Scalings
Administration 256	9	Measurement and Scaling: Noncomparative Scaling Techniques 288
Application: Test Marketing 256		
International Marketing Research 256		Objectives 288
		Overview 289
Marketing Research and Social Media 258		Noncomparative Scaling Techniques 290
Mobile Marketing Research 259		Continuous Rating Scale 290
Ethics in Marketing Research 259		Itemized Rating Scales 292
HP Running Case 260 • Summary 260		Likert Scale 292
Key Terms and Concepts 261 • Suggested		Semantic Differential Scale 294
Cases, HBS Cases, and Video Cases, 261		Stapel Scale 295

Noncomparative Itemized Rating Scale	Sensitive Information 326
Decisions 296	Increasing the Willingness of
Number of Scale Categories 296	Respondents 326
Balanced Versus Unbalanced Scales 296	Choosing Question Structure 327
Odd or Even Number of Categories 297	Unstructured Questions 327
Forced Versus Nonforced Scales 297	Structured Questions 328
Nature and Degree of Verbal Description 297	Choosing Question Wording 330
Physical Form or Configuration 297	Define the Issue 330
Multi-Item Scales 300	Use Ordinary Words 330
Scale Evaluation 301	Use Unambiguous Words 331
Measurement Accuracy 301	Avoid Leading or Biasing Questions 331
Reliability 302	Avoid Implicit Alternatives 332
Validity 304	Avoid Implicit Assumptions 332
Relationship Between Reliability and	Avoid Generalizations and Estimates 332
Validity 305	Dual Statements: Positive and Negative 333
Generalizability 305	Determining the Order of Questions 333
Choosing a Scaling Technique 306	Opening Questions 333
Mathematically Derived Scales 306	Type of Information 334
International Marketing Research 306	Difficult Questions 334
Marketing Research and Social Media 307	Effect on Subsequent Questions 334
	Logical Order 335
Mobile Marketing Research 308	Form and Layout 336
Ethics in Marketing Research 309	Reproduction of the Questionnaire 337
HP Running Case 310 • Summary 310 Key Terms and Concepts 311 • Suggested	Pretesting 338
Cases, HBS Cases, and Video Cases 311	Computer and Internet Questionnaire
Live Research: Conducting a Marketing	Construction 340
Research Project 311 • Acronyms 312	Observational Forms 341
Exercises 312 • Internet and Computer	International Marketing Research 342
Exercises 312 • Activities 313	Marketing Research and Social Media 344
Video Case 9.1 eGO: Reinventing	Mobile Marketing Research 344
Wheels 314	MMR and Questionnaire Design 344
Questionnaire and Form Design 316	Ethics in Marketing Research 345
Objectives 316	HP Running Case 346 • Summary 346
	Key Terms and Concepts 347 • Suggested
Overview 317	Cases, HBS Cases, and Video Cases 347
Questionnaires and Observation Forms 318	Live Research: Conducting a Marketing
Questionnaire Definition 319	Research Project 348 • Acronyms 348
Objectives of a Questionnaire 319	Exercises 348 • Internet and Computer
Questionnaire Design Process 319	Exercises 349 • Activities 350
Specify the Information Needed 320	Video Case 10.1 Dunkin' Donuts:
Type of Interviewing Method 321	Dunking the Competition 351
Individual Question Content 322	Sampling: Design and
Is the Question Necessary? 322	Sampling: Design and Procedures 353
Are Several Questions Needed Instead of	
One? 322	Objectives 353
Overcoming Inability to Answer 323	Overview 354
Is the Respondent Informed? 323	Sample or Census 355
Can the Respondent Remember? 324	The Sampling Design Process 357
Can the Respondent Articulate? 325	Define the Target Population 357
Overcoming Unwillingness to Answer 325	Determine the Sampling Frame 358
Effort Required of the Respondents 325	Select a Sampling Technique 358
Context 325	Determine the Sample Size 359
Legitimate Purpose 325	Execute the Sampling Process 360

A Classification of Sampling Techniques 361 Nonprobability Sampling Techniques 362 Convenience Sampling 363 Judgmental Sampling 363 Quota Sampling 364 Snowball Sampling 365 Probability Sampling Techniques 366 Simple Random Sampling 367 Systematic Sampling 368 Stratified Sampling 369 Cluster Sampling 371 Other Probability Sampling Techniques 373 Choosing Nonprobability Versus Probability Sampling 375 Uses of Nonprobability and Probability Sampling 376 Internet Sampling 376 Issues in Online Sampling 376 Online Sampling Techniques 377 International Marketing Research 378 Marketing Research and Social Media 379 Mobile Marketing Research 380 Ethics in Marketing Research 381 HP Running Case 381 • Summary 382 Key Terms and Concepts 382 • Suggested Cases, HBS Cases, and Video Cases 382 Live Research: Conducting a Marketing Research Project 383 • Acronyms 383 Exercises 383 • Internet and Computer Exercises 384 • Activities 384 Video Case 11.1 Nivea: Marketing Research Leads to Consistency in Marketing 385

Sampling: Final and Initial Sample Size Determination 387 Objectives 387 Overview 388 Definitions and Symbols 389 The Sampling Distribution 390 Statistical Approach to Determining Sample Size 391 The Confidence Interval Approach 392 Sample Size Determination: Means 393 Sample Size Determination: Proportions 395 Multiple Characteristics and Parameters 398 Other Probability Sampling Techniques 399 Adjusting the Statistically Determined Sample Size 399 Calculation of Response Rates 400 Nonresponse Issues in Sampling 401 Improving the Response Rates 401 Adjusting for Nonresponse 404 International Marketing Research 406 Marketing Research and Social Media 407 Mobile Marketing Research 407 Ethics in Marketing Research 408 HP Running Case 408 • Summary 409 Key Terms and Concepts 409 • Suggested Cases, HBS Cases, and Video Cases 409 Live Research: Conducting a Marketing Research Project 410 • Acronym 410 Exercises 410 • Internet and Computer Exercises 411 • Activities 411

Appendix 12A 411

Sampling Control 423

PART 3 Data Collection, Preparation, Analysis, and Reporting 415

Fieldwork 416
Objectives 416
Overview 417
The Nature of Fieldwork 418
Fieldwork/Data Collection Process 418
Selection of Fieldworkers 419
Training of Fieldworkers 420
Making the Initial Contact 420
Asking the Questions 420
Probing 420
Recording the Answers 421
Terminating the Interview 421
Supervision of Fieldworkers 423
Quality Control and Editing 423

Control of Cheating 423
Central Office Control 423

Validation of Fieldwork 423

Evaluation of Fieldworkers 423
Cost and Time 424
Response Rates 424
Quality of Interviewing 424
Quality of Data 424

International Marketing Research 425

Marketing Research and Social Media 426

Mobile Marketing Research 427

Ethics in Marketing Research 428

HP Running Case 428 • Summary 429

Video Case 12.1 Subaru: "Mr. Survey"

Monitors Customer Satisfaction 413

Key Terms and Concepts 429 • Suggested Cases, HBS Cases, and Video Cases 429
Live Research: Conducting a Marketing
Research Project 429 • Acronyms 430
Exercises 430 • Internet and Computer
Exercises 430 • Activities 430

Video Case 13.1 Intel: Building Blocks
Inside Out 431

1 Data
Preparation 433

Objectives 433

Overview 434

The Data-Preparation Process 435

Questionnaire Checking 436

Editing 436

Treatment of Unsatisfactory Responses 436

Coding 437

Coding Questions 437
Developing a Data File 438

Transcribing 442

Data Cleaning 444

Consistency Checks 444

Treatment of Missing Responses 444

Statistically Adjusting the Data 445

Weighting 445

Variable Respecification 446

Scale Transformation 447

Selecting a Data Analysis Strategy 448

A Classification of Statistical Techniques 449

International Marketing Research 450

Marketing Research and Social Media 452

Data Collection 452

Text Coding and Categorization 452

Text Mining and Visualization 452

Mobile Marketing Research 453

Ethics in Marketing Research 453

Statistical Software 454

SPSS and SAS Computerized Demonstration Movies 455

SPSS and SAS Screen Captures with Notes 455

SPSS Windows 455

Creating a Variable Called Overall Evaluation 456

Recoding to Create New Variable Called Recoded Income 456

SAS Enterprise Guide 456

Creating a Variable Called Overall Evaluation 457

Recoding to Create New Variable Called Recoded Income 457

HP Running Case 459 • Summary 460 Key Terms and Concepts 460 • Suggested Cases and Video Cases 460 • Live Research: Conducting a Marketing Research Project 461
Acronyms 461 • Exercises 461
Internet and Computer Exercises 462
Activities 462

Frequency Distribution, Cross-Tabulation, and Hypothesis Testing 463

Objectives 463

Overview 464

Frequency Distribution 465

Statistics Associated with Frequency

Distribution 468

Measures of Location 468

Measures of Variability 469

Measures of Shape 471

Introduction to Hypothesis Testing 472

A General Procedure for Hypothesis

Testing 472

Step 1: Formulate the Hypotheses 472

Step 2: Select an Appropriate Test 474

Step 3: Choose Level of Significance, α 474

Step 4: Collect Data and Calculate Test Statistic 475

Step 5: Determine the Probability (Critical Value) 475

Steps 6 and 7: Compare the Probability (Critical Value) and Make the Decision 475

Step 8: Marketing Research Conclusion 476

Cross-Tabulations 476

Two Variables 477

Three Variables 478

General Comments on Cross-Tabulation 481

Statistics Associated with Cross-

Tabulation 481

Chi-Square 482

Phi Coefficient 483

Contingency Coefficient 484

Cramer's V 484

Lambda Coefficient 484

Other Statistics 485

Cross-Tabulation in Practice 485

Hypothesis Testing Related to Differences 486

Parametric Tests 486

One Sample 487

Two Independent Samples 488

Paired Samples 491

Nonparametric Tests 493

One Sample 493

Two Independent Samples 494

Paired Samples 495

Statistical Software 497

SPSS and SAS Computerized Demonstration Movies 498

SPSS and SAS Screen Captures with Notes 498

SPSS Windows 498 Frequency Distribution 498 Cross-Tabulation 499 Hypothesis Testing 499 SAS Enterprise Guide 500 Frequency Distribution 500 Cross-Tabulation 500 Hypothesis Testing 501 HP Running Case 503 • Summary 503 Key Terms and Concepts 504 • Suggested Cases and Video Cases 504 • Live Research: Conducting a Marketing Research Project 504 Acronyms 505 • Exercises 505 Internet and Computer Exercises 506 Activities 507 Analysis of Variance and Covariance 508 Objectives 508 Overview 509 Relationship Among Techniques 511 One-Way Analysis of Variance 511 Statistics Associated with One-Way Analysis of Variance 512 Conducting One-Way Analysis of Variance 512 Identify the Dependent and Independent Variables 513 Decompose the Total Variation 513 Measure the Effects 514 Test the Significance 515 Interpret the Results 515 Illustrative Data 515 Illustrative Applications of One-Way Analysis of Variance 516 Assumptions in Analysis of Variance 519 N-Way Analysis of Variance 520 Illustrative Application of N-Way Analysis of Variance 522 Analysis of Covariance 524 Issues in Interpretation 525 Interactions 525 Relative Importance of Factors 527 Multiple Comparisons 527 Repeated Measures ANOVA 528 Nonmetric Analysis of Variance 529 Multivariate Analysis of Variance 529 Statistical Software 530 SPSS and SAS Computerized Demonstration Movies 530 SPSS and SAS Screen Captures with Notes 531 SPSS Windows 531 SAS Enterprise Guide 532 HP Running Case 533 • Summary 533

Key Terms and Concepts 534 • Suggested Cases and Video Cases 534 • Live Research: Conducting a Marketing Research Project 534 Acronyms 534 • Exercises 534 Internet and Computer Exercises 535 Activities 536

Correlation and Regression 537

Objectives 537 Overview 538

Product Moment Correlation 539

Partial Correlation 542

Nonmetric Correlation 544

Regression Analysis 545

Bivariate Regression 545

Statistics Associated with Bivariate Regression Analysis 545

Conducting Bivariate Regression Analysis 546

Plot the Scatter Diagram 547

Formulate the Bivariate Regression Model 548

Estimate the Parameters 548

Estimate Standardized Regression Coefficient 549

Test for Significance 550

Determine the Strength and Significance of Association 551

Check Prediction Accuracy 553

Assumptions 553

Multiple Regression 554

Statistics Associated with Multiple

Regression 555

Conducting Multiple Regression Analysis 555

Partial Regression Coefficients 555 Strength of Association 557

Significance Testing 558

Examination of Residuals 559

Stepwise Regression 561

Multicollinearity 563

Relative Importance of Predictors 563

Cross-Validation 564

Regression with Dummy Variables 564

Analysis of Variance and Covariance with

Regression 565

Statistical Software 566

SPSS and SAS Computerized Demonstration Movies 566

SPSS and SAS Screen Captures with Notes 567

SPSS Windows 567

SAS Enterprise Guide 568

HP Running Case 569 • Summary 570 Key Terms and Concepts 570 • Suggested Cases and Video Cases 570 • Live Research: Conducting a Marketing Research Project 571

Acronyms 571 • Exercises 571 Internet and Computer Exercises 572 Activities 573

1 8 Discriminant and Logit Analysis 574

Objectives 574

Overview 575

Basic Concept of Discriminant Analysis 576

Relationship of Discriminant and Logit Analysis to ANOVA and Regression 576

Discriminant Analysis Model 577

Statistics Associated with Discriminant

Analysis 577

Conducting Discriminant Analysis 579

Formulate the Problem 579

Estimate the Discriminant Function Coefficients 581

Determine the Significance of Discriminant Function 581

Interpret the Results 584

Assess Validity of Discriminant Analysis 586

Multiple Discriminant Analysis 588

Formulate the Problem 588

Estimate the Discriminant Function Coefficients 588

Determine the Significance of the Discriminant Function 588

Interpret the Results 588

Assess Validity of Discriminant Analysis 591

Stepwise Discriminant Analysis 594

The Logit Model 594

Conducting Binary Logit Analysis 595

Formulate the Problem 595

Estimating the Binary Logit Model 596

Model Fit 596

Significance Testing 596

Interpretation of the Coefficients and Validation 596

An Illustrative Application of Logistic Regression 597

Statistical Software 600

SPSS and SAS Computerized Demonstration Movies 600

SPSS and SAS Screen Captures with Notes 600

SPSS Windows 600

Discriminant Analysis 600

Logit Model 600

SAS Enterprise Guide 601

Discriminant Analysis 601

Logit Model 601

HP Running Case 602 • Summary 602

Key Terms and Concepts 603 • Suggested

Cases and Video Cases 603 • Live Research:

Conducting a Marketing Research Project 604

Acronyms 604 • Exercises 604 Internet and Computer Exercises 605 Activities 605

1 C Factor Analysis 606

Objectives 606

Overview 607

Basic Concept 608

Factor Analysis Model 609

Statistics Associated with Factor Analysis 609

Conducting Factor Analysis 610

Formulate the Problem 611

Construct the Correlation Matrix 611

Determine the Method of Factor Analysis 615

Determine the Number of Factors 615

Rotate Factors 616

Interpret Factors 617

Calculate Factor Scores 618

Select Surrogate Variables 618

Determine the Model Fit 619

Applications of Common Factor Analysis 621

Statistical Software 626

SPSS and SAS Computerized Demonstration Movies 626

SPSS and SAS Screen Captures with Notes 626

SPSS Windows 626

SAS Enterprise Guide 626

HP Running Case 627 • Summary 628

Key Terms and Concepts 628 • Suggested

Cases and Video Cases 628 • Live Research:

Conducting a Marketing Research Project 629

Acronyms 629 • Exercises 629

Internet and Computer Exercises 630

Activities 631

Cluster Analysis 632

Objectives 632

Overview 633

Basic Concept 634

Statistics Associated with Cluster

Analysis 635

Conducting Cluster Analysis 636

Formulate the Problem 636

Select a Distance or Similarity Measure 637

Select a Clustering Procedure 638

Decide on the Number of Clusters 642

Interpret and Profile the Clusters 644

Assess Reliability and Validity 645

Applications of Nonhierarchical

Clustering 646

Applications of TwoStep Clustering 648

Clustering Variables 650

Statistical Software 652 SPSS and SAS Computerized Demonstration Movies 652 SPSS and SAS Screen Captures with Notes 652 SPSS Windows 652 SAS Enterprise Guide 653 HP Running Case 654 • Summary 654 Key Terms and Concepts 655 • Suggested Cases and Video Cases 655 • Live Research: Conducting a Marketing Research Project 655 Acronyms 656 • Exercises 656 Internet and Computer Exercises 656 Activities 657 Multidimensional Scaling and Conjoint Analysis 658 Objectives 658 Overview 659 Basic Concepts in Multidimensional Scaling (MDS) 661 Statistics and Terms Associated with MDS 661 Conducting Multidimensional Scaling 662 Formulate the Problem 662 Obtain Input Data 662 Select an MDS Procedure 664 Decide on the Number of Dimensions 665 Label the Dimensions and Interpret the Configuration 666 Assess Reliability and Validity 667 Assumptions and Limitations of MDS 668 Scaling Preference Data 668 Correspondence Analysis 670 Relationship Among MDS, Factor Analysis, and Discriminant Analysis 671 Basic Concepts in Conjoint Analysis 671 Statistics and Terms Associated with Conjoint Analysis 672 Conducting Conjoint Analysis 672 Formulate the Problem 672 Construct the Stimuli 673 Decide on the Form of Input Data 675 Select a Conjoint Analysis Procedure 675 Interpret the Results 678 Assessing Reliability and Validity 678 Assumptions and Limitations of Conjoint Analysis 680 Hybrid Conjoint Analysis 681 Statistical Software 684 SPSS and SAS Computerized Demonstration Movies 684 SPSS and SAS Screen Captures with Notes 684 SPSS Windows 684 SAS Enterprise Guide 685 HP Running Case 687 • Summary 687

Key Terms and Concepts 687 • Suggested Cases and Video Cases 688 • Live Research: Conducting a Marketing Research Project 688 Acronyms 688 • Exercises 688 Internet and Computer Exercises 689 Activities 689

Structural Equation Modeling and Path Analysis 690

Objectives 690 Overview 691 Basic Concept 692 Statistics Associated with SEM Foundations of SEM 694 Theory, Model, and Path Diagram 694

Exogenous Versus Endogenous Constructs 695 Dependence and Correlational Relationships 696 Model Fit 696

Model Identification 696

Conducting SEM 697

Define the Individual Constructs 697 Specify the Measurement Model 697

Sample Size Requirements 698

Assess Measurement Model Reliability and Validity 699

Assess Measurement Model Fit 699 Assess Measurement Model Reliability and Validity 701 Lack of Validity: Diagnosing Problems 703

Specify the Structural Model 703

Assess Structural Model Validity 704

Assessing Fit 705 Comparison with Competing Models 705 Testing Hypothesized Relationships 705 Structural Model Diagnostics 705

Draw Conclusions and Make Recommendations 706

Higher-Order Confirmatory Factor Analysis 706

Relationship of SEM to Other Multivariate Techniques 707

Application of SEM: First-Order Factor Model 708

Define the Individual Constructs 708 Specify the Measurement Model 709 Assess Measurement Model Reliability and Validity 709

Specify the Structural Model 710 Assess Structural Model Validity 710 Conclusions and Recommendations 710

Application of SEM: Second-Order Factor Model 710

Define the Individual Constructs 710 Specify the Measurement Model 712

Assess Measurement Model Reliability and Validity 712	Reinforce Text with Tables and Graphs 732 Terse 732
Specify the Structural Model 714	Guidelines for Tables 732
Assess Structural Model Validity 714	Title and Number 732
Draw Conclusions and Make	Arrangement of Data Items 733
Recommendations 715	Basis of Measurement 733
Path Analysis 716	Leaders, Rulings, and Spaces 733
Illustrative Example of Path Analysis 717	Explanations and Comments: Headings, Stubs,
Statistical Software 719	and Footnotes 733
Lisrel 719	Sources of the Data 733
SPSS and SAS Computerized Demonstration	Guidelines for Graphs 733
Movies 720	Geographic and Other Maps 734
SPSS and SAS Screen Captures with Notes 720	Round or Pie Charts 734
SPSS Windows 720	Line Charts 734
SAS Enterprise Guide 721	Pictographs 735
HP Running Case 722 • Summary 722	Histograms and Bar Charts 735
Key Terms and Concepts 723 • Suggested	Schematic Figures and Flowcharts 735
Cases and Video Cases 723 • Live Research:	Data Visualization and Big Data 736
Conducting a Marketing Research Project 723	Visualizing Big Data 736
Acronyms 723 • Exercises 724	SAS Visual Analytics 737
nternet and Computer Exercises 724	Report Distribution 737
Activities 724	Oral Presentation 737
	Reading the Research Report 738
Report Preparation and	Address the Problem 738
Presentation 725	Research Design 738
Objectives 725	Execution of the Research Procedures 739
Overview 726	Numbers and Statistics 739
mportance of the Report and	Interpretation and Conclusions 739
Presentation 727	Generalizability 739
The Report Preparation and Presentation	Disclosure 739
Process 727	Research Follow-Up 740
Report Preparation 728	Assisting the Client 740
	Evaluation of the Research Project 740
Report Format 728 Title Page 729	International Marketing Research 741
Letter of Transmittal 729	Marketing Research and Social Media 742
Letter of Hallsmittal 727 Letter of Authorization 730	
Table of Contents 730	Mobile Marketing Research 743
Executive Summary 730	Ethics in Marketing Research 743
Problem Definition 730	Statistical Software 744
Approach to the Problem 730	SPSS Windows 745
Research Design 730	SAS Enterprise Guide 745
Data Analysis 730	HP Running Case 746 • Summary 746
Results 730	Key Terms and Concepts 746 • Suggested
Limitations and Caveats 731	Cases, HBS Cases, and Video Cases 746
Conclusions and Recommendations 731	Live Research: Conducting a Marketing
Report Writing 731	Research Project 747 • Acronyms 747
Readers 731	Exercises 747 • Internet and Computer
Easy to Follow 732	Exercises 748 • Activities 748
Presentable and Professional Appearance 732	Video Case 23.1 Marriott: Marketing
Objective 732	Research Leads to Expanded Offerings 749

CASES

RUNNING CASE WITH REAL DATA

Case 1.1 HP: Using Marketing Research to Gain a Competitive Edge 752

COMPREHENSIVE CRITICAL THINKING CASES

- Case 2.1 Baskin-Robbins: Can It Bask in the Good 'Ole Days? 757
- Case 2.2 Kid Stuff? Determining the Best Positioning Strategy for Akron Children's Hospital 760

DATA ANALYSIS CASES WITH REAL DATA

- Case 3.1 AT&T Wireless: Ma Bell Becomes Ma Again 762
- Case 3.2 IBM: A Top Provider of Computer Hardware, Software, and Services 766
- Case 3.3 Kimberly-Clark: Competing Through Innovation 774

COMPREHENSIVE CASES WITH REAL DATA

Case 4.1 JPMorgan Chase: Chasing Growth Through Mergers and Acquisitions 781

Case 4.2 Wendy's: History and Life After Dave Thomas 787

COMPREHENSIVE HARVARD BUSINESS SCHOOL CASES

- Case 5.1 The Harvard Graduate Student Housing Survey (9-505-059) 793
- Case 5.2 BizRate.Com (9-501-024) 793
- Case 5.3 Cola Wars Continue: Coke and Pepsi in the Twenty-First Century (9-702-442) 793
- Case 5.4 TiVo in 2002 (9-502-062) 793
- Case 5.5 Compaq Computer: Intel Inside? (9-599-061) 793
- Case 5.6 The New Beetle (9-501-023) 793

Appendix: Statistical Tables 795 Notes 807 Glossary 850 Index 865