

**What's inside:** We begin with an **introduction**, and then it's into the **key terms and concepts** of market research, **quantitative and qualitative research**, how to go about **gathering data** and the distinction between **primary** and **secondary research**. Learn about **online research communities**, conducting **research surveys** and get to grips with the valuable **tools of the trade**. Wrap things up with a **chapter summary** and a **case study** showing how BrandsEye has developed with the market's demands.

## 2.1 introduction

Online research methods can be seen as a subset of market research, but one that is enabling broader, faster and sometimes more detailed forms of information gathering.

While the Internet was developed as a military project, the World Wide Web was developed on the Internet protocol as a tool for academics to allow information to be shared freely. This foundation of the web as an information tool has had profound effects on the markets in which we transact.

Consider this: consumers are able to research companies and products easily, gathering information to compare prices and services with a few clicks of the mouse. Consumers are also able to share likes and dislikes easily, whether that information is shared with companies or with friends.

Price + Delivery	Condition	Seller Information	Buying Options
<b>£290.00</b> + £5.10 delivery	Used - Like New	Seller: <b>guanna_banna</b> Seller Rating: <b>Just Launched</b> (Seller Profile) In stock. Dispatched from United Kingdom. <a href="#">Domestic delivery rates and return policy</a> Extremely good condition camera with no scuffs or marks. Comes with Lowepro camera bag and all original boxing and instructions... <a href="#">Read more</a>	<a href="#">Add to Basket</a> or <a href="#">Sign in to turn on 1-Click ordering.</a>
<b>£299.00</b> + £5.10 delivery	Used - Very Good	Seller: <b>meekegt</b> Seller Rating: <b>★★★★★ 100% positive</b> (12 total ratings) In stock. Dispatched from United Kingdom. <a href="#">Domestic delivery rates and return policy</a> boxed complete with sandisk 2gb card	<a href="#">Add to Basket</a> or <a href="#">Sign in to turn on 1-Click ordering.</a>
<b>£300.00</b> + £5.10 delivery	Used - Like New	Seller: <b>Troy Coker</b> Seller Rating: <b>★★★★★ 91% positive</b> over the past 12 months. (22 total ratings) In stock. <a href="#">Domestic delivery rates and return policy</a> In very good condition with extra lens.	<a href="#">Add to Basket</a> or <a href="#">Sign in to turn on 1-Click ordering.</a>
<b>£339.99</b> + £5.10 delivery	Used - Good	Seller: <b>Central Park Photography</b> Seller Rating: <b>★★★★★ 100% positive</b> over the past 12 months. (46 total ratings) In stock. Dispatched from United Kingdom. <a href="#">Domestic delivery rates and return policy</a> Comes with these items Only: Canon 18-55mm Lens, charger, battery, neckstrap, usb cable, lens cap, body cap and 4GB card, UV ... <a href="#">Read more</a>	<a href="#">Add to Basket</a> or <a href="#">Sign in to turn on 1-Click ordering.</a>
<b>£349.99</b> + £5.10 delivery	Used - Very Good	Seller: <b>cameras-4-u</b> Seller Rating: <b>★★★★★ 99% positive</b> over the past 12 months. (713 total ratings) In stock. Dispatched from United Kingdom. <a href="#">Domestic delivery rates and return policy</a> ROXFD FOR 400D + 18-55 EF-S I FNR + INSTRUCTIONS + BATTERY + CHARGER + CASE +	<a href="#">Add to Basket</a> or <a href="#">Sign in to turn on 1-Click ordering.</a>

**Figure 2.1 Consumers can easily compare product prices across a range of retailers.**

The web's foundations in academia make it ideal for secondary research, with reports and data filed, indexed and available via a few savvy searches. Technology can be used to easily, and accurately, conduct surveys and also makes it possible to record data about consumers' online habits.

When researching the penetration of broadband in a particular market, a few web searches will reveal plenty of sources that can be compared and verified. If a company wants to gauge the demographics of visitors to their website, an online survey may be offered to website visitors. Online reputation management (ORM) tools can simultaneously allow companies to track consumer sentiment expressed online.

In this chapter we will look at the methods used for conducting online research as well as the pitfalls that exist in this area. While there are some challenges to remain aware of, research firms are increasingly turning to the Internet for research.

## 2.2 key terms and concepts

term	definition
<b>Bounce rate</b>	Single page view visits divided by entry pages.
<b>Data</b>	Statistics and facts collected for analysis.
<b>Focus group</b>	A form of qualitative research where a group of people are asked questions in an interactive group setting. From a marketing perspective, it is an important tool for acquiring feedback regarding new products and various topics.
<b>Hypothesis</b>	A proposed explanation for a situation used as a base for further investigation.
<b>Listening labs</b>	The set up of a testing environment where the use of a website or application by a consumer may be observed.
<b>Observation/online ethnography</b>	When a researcher immerses themselves in a particular environment in order to gather insights.
<b>Online reputation management (ORM)</b>	The understanding and influencing of the perception of an entity online. This entails ensuring that you know what is being said about you, and that you are leading the conversation.
<b>Primary research</b>	The collection of data to present a new set of findings from original research.
<b>Qualitative data</b>	Data that can be observed but not measured. Deals with descriptions.
<b>Quantitative data</b>	Data which can be measured or defined. Deals with numbers.
<b>Research community</b>	A community set up with the intention of being a source for research.
<b>Research methodology</b>	Methods employed in research for reaching results.
<b>Sample size</b>	The number of units or respondents in a sample of the population.

<b>Secondary research</b>	The collection of existing research data.
<b>Sentiment</b>	The emotion attached to a particular mention – whether it be positive, negative or neutral.
<b>Statistically significant</b>	This refers to a sample that is big enough to represent valid conclusions.

## 2.3 how it works

### 2.3.1 What is Market Research?

Market research is a process that aids business decisions. It involves systematically gathering, recording and analysing data and information about customers, competitors and the market.

Research can be based on **primary data** or **secondary data**. Primary research is conducted when data is gathered for a particular product or hypothesis. This is where information does not exist already or is not accessible, and so needs to be specifically collected from consumers or businesses. Surveys, focus groups, research panels and research communities can all be used when conducting primary market research.

Secondary research uses existing, published data as a source of information. It can be more cost effective than conducting primary research. The Internet opens up a wealth of resources for conducting this research. The data would, however, originally have been collected for solving problems other than the one at hand, so it might not be sufficiently specific. Secondary research can be useful in identifying problems to be investigated through primary research.

Research can also be classified as **qualitative** or **quantitative**. Qualitative research can be classified as exploratory. Qualitative research aids in identifying potential hypotheses, whereas quantitative research puts hard numbers behind these hypotheses. Qualitative research seeks to find out what potential consumer perceptions and feelings exist around a given subject. This research can often be used to advise the design of quantitative research, which relies on numerical data to demonstrate statistically significant outcomes.

The Internet is a useful tool for both primary and secondary research, and can be used to gather both qualitative and quantitative data. In fact, the communities on the web can be viewed as one large focus group, regularly and willingly sharing their opinions on products, markets and companies. Today, organisations transacting online have a wealth of research information freely available to them, and sophisticated tools for gathering further data.

### 2.3.2 Research Methodology

Research should involve certain steps:

- Establish the goals of the project
- Determine your sample
- Choose data collection method
- Collect data
- Analyse results
- Formulate conclusions and actionable insights. For example, producing reports.

Most often, market research is focused around specific issues unique to a business or brand. It is therefore not always possible to get hold of comparable information in order to aid in decision making. This is why it can be useful to start from a specific research problem or hypothesis.

Your research question should guide your market research and your entire process, and will determine your choice of data collection.

#### Quantitative and Qualitative Research

Quantitative research gathers data that can be statistically analysed to determine results. Data must be formally gathered, and should be collected to *test* a hypothesis as opposed to *determine* a hypothesis.

Qualitative data can be more difficult to quantify. Typically, because base sizes are smaller and not necessarily representative of the market under investigation (as it can be more expensive and time consuming to gather and analyse the data), qualitative data cannot be taken as quantified. It is, however, valuable in aiding a researcher in interpreting the market perspective. It is possible to combine approaches, producing data that can be used both qualitatively and quantitatively.

For example, in the *Online Reputation Management* chapter tools that can track brand name mentions are outlined. This data can then be analysed qualitatively, allowing the researcher to examine the mentions and use judgement to determine sentiment, or quantitatively, where mentions can be assigned numeric values across a range of categories which are used to generate a reputation score. One example of this is BrandsEye's online reputation algorithm.

When both qualitative and quantitative research are used, qualitative research usually takes place first to get an idea of the issues to be aware of, and then quantitative research tests the theories put forward in qualitative research.

#### note

With larger sample sizes, qualitative data may be analysed quantitatively.

The main differences between quantitative and qualitative research are represented in the following table.

QUALITATIVE RESEARCH	QUANTITATIVE RESEARCH
<b>Group Size</b>	<b>Group Size</b>
Small number of participants - usually focus groups of six to 10 respondents led by a moderator.	Large numbers of respondents - 100 or more, depending on the size of the population you are wanting to generalise about are generally surveyed.
<b>Approach</b>	<b>Approach</b>
Generates ideas and concepts - leads to issues or hypotheses to be tested.	Tests known issues or hypotheses.
Ends with hypotheses for further research	Begins with hypotheses
Seeks complexity	Seeks consensus, the norm
Context of issues	Generalisation
<b>Disadvantages</b>	<b>Disadvantages</b>
Shouldn't be used to evaluate pre-existing ideas.	Issues can only be measured if there are known prior to beginning the survey.
Results are not predictors of the population.	Sample size must be sufficient for predicting the population.
<b>Advantages</b>	<b>Advantages</b>
Looks at the context of issues and aims to understand perspectives.	Statistically reliable results to determine if one option is better than the alternatives.

**Figure 2.2 Key differences between qualitative research and quantitative research.**

**Gathering data: Quantitative and Qualitative Research**

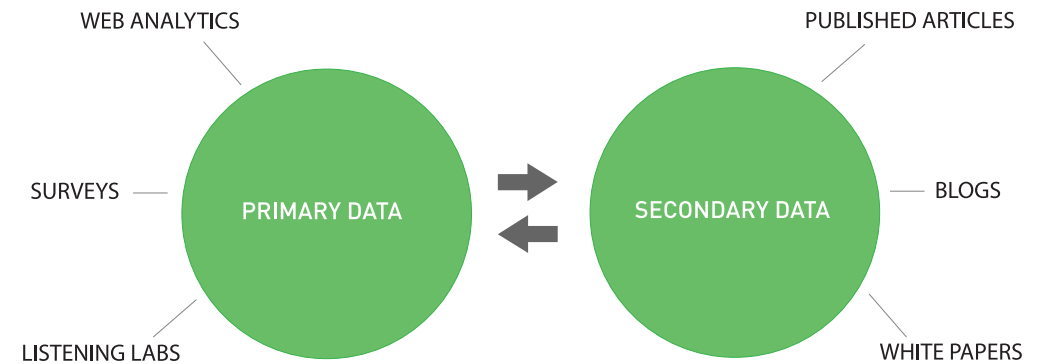
Both quantitative and qualitative research can be conducted using primary or secondary data, and the Internet provides an ideal tool for both avenues.

Web analytics packages are a prime source of data. Using data such as search terms, referral URLs and internal search data can lead to qualitative information about the consumers visiting a website. However, when data is measurable and specific, such as impressions and clickthrough rates, it leads to quantitative research.

Sample size is an important factor in conducting research and that sample should be representative of the population you are targeting as a whole. If your business transacts both online and offline, be aware that using only online channels for market research might not be representative of your true target market. However, if your business transacts only online, offline channels for your market research are less necessary.

**Primary and Secondary Research**

The Internet is a useful tool when conducting both primary and secondary research. Not only are there a number of free tools available when it comes to calculating things such as sample size and confidence levels (see *Tools of the Trade* for some examples), but it is also an ideal medium to reach large numbers of people at a relatively low cost. Notably, the origins of the web as a network for academics to share information make it a useful tool for researching existing research reports.



**Figure 2.3 Sources of primary and secondary research data, based on Aaker et al p 106.**

**The Internet and Secondary Research**

Market research based on secondary resources uses data that already exists for analysis. This includes both internal data and external data and is useful for exploring the market and marketing problems that exist.

Research based on secondary data should precede primary data research. It should be used in establishing the context and parameters for primary research.

Uses of secondary data:

- The data can provide enough information to solve the problem at hand, thereby negating the need for further research.
- Secondary data can provide sources for hypotheses that can be explored through primary research.

- Sifting through secondary data is a necessary precursor for primary research, as it can provide information relevant to sample sizes and audience, for example.
- The data can be used as a reference base to measure the accuracy of primary research.

**note**

See the chapters *Web Analytics and Conversion Optimisation* for details of how to use web analytics.

Companies that manage transactions via online properties have access to a wealth of data due to the interactions that can be recorded digitally. This data can then be mined. Every action performed on the company website is recorded in the server logs for the website.

Customer communications are also a source of data that can be used, particularly communications with a customer service department. Committed customers who complain, comment or compliment are providing information that can form the foundation for researching customer satisfaction.

**note**

The *Online Reputation Management* chapter goes into detail about using the Internet to track and monitor online mentions of a product, company or brand.

Social networks, blogs and other forms of social media have emerged as forums where consumers discuss their likes and dislikes, and can be particularly vocal about companies and products. This data can, and should, be tracked and monitored to establish consumer sentiment. If a community is established for research purposes, this should be considered primary data, but using social media to research existing sentiments is considered secondary research.

The Internet is an ideal starting point for conducting secondary research based on published data and findings. But, with so much information out there, it can be a daunting task to find reliable resources.

**Results 1 - 10 of about 1,080,000,000 for research**

The first point of call for research online is usually a search engine, such as [www.google.com](http://www.google.com) or [www.yahoo.com](http://www.yahoo.com). Search engines usually have an array of advanced features, which can aid online research. For example, Google offers:

- [Advanced search](http://www.google.co.za/advanced_search?hl=en) ([http://www.google.co.za/advanced\\_search?hl=en](http://www.google.co.za/advanced_search?hl=en))
- [Google Scholar](http://scholar.google.co.za/schhp?hl=en) (<http://scholar.google.co.za/schhp?hl=en>)
- [Google Book Search](http://www.google.co.za/books?hl=en) (<http://www.google.co.za/books?hl=en>)

Learning how to use search engines to find the information you need is a valuable skill in using the Internet for research.

Many research publications are available online, some for a fee and some at a cost. Many of the top research companies feature analyst blogs, which provide some industry data and analysis for free.

Some notable resources are:

- [www.e-consultancy.com](http://www.e-consultancy.com)
- [www.hitwise.com](http://www.hitwise.com)
- [www.pewinternet.org](http://www.pewinternet.org) (US data)
- [www.worldwideworx.com](http://www.worldwideworx.com) (SA data)

### The Internet and Primary Research

Primary research involves gathering data for a specific research task. It is based on data that has not been gathered beforehand. Primary research can be either qualitative or quantitative.

Primary research can be used to explore a market and can help to develop the hypotheses or research questions that must be answered by further research. Generally, qualitative data is gathered at this stage. For example, online research communities can be used to identify consumer needs that are not being met and brainstorm possible solutions. Further quantitative research can investigate what proportion of consumers share these problems and which potential solutions best meet those needs.

### 2.3.3 Data Collection Methods

In offline research, there are a number of methodologies, and arguably online research is just one tool added to the greater toolbox.

In online research, data collection methods include:

#### Focus groups

Much like with offline focus groups, online focus groups involve respondents reacting to a particular topic. In the online context, respondents can be gathered from all over the world and react in real time, arguably being freer with their responses given that they can be anonymous in an electronic environment.

#### Personal interviews

There are various tools available to the online researcher for conducting personal interviews. Whether in a private chat room or through a video interview, the connection afforded by the Internet can connect a researcher with many people around the world and make it possible to conduct interviews with more anonymity, should respondents require it.

#### Observation/Online ethnography

Taking its cue from offline ethnography, online ethnography requires a researcher to immerse themselves in a particular environment. In this way insights can be gathered that may not have been attainable from a direct

**note**

In 2005, General Motors launched a blog called Fast Lane. They said: "We've been wanting to create this direct line of communication so that our various stakeholders aren't going to message boards to talk about us - they have an opportunity to come and talk directly to us. We're big into getting feedback from our customers, employees and others, taking their comments to become a better company and develop better products. We're really getting some excellent feedback. Just about every discussion we have on the FastLane blog, we've had an excellent dialog." This communication medium has become an important source of customer research, eliciting comments and feedback from committed consumers (Fever 2005).

interview. However, they do depend more heavily on the ethnographer's interpretation. Terms often associated with online ethnography are virtual ethnography and netnography.

The significance in approach here is not to view opinions and sentiment shared in social spaces as *content*, but to view these as *insights* into the consumer mindset, shared in a particular context. In terms of market research these methods are only starting to be used.

### Online research communities

Although online communities are a valuable resource for secondary research, communities can also provide primary data. General Motors' Fast Lane blog is an example of an online research community that aids the gathering of research data. The blog can be used as a means to elicit feedback to a particular research problem. This is qualitative data that can aid the company in exploring their research problem further.

#### discussion

Whom would you select to participate in listening lab exercises?  
How do you think the demographic of your population affects the outcome of these tests?

### Listening labs

When developing websites and online applications, usability testing is a vital process that will ensure the website or application is able to meet consumers' needs. Listening labs involve setting up a testing environment where the use of a website or application by a consumer may be observed.

### Conversion optimisation

Conversion optimisation aims to determine the factors of an advert, website or web page that can be improved so as to make the website convert best. From PPC advertising, to email subject lines to shopping cart design, tests can be set up to determine what variables are affecting the conversion rate of visitors to the website.

In the *Web Analytics* chapter there are details and tools for running tests, such as A/B split testing and multivariate testing.

### Online surveys: gathering data

When developing surveys you can combine qualitative data with quantitative data – it just depends on how the questions are asked. Conducting surveys online allows for data to be captured immediately, and data analysis can be performed easily and quickly. By using email or the Internet for conducting surveys, geographical limitations for collecting data can be overcome cost effectively.

Developing technology also allows for sophisticated and user-friendly surveys to be compiled. For example, as opposed to indicating impressions on a sliding scale, respondents can indicate emotional response.

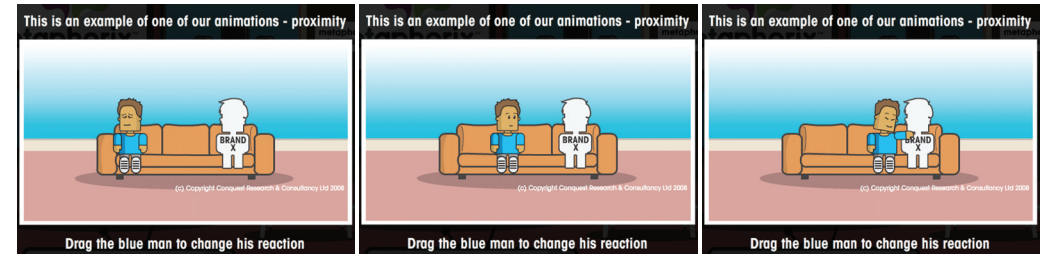


Figure 2.4. In some instances, respondents can indicate an emotional response as opposed to indicating impressions on a sliding scale.

Source: <http://www.metaphorixuk.com>

Vs.

Rate how you feel about a brand:

negative

neither positive nor negative

positive

### Sample size

Qualitative research is usually conducted with a small number of respondents in order to explore and generate ideas and concepts. Quantitative research is conducted with far larger numbers, enough to be able to predict how the total population would respond.

Because quantitative research aims to produce predictors for the total population, sample size is very important. Sample size in the case of a survey is the number of respondents in the survey. The sample size needs to be sufficient in order to make statistically accurate observations about the population.

For example, if you have 4 000 registered users of your website, you don't need to survey all of them in order to understand how the entire population behaves. You only need to survey 351 users to get a sample size that gives you a 95% confidence level with a  $\pm 5\%$  confidence interval. This means that you can be 95% sure your results are accurate within  $\pm 5\%$ .

There are several sample size calculators mentioned in *Tools of the Trade*.

### Developing surveys: asking questions

The design of a survey is important in its success, along with the questions asked. A survey can comprise of any number and type of questions, and these



should be structured in such a way that more complicated questions only appear once users are comfortable with the survey.

Thank you for being a customer. Please help us improve our product and our service to you by completing this survey.

The entire survey will take approximately 5 minutes to complete.

1. What is your overall satisfaction rating with our company?

5 - Very Satisfied

4 - Somewhat Satisfied

3 - Neither Satisfied Nor Dissatisfied

2 - Somewhat Dissatisfied

1 - Very Dissatisfied

2. Please tell us why you feel that way.

3. How likely are you to recommend our product to a friend or colleague?

5 - Very Likely

4 - Somewhat Likely

3 - Neither Likely Nor Unlikely

2 - Somewhat Unlikely

1 - Very Unlikely

4. Please tell us why you feel that way.

**Figure 2.5. Online surveys are a great way of determining user sentiment.**

Be careful that you do not introduce bias when creating questions by asking leading questions.

#### Example of leading question bias:

**Example:** We have recently introduced new features on the website to become a first class web destination. What are your thoughts on the new site?

**Replace with:** What are your thoughts on the changes to the website?

Questions in the survey should be brief, easy to understand and, most of all, easy to answer.

#### Types of Survey Questions

##### 1. Open-Ended Types

Open-ended questions allow respondents to answer in their own words. This usually results in qualitative data.

#### Example:

What features would you like to see on the website for the digital marketing textbook

([www.quirk.biz/digital-marketing-textbook](http://www.quirk.biz/digital-marketing-textbook))? \_\_\_\_\_

##### 2. Closed-Ended Types (Multiple Choice – One Answer or Multiple Answers)

These questions give respondents specific responses to choose from. This results in quantitative data.

#### Example:

Do you use the digital marketing textbook website?

Choose one that applies.

- Yes
- No

What features of the digital marketing textbook website do you use?

Tick all that apply.

- Blog
- Case studies
- Free downloads
- Additional resources

##### 3. Ranked or Ordinal Questions

These questions ask respondents to rank items in order of preference or relevance. Respondents are given a numeric scale to indicate order. This results in quantitative data.

#### Example:

Rate the features of the digital marketing textbook website, where 1 is the most useful and 4 is the least useful.

- Blog
- Case studies
- Free downloads
- Additional resources

##### 4. Matrix and Rating Types

These types of questions can be used to quantify qualitative data. Respondents are asked to rank behaviour or attitude.

#### note

If there are enough respondents to an open-ended question, the responses can be used quantitatively. For example, you can say with some certainty, “37% of people thought that case studies were an important feature.”

**Example:**

The digital marketing textbook website is a useful tool for further studies.

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

Or

The digital marketing textbook website is a useful tool for further studies.

Strongly Disagree				Strongly Agree
1	2	3	4	5

Rating scales can be balanced or unbalanced. When creating the questions and answers, choosing balanced or unbalanced scales will affect whether you are collecting data where someone can express a neutral opinion or not.

Balanced				
Very Poor	Poor	Average	Good	Very Good
1	2	3	4	5

Unbalanced			
Poor	Average	Good	Very Good
1	2	3	4

The screenshot shows the homepage of Mobile Marketing Watch. The main content area features a 'FEATURED POST' titled 'MobileMarketingWatch Survey: Win \$50!'. The post text reads: 'To better understand how marketers are using mobile as part of their strategy, and who our readership is, we here at Mobile Marketing Watch are conducting our first-ever survey. We hope to find out who's using mobile marketing, and how often, and how mobile permeates other parts of their lives. While we're sure you all want to contribute to the noble goal of knowledge-gathering, there's another incentive: Three lucky respondents selected at random will win \$50 each! The best part is, there are only 9 questions. Click Here to take survey'. Below the text is a 'Share This' button and a 'Read More' link. To the right, there is an advertisement for a whitepaper titled 'What is a short code?' and 'What is premium SMS?'. The website also has a navigation menu at the top and an archives sidebar on the left.

**Figure 2.6** Mobile Marketing Watch chose to incentivise their readers with a possible prize.

Source: mobilemarketingwatch

**How to get responses: Incentives and Assurances**

As the researcher, you know what's in it for you when sending out a survey: you will receive valuable data that will aid in making business decisions. But what is in it for the respondents?

According to Survey Monkey, the ways in which the surveys are administered play a role in response rates for surveys, and these can be relative:

- Mail: 50% adequate, 60-70% good to very good
- Phone: 80% good
- Email: 40% average, 50-60% good to very good
- Online: 30% average
- Classroom pager: 50+% good
- Face to face: 80-85% good

**(University of Texas 2007)**

Response rates can be improved by offering respondents an incentive for completing the survey, such as a chance at winning a grand prize, a lower priced incentive for every respondent, or even the knowledge that they are improving a product or service that they care about.

There is a train of thought that paying incentives is not always a good thing. Amongst less affluent or educated respondents it may predispose them to feel that they need to give so-called "good" or "correct" answers which may bias your results. Alternatively you may attract respondents who are in it just for the reward. One approach could be to run the survey with no incentive with the option to offer one if responses are limited.

Designing the survey so as to assure respondents of the time commitment and privacy implications of completing the survey can also help to increase responses.

Running surveys online also allows for continuous surveys at minimal cost to you. Simple polls can be used in forums and on blogs to generate regular feedback. Website satisfaction surveys are also an easy way to determine the effectiveness of a website and marketing campaigns.

**Conducting research surveys: a Step-by-Step Guide**

As with all things in digital marketing, careful planning goes a long way to determining success. As market research can be an expensive project, it is important that planning helps to determine the cost vs. the benefit of the research. Qualitative research and secondary research are critical steps in determining whether a larger scale research project is called for.

Bear in mind that many tasks that fall under the umbrella of research should



be ongoing requirements of digital marketing activities, such as conversion testing and optimising, and online reputation management. Polls and small surveys can also be conducted regularly, and non-intrusively, among visitors to your website.

### 1. Establish the goals of the project: What you want to learn

Secondary research can be used to give background and context to the business problem, and the context in which the problem can be solved. It should also be used to determine alternative strategies for solving the problem, which can be evaluated through research. Qualitative research, particularly using established online research communities, can also help in determining what the business problems are that need to be solved. Ultimately, determine what actions you will consider after the research is completed, and what insights are required to make a decision on those actions.

### 2. Determine your sample: Whom you will interview

You do not need to survey the entire population of your target market. Instead, a representative sample can be used to determine statistically relevant results. See *Tools of the Trade* for some online calculators for determining sample size.

In selecting a sample, be careful to try to eliminate bias from the sample. Highly satisfied customers, for example, could give very different results to highly dissatisfied consumers.

### 3. Choose survey methodology: How you will gather data

The Internet provides a multitude of channels for gathering data. Surveys can be conducted online or via email. Online research panels and online research communities can all be used for gathering data. Web analytics can also be used to collect data, but this is passive form of data collection. Determine what will provide you with the information you need to make decisions. Be clear on whether your research calls for qualitative or quantitative data as this determines the methodology as well.

### 4. Create your questionnaire: What you will ask

Keep the survey and questions simple and ensure that the length of the survey does not overwhelm respondents. A variety of questions can be used to make sure that the survey is not repetitive.

Be sure when creating the questions that you keep your goals in mind. Don't be tempted to try to collect too much data, or you are likely to overwhelm respondents.

### 5. Pre-test the questionnaire, if practical: Test the questions

Test questionnaires to determine if questions are clear and that it renders

correctly. Ensure that test respondents understand the questions, and that they are able to answer them satisfactorily.

### 6. Conduct interviews and enter data: Ask the questions

Run the survey! Online surveys can be completed by respondents without you being present. You just need to make sure you get it in front of the right people. A survey can be sent to an email database or advertised online.

### 7. Analyse the data: Produce the reports

Remember that quantitative data must be analysed for statistical significance. The reports should aid in the decision making process and produce actionable insights.



Figure 2.7 4Q Surveys.

## 2.3.4 Room for Error

With all research, there is a given amount of error that needs to be dealt with. Bias may arise during the administering of a questionnaire (e.g. interviewers possibly leading the respondents) or be present in the design and wording of the questionnaire itself. There could be sample errors or respondent errors. Using the Internet to administer surveys and questionnaires removes the bias that may arise from an interviewer. However, with no interviewer to explain questions, there is potential for greater respondent error. This is why survey design is so important, and why it is crucial to test and run pilots of the survey before going live.

Respondent errors also arise when respondents become too familiar with the survey process. There is the possibility of respondents becoming desensitised. There is even a growing trend of professional survey takers, especially where there is an incentive involved. The general industry standard is to limit respondents to being interviewed once every six months.

### note

4Q Surveys (<http://www.4qsurvey.com/>) allows you to set up a survey for free on your site that asks four important questions. One of them finds out whether your site visitors have achieved what they came to your site to achieve. Online response rates can be very low, so keeping a survey like this going means that you can continuously learn how to improve your user experience.

Sample error is a fact of market research. Some people are just not interested in, nor will ever be interested in, taking part in surveys. Are these people fundamentally different, with different purchasing behaviour, from those who do? Is there a way of finding out? To some extent, web analytics, which tracks the behaviour of all visitors to your website, can be useful in determining the answer to these questions.

When conducting any survey, it is crucial to understand who is in the target market, and what the best way to reach that target market is. Web surveys exclude elements of the population, due to access or ability. It is vital to determine if it is acceptable to the survey, and to use other means of capturing data if not.

## 2.4 conducting research: who's going to pay?

Regular research is an important aspect of the growth strategy of any business, but it can be tough to justify the budget necessary for research without knowing the benefit to the business. Conducting research can cost little more than the time of someone who works for a company, depending on the skills base of employees, or it can be an expensive exercise involving external experts. Deciding where your business needs are on the investment scale depends on the depth of the research required, and what the expected growth will be for the business. When embarking on a research initiative, the cost to benefit ratio should be determined.

Testing should be an ongoing feature of any digital marketing activity. Tracking is a characteristic of most digital marketing, which allows for constant testing of the most basic hypothesis: is this campaign successful in reaching the goals of the business?

## 2.5 pros and cons

There is an increasing trend amongst market researchers to turn to online tools in their research processes. The Internet allows for research at a far lower cost, can more easily cross geographic boundaries and can speed up the research process. This is not to say there are not downsides. While the Internet makes it possible to reach a far larger group of people without the cost of facilitators, this does come with some challenges. For example, not having the ability to control the environments in which information is being gathered. For an online sample, it's important to focus on getting the correct number of people to make your study statistically viable. If your questions are not carefully drafted, confusing questions could lead to answers that are not relevant or flawed. Additionally, online incentives could lead to answers which are not truthful, meaning that the value of the data could be questionable.

The value of Internet research should by no means be discounted, but it is important to consider carefully the nature of the study done, and interrogate the validity and legitimacy of the data as a valid representation. Data is only meaningful if it is representative, so make sure to establish goals and realistic expectations for your research.

## 2.6 summary

Market research is the gathering and analysing of data for the purpose of understanding a market and making business decisions. Information can be gathered about customers, competitors and the market.

Research can be conducted based on secondary data, which refers to information or data that is already published or recorded, or based on primary data, which is data gathered specifically for a particular research problem.

Research can also be qualitative or quantitative. The Internet provides the tools for online research communities for gathering qualitative data, while online tools such as surveys and web analytics packages are ideal for gathering quantitative data.

Analytics and online report tools play a big role in providing the data that aids marketers in making decisions. While these are digital marketing tactics in themselves and are covered later in this book, keep in mind that they also provide information that can feed into research conducted for a particular purpose.

## 2.7 tools of the trade

- [www.surveymonkey.com](http://www.surveymonkey.com) for creating online surveys
- Split test calculator [www.usereffect.com/split-test-calculator/](http://www.usereffect.com/split-test-calculator/)

Sample size calculator:

- <http://www.rogerwimmer.com/mmr/samplesizecalculator.htm>
- [http://www.rogerwimmer.com/mmr/mmrsmplng\\_errr.htm](http://www.rogerwimmer.com/mmr/mmrsmplng_errr.htm)
- [http://www.rogerwimmer.com/mmr/mmrsmplng\\_errr99.htm](http://www.rogerwimmer.com/mmr/mmrsmplng_errr99.htm)
- Internet Usage World Stats <http://www.internetworldstats.com/>
- Google Insights <http://www.google.com/insights/search/>
- Silverback usability testing software <http://www.silverbackapp.com/>

## 2.8 case study: BrandsEye

BrandsEye ([www.brandseye.com](http://www.brandseye.com)) is an online reputation management service that needed to revamp its interface to suit its evolving user's needs.

Launched in March 2008 as the worlds' second international tool of its kind, BrandsEye scours the Internet in near real-time for mentions of specific keywords before calculating a reputation score based on the gathered data. The original BrandsEye launch was met with much success, but the team quickly realised that public feedback was critical, and switched its business pricing and offering to meet the consumers needs soon after. As the market developed, BrandsEye decided it would need to adapt or risk falling behind competition.

The main criticism of BrandsEye was its interface, which some users found difficult to navigate and understand. At the time of BrandsEye's relaunch, Tim Shier, Managing Director at BrandsEye said: "BrandsEye Version 2 was built in HTML5 with its users' experience as the number one priority. The new navigation is more intuitive and provides immediate insights and reporting capabilities."

**Figure 2.8 BrandsEye version 2 interface.**

That might sound rather simple now, but at the time BrandsEye needed to know exactly what customers thought of their tool.

Using a similar method to its launch in 2008, the team at BrandsEye worked throughout 2010 at cultivating personal relationships with industry and thought leaders to find out exactly what the market wanted from the product.

The team used a few main ways of gathering data:

- Focus groups
- Personal, one-on-one interviews
- Online conversation monitoring
- Active online engagement.

This allowed BrandsEye to gather qualitative data from the users directly, while the BrandsEye tool itself allowed the team to gather quantitative data from online mentions. Both of which were used to direct the business development, prioritise software changes and direct resource allocation into the likes of support and new servers. While this was applied in an ongoing fashion throughout the year it was focused solely on the software as they began specifying and implementing the new version.

BrandsEye approached key clients and partners at fundamental development stages to gauge their reaction and get their input. All major partners were plotted upon a persona matrix which allowed them to identify their needs and, more generally, develop the software to meet their general and specific set of requirements. From this the hypothesis was created and continually tested. Using this input, BrandsEye was able to prioritise functionality and the team's focus. Clients were also given the chance to test out unreleased versions and comment on aspects that they felt needed tweaking.

This allowed BrandsEye to gauge how people reacted to changes well before the software was officially made public.

Shier also said that social media played a large role in the relaunch, as users from different platforms were able to critique BrandsEye features while it was still in Beta. This has vastly improved their ability to plan future releases and fix current issues. This approach has allowed BrandsEye to get over 200 pieces of functional feedback on the system and the focus to have solved upward of 77% of these items in the first week.

BrandsEye made very specific business promises to these leaders, including improved algorithms; greater data segmentation; better team workflow within BrandsEye itself; and a system of transparency and honesty to foster trust with clients. Shier said: "We then looked at these relationships to see how they could help guide business development based on these promises. The simple reality is that we cannot understand our software as well as our consumers who use it daily do – we therefore need to be very aware of their feedback. As a business principle our development strategy is now almost entirely consumer driven."

When BrandsEye Version 2 launched in early February 2011, it received more than 700 tweets in three days and more than 20 press articles in the same time.

“It was a solution which met the exact market needs. We built a community of strong and vocal influencers, and saw our subscriber base grow by over 50 percent, and the countries where we have clients jump from 26 to 89 in nine days. This was largely owing to having a deeper understanding of the market and providing a solution which the community had been asking for.”

Shier said that BrandsEye has maintained the level of community involvement utilised during the launch.

“We received continued feedback from consumers. We’re all in the same side now, so issues are collectively discussed, briefed and solved. This is how market research should be – identify the insight, immediately look to implement it and then look to identify the next insight. This process solves many of bias issues which come with slow reporting and response latency in traditional research.”

### case study questions

1. What did the BrandsEye team use market research for?
2. What methods did they use to gather data?
3. How did they apply the insights they gained?

### chapter questions

1. What is the purpose of exploratory research?
2. What is primary research?
3. What role does online research play in the overall market research toolkit?

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## further reading

- <http://www.pluggedinco.com/blog/> - Plugged In is a treasure trove for all things related to market research. Visit it regularly to stay up to date on trends or developments.
- <http://blog.freshnetworks.com/category/topics/onlineresearchcommunities/> - Visit this web page for tons of useful blog posts from a wide variety of sources.
- <http://s3.amazonaws.com/SurveyMonkeyFiles/SmartSurvey.pdf> [Smart Survey Design](#) - This useful white paper will help you master drawing up relevant web surveys.