

## **Marketing Research**

### **Chapter 4**

#### **The Human Side of Marketing Research: Organizational and Ethical Issues**

**Lecturer: Michaella DeLeon Castillo, DBA - Philippines**

#### MARKETING RESEARCH – LECTURE 4

#### CHAPTER 4 – **The Human Side of Marketing Research: Organizational and Ethical Issues**

#### LESSON 4

##### **Learning Objective 4.1 – Who Does the Research?**

Sometimes research is carried out internally, which means that the staff of the business that stands to gain from the initiative actually conducts the research. In other instances, a third-party agency, usually one that is independent and outside the company, is hired to do the research on behalf of the company that will profit from the findings.

Although it would seem that internal research would typically be of greater quality due to the researchers' enhanced expertise, there are a number of reasons why company workers may not always be the ideal candidates for the task. The following scenarios should prompt the company making the decision to think about hiring an outside organization to conduct the research:

- An outside organization frequently can offer a new viewpoint. Lack of creativity is frequently caused by knowledge overload. An outsider is not restricted by the groupthink that frequently influences a company employee when a firm is looking for new ideas, especially in discovery-oriented research. In other words, workers who spend a lot of time together during normal work tasks start to act and think very similarly. History is rife with examples of things that were doomed to failure on the market for years until a third party identified a practical purpose.
- An outside organization is frequently more impartial. It may be challenging for researchers to remain objective when a corporation is dealing with a particularly delicate scenario that could possibly affect a significant number of jobs within the company. As an alternative, researchers could experience a lot of pressure to present findings that support a new notion if a specific chief executive within the company is madly in love with it. In certain situations, external researchers

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might be a wise choice. Since they are not required to work for the company or regularly engage with the participants, they are less worried about providing findings that might not be well received.

- A third party may possess specialized knowledge. It may be a smart idea to utilize that company to conduct the research when a company wants research that necessitates a certain specialty that some outside agency specializes in. For instance, an online focus group interview may be required if a business is looking for fresh suggestions for how to use its website. Although the organization may not have many employees with this skill, there are a number of research companies that focus on this particular field of study. As a result, the outside agency might be more skilled in this particular field.

#### **Learning Objective 4.2 – Organizational Structure of Marketing Research**

Depending on how well-accepted the marketing concept is within the company and how sophisticated its marketing research is, the placement of marketing research within an organization as well as the structure of the research department itself can differ significantly. With improper organizational placement, a marketing research department can easily become isolated. When researchers don't maintain a constant interaction with marketing management, they might not have a voice in executive committees. This might happen if the research division is placed at an unsuitably low level. Given the vital importance of the information a research department produces, it should be positioned relatively high in the organizational chart to keep senior management aware. Additionally, there should be connections between research divisions and a variety of other organizational parts. They ought to be situated to offer trustworthy information to both upstream and downstream members of the marketing business.

Research departments that carry out staff duties must wait for requests for assistance from management. The research department frequently refers to line management as a "client" when providing services to them. In addition to responding to client requests, the research department is in charge of planning and carrying out all research. It should work as an internal consulting firm that creates data-driven, actionable suggestions.

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#### Marketing Research Jobs

Organizations that conduct marketing research are made up of layers of personnel. Based on his or her individual knowledge and experience, each employee has a set of specified tasks to complete. By taking a closer look at these positions, one may learn more about the potential organizational structure of a research team as well as the different career paths that are open in marketing research.

#### Small Firms

Government statistics typically classify businesses with fewer than 100 employees as small businesses, despite the fact that it can be challenging to determine the specific distinctions between small businesses, mid-sized businesses, and large businesses. The marketing vice president may be in charge of all key marketing research in small businesses. This officer typically delegates the collection and analysis of internal data, trade association statistics, and sales history to a sales manager. Small marketing firms typically lack the finances and specialized skills necessary to carry out complex, extensive research initiatives.

#### Mid-Sized Firms

One definition of a mid-sized company is one with 100 to 500 employees. The organization of the research department at a mid-sized marketing company may vary. The post of director of marketing research is typically held by someone. This individual integrates all staff-level research initiatives and offers leadership in those endeavors.

A research analyst oversees the operations of data gathering, analysis, and reporting as well as client communication, project design, proposal creation, and supplier selection. The research analyst typically manages numerous projects at once that span a broad range of the company's organizational activities. He or she collaborates with product or division management and formulates suggestions after analyzing the data gathered.

Technical assistance with questionnaire design, data analyses, and other tasks is provided by research assistants (or associates). Junior analyst is another popular title for this role. The gathering and analysis of sales, inventories, and other recurring customer relationship management (CRM) data are under the control of the decision support systems manager. Product line sales projections are typically

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created utilizing analytical and quantitative methods. To meet the demands of decision-makers for planning, analysis, and control, sales information is provided. A forecast analyst who provides technical assistance, such as running computer programs and manipulating data to estimate sales, may support the manager of decision support systems.

In a mid-sized company, employees in the planning department may do the marketing research task. They occasionally might contract out some aspects of the research. The planner may create research studies and then hire outside companies to conduct interviews or process data for the studies. To create research reports, they might combine their own work and the information from these outside organizations.

#### Large Research Firms

Departments of marketing research frequently become more specialized by product or key business unit as they expand. A major company is one that employs more than 500 people. The vice president of corporate marketing services receives reports from the research director of each business unit. Managers of customer quality research are common in major firms, and they specialize in polling customers to gauge their happiness with the caliber of their purchases.

The vice president of marketing is responsible for managing the director of marketing research. Director of data collecting (also known as a field supervisor), manager of quantitative research, moderator of focus groups, and manager of data processing are possible additional positions in a large company's research division.

#### The Director of Marketing Research as a Manager

The company's marketing research function is planned, carried out, and managed by a director of marketing research. The executive committees of the company on which this person normally sits determine chances for competitive advantage and develop marketing plans. This committee often consists of the several directors from each functional area (such as finance, sales, production, and so on). In meetings, the director of marketing research presents the research viewpoint. The researcher might

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offer advice on what kinds of market intelligence can realistically be gathered given the decision under consideration. Directors of marketing research frequently encounter issues like these:

- Experienced researchers prefer managing people over conducting research. They take great satisfaction in being active researchers. Director, however, is a manager who spends more time managing and attending meetings than actually doing research.
- The management of research is frequently not given official recognition.
- Excellent researchers frequently struggle to assign responsibility. It is challenging to relinquish control because of the pride that comes with knowing a lot about a subject. They can sincerely believe that "I can do it better myself." They only assign simple or boring duties to subordinates as a result. Sometimes the subordinates can lose interest in their work and become unhappy as a result.
- Lastly, research is frequently viewed as a patchwork of methods that can be used to address distinct, unconnected topics. This viewpoint holds that a research operation consists of a number of projects that are all roughly equal and are each managed by a project director. Thus, many businesses believe that a full-time director is not necessary.

#### **Learning Objective 4.3** Sources of Conflict between Marketing Management and Marketing Research

In theory, for the benefit of both parties, marketing research duties and marketing management goals ought to coexist in harmony. In actuality, miscommunication and conflict frequently characterize the interaction between the marketing research department and the consumers of marketing research.

#### Research That Implies Criticism

If a survey of dealer loyalty commissioned by a product manager reveals that the dealers are highly critical, the product manager won't be pleased. Similar to the previous example, a sales manager who formally forecasts a 5% growth in sales won't appreciate hearing from the research division that the market potential says sales volume should be up by 20%. Marketing research provides data that suggests criticism of a line executive's choice in each of these scenarios. Being overtly critical of someone in your personal life is a surefire way to lose that person as a friend. Business operations are the same.

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#### MONEY

Budgets for research are a point of contention between management and researchers. Research is frequently viewed by financial managers as an expense rather than as an investment or a means of reducing risk. Rarely is the marketing researcher given credit for wise actions that are supported by research. Therefore, managers frequently desire to spend as little money on research as possible, as is frequently the case in many fields of company. On the other hand, researchers frequently fiercely oppose taking short cuts when conducting research. For instance, they could think that doing descriptive research to answer a study issue requires a sizable random sample. This strategy sometimes requires a lot of effort and money. There will always be a clash between management's drive to cut costs and the researcher's desire to undertake quality study. Compromise-based research efforts are frequently successful ones. This can entail making the fewest possible compromises to accuracy and rigor while still working within a budget that would yield significant outcomes.

#### TIME

According to scientists, "Good research takes time!" Managers assert, "Time is money!" These two points of view do not mesh well together, much like oil and water. It is evident from a review of the research procedure in the previous chapter that a research project can take some time to finish. Even just designing one can take days or even weeks of research and planning. For instance, it may take weeks to complete a literature study or review of prior studies. Without them, it's possible that the researcher won't be able to formulate particular study hypotheses that would target the project very narrowly at the problem at hand. Other instances, the researcher might want to interview more people than they have time for or spend more time using a more complex data analysis strategy.

The likelihood of a research project succeeding decreases with speed of completion. This does not imply that it cannot offer insightful data. Simply said, it is less guaranteed that a study that was pulled together on short notice will offer insightful solutions than one that was more carefully thought out.

#### Intuitive Decision Making

Managers do make decisions; it is a truth. They tend to take immediate action and frequently rely on instinct and intuition. It is not unexpected that people occasionally do not think a research endeavor will

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help them make better decisions because their intuition often serves them effectively. Sometimes people reject study because it might turn up data that contradicts their feelings or wants. They detest being held back in particular when awaiting a research result. When managers do research, they frequently ask for straightforward tasks that will unquestionably result in tangible outcomes. Problems are frequently viewed by researchers as complex questions that can only be resolved within probability ranges. The fact that a study report can only present findings and not recommendations is one part of this dilemma. Executives who value making decisions could have irrational expectations that research will make decisions for them or offer some sort of assurance that the course of action they take will be the right one. Even though research offers information for making judgments, it cannot always eliminate all the uncertainty present in complex choices. While certain options might be discarded, study might also bring up previously unknown problems. Although research is a useful tool for making decisions, an executive is nonetheless responsible for making such decisions.

The appropriate facts being presented can be very beneficial. But decision-makers frequently think that researchers gather inaccurate data. Many scientists see themselves as technicians who use complex mathematical and statistical methods to generate data; they may focus more on technical aspects than meeting administrative demands. Each individual who has a limited understanding of another person's work contributes to the issue of generating little or worthless knowledge.

#### Reducing the Conflict between Management and Researchers

Since management and research have competing goals, it is probably impossible to entirely resolve the conflict. There will be less friction, though, if researchers and decision-makers collaborate more closely. The interaction between decision-makers and researchers will improve as they collaborate more closely. Business decision-makers will thus have a better understanding of the information needs and labor demands of researchers. It will make it possible to organize research initiatives more effectively and to understand the importance of research in reducing the risk associated with business decision-making.

Researchers in marketing will also learn to appreciate management's viewpoint more. Researchers encourage smarter decisions, which boosts business revenues. The more closely managers and researchers collaborate, the more researchers become aware of managers' occasionally critical

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information needs. As a result, they should work to establish less expensive research options and acknowledge that, occasionally, a quick and dirty study is required, even though it may not be as rigorous scientifically as could be hoped. Quick and dirty research can occasionally nevertheless offer useful and timely information. In other words, they ought to concentrate on outcomes.

An efficient bridge between management and the research specialist can be provided by a research generalist.

The research generalist serves as a problem-definitior, instructor, liaison, communicator, and sympathetic ear. This middleman could collaborate with experts who are familiar with the requirements and needs of management. The person with a business degree who is studying marketing research appears to be the most qualified for this organizing role. There are several ways to lessen the tension between management and research. In general, managers should better plan the role of research, and researchers should learn to communicate more effectively and become more decision-oriented.

#### Cross-Functional Teams

Every employee participates in the process of obtaining and disseminating intelligence in a company that is genuinely marketing-oriented. Therefore, in businesses that focus on marketing, personnel from various departments are more likely to share and act on marketing information. Therefore, in a marketing-oriented company, employees are more inclined to share market intelligence across functional divisions. Cross-functional teams are groups of people with a shared goal from different functional areas including engineering, production, finance, and marketing. Cross-functional teams assist firms in concentrating on a key business operation, such as new product development or customer support. Employees are less likely to concentrate solely on a single functional task when they work in teams. Employees can increase customer value by working in cross-functional teams since internal communication about their individual needs and preferences is improved.

#### Syndicated Service

No matter how big the marketing research department is at a company, some tasks are just too expensive to handle internally. A marketing research provider that offers uniform data to numerous clients in exchange for a charge is known as a syndicated service. They serve as a sort of supermarket for uniform

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research findings. Because the material isn't specific to one customer but appeals to many, syndicated services can offer expensive information to many clients affordably. These providers provide various types of data, including statistics on wholesale and retail distribution as well as standardized information to gauge media viewership.

#### Standardized Research Services

Companies that provide standardized research services create a special methodology for looking at a particular company specialist area. Location services for retail businesses are offered by a number of research companies, including Retail Forward (<http://www.retailforward.com>). The Research Snapshot Box on the following page provides an example of an intriguing application where a third-party location service provider might be especially helpful. Research providers use the same techniques to conduct studies for numerous different clients.

#### Limited Research Service Companies and Custom Research

Limited-service research vendors specialize in certain research tasks like field research, data warehousing, data processing, or syndicated service. These businesses are occasionally hired by full-service research suppliers for sporadic marketing research tasks. The majority of the operational elements of custom research projects are handled by the research supplier, although the customer typically controls these marketing research organizations or management consulting firms. These are tasks that are specially designed to meet the individual requirements of a customer. Account executive, account group manager, statistician, librarian, director of field services, director of tabulation and data processing, interviewer, and other functional specialists are examples of titles that a custom research provider might use to describe people who work with clients.

### **Learning Objectives 4.4 – Ethical Issues in Marketing Research**

#### Ethical Questions Are Philosophical Questions

Philosophical questions are those pertaining to ethics. There are a number of philosophical theories that discuss how moral philosophy is formed and how morals influence behavior. These cover concepts like competing moral ideals, the foundations of ethical behavioral intentions, and theories concerning

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cognitive moral growth. While the subject of ethics is still somewhat opaque, it is evident that not all people participating in business, or in fact, any human conduct, have the same ethical standards or attitudes.

The application of moral principles to actions connected to the exchange environment is known as marketing ethics. In general, morality conforms to the idea of "right," while immorality conforms to the idea of "wrong." Fair, just, and acceptable conduct are characteristics of highly ethical behavior. Moral standards have a significant impact on ethical ideals. Moral standards are precepts that represent opinions on what is morally right and wrong. They can be viewed more simply as guidelines that separate right from wrong. One such moral guideline is the Golden Rule, which states, "Do unto others as you would have them do unto you." A scenario in which one must select between alternative courses of conduct, each with a different ethical consequence, is referred to as an ethical dilemma. Every person forms a philosophy or method of thinking that they use to address the problems they encounter. When faced with an ethical quandary, a lot of people rely on moral principles to direct their behavior. Others adopt a moral philosophy that disregards unalterable truths. Their morals are more heavily influenced by what is seen appropriate in society or culture. It is ethical if it complies with societal or cultural norms. Idealism is a term used in moral philosophy to describe how much one embraces moral principles as a guide for action. Relativism is a phrase that describes how far someone rejects moral principles in favor of the legitimacy of a particular behavior. This mode of thinking favors situation-based assessments above absolute ideals. As a result, a behavior that is deemed ethical in one circumstance may be considered unethical in another. Idealism, in contrast, is a phrase that describes how much one grounds their morality on moral principles. An ethical idealist will make an effort to apply moral standards like the golden rule in all ethical dilemmas.

#### Rights and Obligations of the Research Participant

The majority of marketing studies are carried out with the participants' permission. In other words, it is an active participation. A responder must willingly answer questions in order to participate in a traditional survey. This can be returning phone calls, responding to emails, or even mailing a questionnaire that has been filled out. In these situations, giving informed consent entails that the subject

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is aware of the researcher's requests and agrees to participate in the study. Other times, participants in study might not be aware that they are being watched in any way. For instance, a research company might use an electronic scanner to keep tabs on purchases made in superstores. Understanding consumer behavior in relation to promotions may be made easier with the information. However, because the participant is only taking part passively, no consent is given. Whether participation is active or passive, different ethical obligations apply.

#### The Obligation to Be Truthful

It is typically anticipated that participants who actively choose to participate would give honest responses. The primary responsibility of the research participant is to cooperate honestly. The subject has the right to expect secrecy in exchange for being truthful. Information used in the research will not be shared with third parties due to confidentiality. It is considerably simpler to react honestly, especially when discussing potentially sensitive subjects, when the respondent genuinely feels that confidentiality would be upheld. Likewise, the respondent may be expected to uphold confidentiality by the researcher and the researcher sponsor. For instance, if the study concerns a novel food product from Nabisco, the company might not want the respondent to talk about the concept out of concern that it might end up in the hands of the rivals. Therefore, confidentiality serves as a strategy to ensure sincere responses.

#### Participant's Right to Privacy

##### Active Research

A crucial topic in marketing research is the right to privacy. The participant's right to refuse the investigator's request is at stake in this matter. Researchers have typically believed that people make informed decisions. The elderly, the poorest, the uneducated, and other disadvantaged people, according to opponents, may not be aware of their right to choose. They have additionally claimed that an interviewer may start by giving a hazy description of the purpose of the survey, ask a series of somewhat unimportant questions, and then switch to questions that are more personal in character. It has been recommended that subjects be made aware of their right to privacy and the ability to end an interview at any moment. The temptation to "hold on" to respondents who are busy should not be followed by researchers. However, it is clear that not everyone in the research community shares this opinion.

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#### **Passive Research**

There are several potential privacy concerns with passive research. In general, it is accepted that casually observing how people behave in public locations like shops, airports, and museums does not constitute a severe violation of privacy. This assumption is supported by the fact that the consumers are truly anonymous in the sense that neither their names nor any other identifying information are ever provided. These people are "faces in the crowd." There is no invasion of privacy as long as the behavior is indicative of behavior frequently carried out in public. Contrarily, it would be against the law to document actions that are not generally taken in public. For instance, it would be unethical to use covert cameras to record individuals using the showers at a fitness club without their agreement, even if the goal was to eventually collect data to help improve the showering experience.

#### **DECEPTION IN RESEARCH DESIGNS AND THE RIGHT TO BE INFORMED**

##### **Experimental Designs**

Experimental deceptions frequently involve some element of trickery. In reality, a researcher would never be able to tell if a subject was reacting to the actual manipulation or to how they perceived the experimental variable without some form of deceit. This is why scientists occasionally employ a placebo. A placebo is a fictitious experimental result that is employed to provide the impression of a real result. Consider two consumers who are both subjects in a research study examining the impact of a novel herbal product on hypertension. The citrus-flavored supplement, which is designed to be dissolved in water and consumed with breakfast, is given to one customer in a packet. The other is likewise given a packet, but in this case the combination within the packet only serves to tint the water and give it a citrus flavor. The second customer likewise thinks they are ingesting the real supplement. In this way, both users experience the identical psychological effects, and any real difference in hypertension must be attributable to the herbs that make up the supplement. It's interesting to note that test subjects frequently exhibit a placebo effect, in which the mere perception that a treatment has been administered results in a reaction. It is ethical to deceive in this manner.

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#### Descriptive Research

In simple descriptive research, researchers can even keep the actual research questions from participants. Thus, a distinction between lying and covert quiet can be formed. For instance, perhaps giving respondents the actual study topic is just giving them more information than they need to provide a meaningful response. When a researcher's true interest is in how customers create quality impressions, he or she may ask questions concerning a product's perceived price. Deception is occasionally used in research aimed at recruiting staff. For instance, when a mystery shopper is used in observational research, employees are occasionally passive responders. Employees of a research company known as "mystery shoppers" are paid to "pretend" to be actual customers. Rarely would a mystery shopper describe himself or herself as anything other than a customer. However, since the majority of employees carry out their duties in public and exhibit behaviors that are plain to see, mystery shopper research is not regarded as an infringement on an employee's privacy.

#### Protection from Harm

Researchers should take all reasonable precautions to ensure that research participants are not harmed as a result of participation in the study. Participants in the majority of marketing studies are not harmed in any way. The researcher should take all alternatives into account, nevertheless. For instance, there is a chance that a volunteer could experience a serious allergic reaction if the research involves sampling food or drink. Researchers that are interested in retail and office atmospheres frequently modify fragrances by dispersing particular aromas in the air. The position of the researcher might occasionally be challenging. Without disclosing the details of the experiment, he or she must discover what the subject is allergic to. One technique to accomplish this is to request a list of probable allergies from the subjects, ostensibly as part of another study project.

As a result of experimental procedures, three critical questions might help establish whether a research volunteer is being handled unethically:

1. Has the research subject given permission to take part in the study?
2. Has the research undergone significant bodily or mental trauma?

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3. Is it possible to quickly restore the study subject to their original condition?

#### Rights and Obligations of the Researcher

Businesses that conduct marketing research should follow ethical business practices. Because they must engage with the public, researchers are frequently the subject of disputes about business ethics. The American Marketing Association, the European Society for Opinion and Market Research, and the Marketing Research Society are just a few of the organizations that have created and accepted codes of ethics for its researchers.

The researchers also have rights. In particular, a research consulting company has the right to the sponsoring client's cooperation after being contracted to undertake certain research. The researchers also have a right to compensation for their job, provided that it is completed competently. The client might not always be pleased with the outcomes. However, disliking the outcomes is not a reason to avoid paying. In addition, the client is responsible for prompt and full payment of the researcher.

#### The Purpose of Research is Research

##### Mixing Sales and Research

Sometimes consumers agree to take part in an interview that is billed as being entirely research-related, but it later becomes clear that the interview is actually a covert sales pitch. At best, this is unprofessional; at worst, it is dishonest. A plan, scheme, or deception that falsely represents the genuine status of a person seeking entrance to a prospect's home, business, or other establishment is prohibited, according to the Federal Trade Commission (FTC). No research company or fundamental market researcher should make any sales pitches. Applied market researchers should refrain from explicitly combining research and sales when working for the sponsoring company. The distinction is blurring, though, as technology advances.

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#### Research That isn't Research

What is actually happening in this situation is probably rather obvious. The study that will support a decision that has already been taken is what the product manager actually wants. The product manager will almost probably ignore the research if the test-market results conflict with the choice. Because it is undertaken to support an opinion and fulfill other requirements rather than to acquire data for marketing decisions, this is more pseudo-research than actual research. The most typical form of fictitious research is done to support a choice that management has already decided or is firmly committed to. A media corporation might want to offer ad space on search engine websites. They may not have the concrete proof to back up their conviction that the advertising will be worth the rates they would charge advertisers, despite their strong conviction. Therefore, feedback from the sales team of the advertiser may show that customers are reluctant to switch from local radio to the Internet for their advertising. The advertising corporation may then commission a study, the only conclusion of which being that Internet advertisements will be successful, is the one they are interested in. If it appears that management firmly desires the research to support a preconceived opinion exclusively in this case, the researcher should abandon the project. While it is very simple for an outside researcher to reject such an assignment, it is more difficult for an internal researcher to say no. Therefore, the researcher has the right but the manager has the duty to refrain from pseudo-research.

#### Push Polls

Politicians have invented a specific kind of false study to harm the reputations of other candidates. Push polls are telemarketing that poses as research. The name of the poll comes from the fact that it forces respondents to give a predetermined response. For instance, it is possible to contact thousands of prospective voters and request their participation in a survey. The interviewer could then offer provocative questions that depict a candidate in a particular light.

#### Service Monitoring

Sometimes it's difficult to distinguish between research and customer service. For instance, Toyota might conduct a survey of all new car owners after the first year. Despite the survey's outward appearance as research, it may also contain data that could be used to resolve a client issue. For instance, Toyota could follow up with a particular consumer if the data reveals that they are unhappy with the way the car

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handles. The follow-up could lead to the car's tires being changed, providing a smoother, quieter ride and increasing customer satisfaction. If it turns out that other customers share the same perspective, Toyota may need to change the original equipment tires that were put on this specific vehicle.

#### Objectivity

Throughout this work, the importance of conducting impartial scientific research to assure correctness is emphasized. To ensure that their data is accurate, researchers should uphold strict standards. They must also refrain from attempting to deliberately prove a certain argument for political reasons.

#### Misrepresentation of Research

It should go without saying, but it is important to avoid misrepresenting research findings. This implies, for example, that a test's statistical correctness should be described with accuracy and that the significance of the results should not be downplayed or overstated. This responsibility is shared by the client and the researcher. Research findings might be presented in a variety of ways that are less than comprehensive and truthful. For instance, a researcher may offer findings demonstrating a connection between marketing expenditure and sales. However, the researcher can also find that when the prices of the main rivals are taken into account, this association vanishes. In other words, the pricing of the competitors invalidates the link between advertising spending and sales. As a result, it would be dubious to say the least to present a research showing that raising advertising spending could improve sales without additionally emphasizing the bogus nature of this finding.

#### Honesty in Presenting Results

The way the results are presented can potentially be misrepresented. Charts can be made, for instance, that exaggerate the size of slight differences. They can also be changed to make a significant difference appear insignificant.

#### Honesty in Reporting Errors

Similarly, management or the sponsor should not be kept in the dark about any significant errors that have been made throughout the course of the trial. The results are often distorted or shaded when mistakes or deviations from the correct methods are concealed. Similar to this, every research design has some drawbacks. For instance, the sample size could not be as large as it should be. In the research report

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and presentation, the researcher should highlight the major constraints. Any qualifiers for the findings can then be understood in this way. Before choosing any risky course of action, the decision-maker requires this information.

#### Confidentiality

Different factors affect confidentiality. The secrecy of the study participant as well as the research sponsor is frequently required of the marketing researcher. In actuality, business clients respect a research firm's anonymity more than any other quality.

For instance, throughout the course of performing a descriptive research survey, a researcher may have discovered the e-mail address of each participant. The client may request the e-mail addresses as a logical prospect list after viewing the results. The researcher could not morally give the company the participants' email addresses, even though she guaranteed their confidentiality. A promise of confidentiality does, in fact, aid in fostering confidence among survey participants.

#### Dissemination of Faulty Conclusions

As to the marketing research Code of Ethics of the American Marketing Association, "a user of research shall not knowingly disseminate conclusions from a given research project or service that are inconsistent with or not warranted by the data." This guideline was violated dramatically in an advertisement for a study on cigarette smokers. In a comparison of two brands, the advertising claimed that "of those expressing a preference, over 65 percent preferred" the promoted brand over the rival brand. The misleading aspect of this reported result was the lack of choice expressed by the majority of respondents, who claimed that both brands tasted approximately the same. Because relatively few people in the study really expressed a preference, the findings were somewhat inaccurate. The requirement to publish accurate findings is broken by such results darkening.

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#### Rights and Obligations of the Client Sponsor (User)

##### Ethical Behavior Between Buyer and Seller

In a situation involving marketing research, the normal business ethics expected of a purchasing agent and a sales representative ought to apply. For instance, it would be unethical for a purchasing agent to request competing bids from others if they had already decided to buy a product from a friend because such bids have no chance of being accepted. Similar to this, a client looking for research should only request quotes from companies that stand a chance of really completing the assignment. Additionally, it would be negligent of any part on the ethical responsibility of a research client to omit the requirement that the user pay the provider the agreed-upon compensation and pay within the agreed-upon time frame.

##### An Open Relationship with Research Suppliers

The client sponsor owes it to the research supplier to push them to pursue the truth with objectivity. A complete and honest description of the decision scenario, a full disclosure of the time and financial restrictions, and any additional information that helps the researcher should all be offered to promote this objectivity. This indicates that the researcher will have appropriate access to important decision-makers. These decision-makers ought to consent to speaking candidly and freely about situational issues. Finally, this indicates that the client is amenable to use the findings of the study. Simply put, asking a researcher to complete a project for which the results will not be used is a waste of time.

##### An Open Relationship with Interested Parties

Conclusions ought to be supported by facts, not guesswork. Users shouldn't intentionally use the results of a study effort to support conclusions that aren't supported by the evidence. There are major ethical issues when the findings are manipulated for personal gain or to support a political viewpoint. In an effort to make a transaction, a user can be motivated to falsify the results. This is obviously morally wrong as well. A client is placed in a unique scenario when conducting advocacy research, which is research done to back up a particular claim in a court action or to represent some advocacy group. In their capacity as expert witnesses, researchers frequently carry out advocacy research. For instance, a researcher may be called to testify and provide evidence that a "knock-off" brand devalues a more well-known name brand.

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In traditional research, factors like sample size, the demographics of the subjects who were actually interviewed, and the quantity of questions asked are compared to the cost. The reliability of study findings, however, may be judged by a court only based on one particular research component. Thus, even the smallest deviation from technically right practices may be emphasized by a lawyer to the point that a judge no longer views a typical marketing research endeavor as sufficient. How forthcoming should the client be at the hearing?

A number of significant problems with advocacy research's ethics might create moral conundrums:

- The primary duty of a lawyer is to represent their client. As a result, they might not be as interested in the truth as they are in information that strengthens their client's case.
- A researcher should be objective.
- Presenting correct research results may harm the client. However, there is a chance that the study they perform will not support their preferred viewpoint. The researcher might be questioned in this situation by the attorney to see if there is another way to interpret the findings.

Should the lawyer, who is in this case a researcher, ask the researcher to testify and misrepresent the findings? Researchers who support causes may not intentionally skew their findings. Attorneys, however, hardly ever-present advocacy research material that contradicts the claims of their clients. Can the researcher seek out the truth when the sponsoring client wants to promote its position at a trial? is the objectivity question at the heart of advocacy research. Conflict between scientific ethics and legal ethics is what leads to the ethical issue. Even if the courts have established legal requirements for marketing research technique, this issue may only be resolved by the client and the particular researcher.

#### Privacy

People contend that the gathering and dissemination of their personal data without their consent constitutes a grave invasion of their privacy. The research client is obligated to respect the privacy rights of research participants. Consider a database marketing company that provides a mailing list that was

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built by screening millions of homes for data on brand consumption. Your company would greatly benefit from the information, but you believe the people who filled out the information forms were tricked into believing they were taking part in a survey. Would buying the mailing list be morally right? This technique is undoubtedly unethical if respondents to a survey have been misled about its goal and their identities are afterwards sold as part of a user mailing list. The confidentiality of respondents must be upheld by both the client and the research vendor. Think of another illustration. Sales managers are aware that every questionnaire in a marketing research study on the purchasing intentions of their business-to-business clients can have a customer's name attached to it. A salesperson visiting a particular consumer might find this private information useful. If a client wants to act ethically, they must avoid the urge to pick the accounts (or replies) that are the best prospects.

#### Privacy on the Internet

Internet privacy is a contentious topic. Several organizations question the confidentiality of website surveys, registration forms, and other methods of gathering personal data. Many marketers contend that because the user's name is unimportant to their goals, their organizations do not need to know who they are. They do, however, want to know specific details (such demographics or product consumption) connected to an anonymous profile. A web advertiser, for instance, could reach a certain audience without knowing who they were. Of course, dishonest businesses could go against the rules regarding anonymity. Consumers are alert to confidentiality notices before providing information via a website, according to research. Consumers say they check for specific privacy notices before sending or receiving information online in excess of 80% of cases. Additionally, more than half of respondents think that businesses could do more to protect the privacy of personal data. Users of research should therefore never share private information without the consent of the people who originally provided it.

#### A Final Note on Ethics

There are researchers that would fake results or alter results for a client's benefit. These, however, are not experts. When one is professional, they understand how their activities affect both their field and themselves. In fact, a few dishonest researchers can ruin the reputation of the field. To safeguard our sector, researchers must conduct their work with the utmost integrity. The data that research participants

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offer must be used by them as well, otherwise better products won't be produced for all consumers. Finally, in how they handle researchers and research findings, research users must likewise adhere to sound professional ethics. Professional marketing research is most advantageous to society as a whole when all three stakeholders engage in it with integrity.

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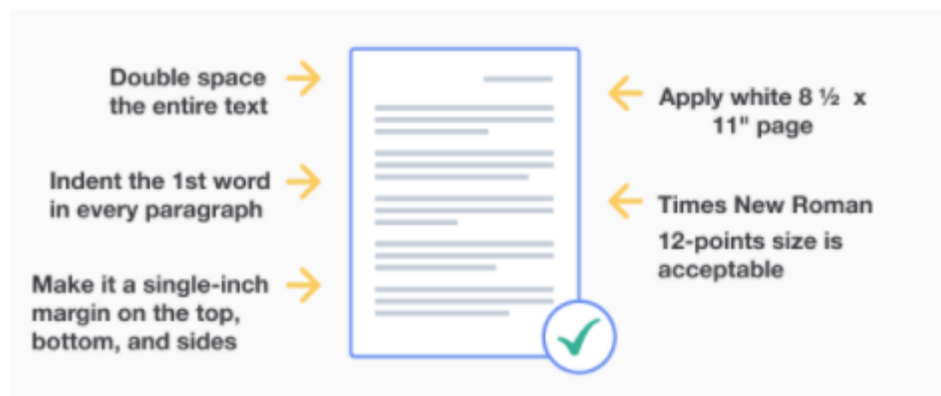
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#### Progress Check:

##### Requirements:

1. Due Date : \_\_\_\_\_
2. Essay format, minimum of 20 words and maximum of 100 words.
3. Format



#### Questions

1. Identify what ethics are and comprehend how they relate to marketing research.
2. Describe the frequently contentious partnership between marketing managers and researchers.
3. Describe the responsibilities and rights of the research client or sponsor, marketing researchers, and participants in the study.

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#### Answer

1. The application of moral principles to conduct in the context of an exchange setting is known as marketing ethics. In general, morality conforms to the idea of "right," while immorality conforms to the idea of "wrong." Marketing researchers face a variety of moral conundrums. In other words, those who conduct research serve the users. Researchers service clients. In an effort to please the user, it is common for a doer to violate professional standards. Since the user is the one who pays the costs. Ethics is extremely pertinent to marketing research given the numerous ethical conundrums that arise throughout research.
2. The objectives of managers and researchers are frequently incompatible. Money, time, intuition, and experience are a few of the major sources of conflict. In addition to wanting research to be completed as quickly and cheaply as feasible, managers also think that experience and intuition are effective alternatives for research. Researchers are reluctant to rely on intuition and experience and will trade greater expense for greater accuracy in the research. They also prefer to take more time to be more certain of the outcomes. The secret to lessening this conflict is improved communication. The creation of cross-functional teams is one tool that may be helpful.
3. Each party engaged in research is subject to certain duties and responsibilities. These are typically interrelated in that a party's right frequently results in a duty for a different party. While all three parties have rights and responsibilities, the researcher has a special responsibility to safeguard research participants. Sometimes, manipulating experimental results can put individuals in danger or trick them. During a debriefing, the researcher must be prepared to clearly explain to the subjects the genuine goal of the study. Additionally, the researcher must refrain from causing unwarranted bodily or emotional harm to subjects. In addition, a subject in an experiment should be able to get back to their original, pre-experiment state quite easily.

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### **Quiz 4**

#### **Identification**

1. Research performed by employees of the company that will benefit from the research.
2. When a firm needs research requiring a particular expertise that some outside agency specializes in, it may be a good idea to use that firm to conduct the research.
3. Someone who is an ethical idealist will try to apply ethical principles like the golden rule in all ethical dilemmas.
4. An action that is judged ethical in one situation can be deemed unethical in another.
5. A false experimental effect used to create the perception that some effect has been administered.

#### **Answer**

1. **In-house research**
2. **Outside agency**
3. **Idealism**
4. **Relativism**
5. **Placebo**

#### **True or False**

1. Ethical values can be highly influenced by one's moral standards
2. Marketing researchers, marketing managers, and even consumers face ethical dilemmas practically every day
3. If secrecy is a major concern, then the research is best done inside-house
4. Research forecasts for product lines usually are developed using analytical and quantitative techniques
5. Many mid-sized organizations have managers of customer quality research who specialize in conducting surveys to measure consumers' satisfaction with product quality.

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**Answer**

**1. T**

**2. T**

**3. T**

**4. F**

**5. F**