LEARNING OUTCOMES

1. Know when research should be conducted externally and when it should be done internally.
2. Be familiar with the types of jobs, job responsibilities and careers paths within the business research industry.
3. Understand the often conflicting relationship between management and researchers.
4. Define ethics and understand how it applies to business research.
5. Know and appreciate rights and obligations of a) research respondents, b) business researchers and c) research clients or sponsors.
6. Know how to avoid conflict of interest in performing business research.

What should a researcher do if the results of a study do not support what management wants?
EXHIBIT 5.1
Should Research Be Done In-House or by an Outside Agency?

Advantages of In-House Research:
- Quick turn-around
- Better collaboration w/employees
- Cheaper costs
- Special process

Advantages of an Outside Agency:
- Fresh perspective
- More objectivity
- Special expertise
- Local knowledge

Who Does the Research?

- **Outside Agency**
  - An independent research firm contracted by the company that actually will benefit from the research.
  - Can provide a fresh perspective
  - Often can be more objective
  - May have special skills
  - Often has local expertise

- **In-house Research**
  - Research performed by employees of the company that will benefit from the research.
  - Use if research needs to be completed quickly
  - Use if project requires close collaboration among employees
  - Usually cheaper
  - Use if secrecy is a concern

Organizational Structure of Business Research

- Maintain close relationship with management.
- Research department ideally should be positioned to provide information both upstream and downstream within the organisation.
- Research departments should be linked with a broad number of departments from within the organisation.
Organizational Structure of Business Research

- **Director of marketing research**
  - Provides leadership in research efforts and integrates all staff-level research activities into one effort.
  - Plans, executes, and controls the firm’s research function.
- **Research analyst**
  - Responsible for client contact, project design, preparation of proposals, selection of research suppliers, and supervision of data collection, analysis, and reporting activities.

- **Research assistants (or associates)**
  - Provide technical assistance with questionnaire design, data analyses, and similar activities.
  - Also called junior analyst.
- **Manager of decision support systems**
  - Supervises the collection and analysis of sales, inventory, and other periodic customer relationship management (CRM) data.
- **Forecast analyst**
  - Provides technical assistance, such as running computer programs and manipulating data to forecast sales.

Sources of Conflict Between Senior Management and Research

- Research that implies criticism
- Money
- Time
- Intuitive decision making
- Future decisions based on past experience
Reducing the Conflict between Management and Researchers

- Ways to reduce conflict
  - Working closely together
  - Formal job description
  - Better planning and an annual statement of the research program
  - Communication of research findings and designs

- Research generalist
  - Serves as a link between management and research specialists in acting as a problem definer, an educator, a liaison, a communicator, and a friendly ear.

EXHIBIT 5.5 Improving Two-Way Communication to Reduce Conflict

Cross-Functional Teams

- Cross-functional teams
  - Composed of individuals from various functional areas such as engineering, production, finance, and marketing who share a common purpose.

- Benefits:
  - Help organizations focus on a core business process, such as new-product development.
  - Reduce the tendency for employees to focus single-mindedly on an isolated functional activity.
  - Help to better communicate customers’ desires and opinions across the firm.
Research Suppliers and Contractors

- Research Suppliers
  - Commercial providers of research services.

- Syndicated Service
  - A research supplier that provides standardized information for many clients in return for a fee.

- Standardized Research Service
  - Companies that develop a unique methodology for investigating a business specialty area.

Ethical Issues in Business Research

- Business ethics
  - The application of morals to behavior related to the exchange environment.

- Moral standards
  - Principles that reflect beliefs about what is ethical and what is unethical.

- Ethical dilemma
  - A situation in which one chooses from alternative courses of actions, each with different ethical implications.

- Research ethics
  - Research ethics involves the application of fundamental ethical principles to a variety of topics involving scientific research.

Ethical Issues in Business Research (cont’d)

- Relativism
  - A term that reflects the degree to which one rejects moral standards in favor of the acceptability of some action.
  - This way of thinking rejects absolute principles in favor of situation-based evaluations.

- Idealism
  - A term that reflects the degree to which one bases one’s morality on moral standards.
  - Example: the Golden Rule
General Rights and Obligations of Concerned Parties

- Everyone involved in research can face an ethical dilemma:
  - The people actually performing the research — the “doers.”
  - The research client, sponsor, or the management team requesting the research — the “users.”
  - The research participants — the actual research respondents or subjects.

- Each party has certain rights and obligations toward the other parties.

Rights and Obligations: Research Participant

- Rights:
  - To be informed
  - To privacy
  - Protected from harm

- Obligations:
  - To be truthful

- Informed Consent
  - The individual understands what the researcher wants him/her to do and consents to the research study.

- Confidentiality
  - The information involved in the research will not be shared with others.

Deception in Research Designs And the Right To Be Informed

- Experimental Designs
  - Placebo
    - A false experimental effect used to create the perception of a true effect.
  - Debriefing
    - Research subjects are fully informed and provided with a chance to ask any questions they may have about the experiment.
Crazy Good! Have Fun, Play Games (and Buy Pop-Tarts)!

- Online marketing of products to children has expanded exponentially.
- PopTartsWorld.com lets kids play games online and even put their photo on a PopTarts box.
- Children may not recognize that they are being marketed to.

Protection from Harm

- Questions to ask to help avoid harming a research participant:
  - Has the research subject provided consent to participate in an experiment?
  - Is the research subject subjected to substantial physical or psychological trauma?
  - Can the research subject be easily returned to his or her initial state?
- Human subjects review committee
  - Reviews proposed research designs to ensure that no harm can come to any research participant.

Rights and Obligations of the Researcher

- The researcher should:
  - Understand that the purpose of research is research
  - Maintain objectivity
  - Not misrepresent research
  - Be honest in reporting errors
  - Protect the confidentiality of both subjects and clients
  - Do not disseminate conclusions that are inconsistent with or not warranted by the data
Research That Isn’t Research

- Pseudo-research
  - Conducted not to gather information for decisions but to bolster a point of view and satisfy other needs.
- Push poll
  - Telemarketing under guise of research.
- Service monitoring
  - Contacting customers about their experience with a product, there is no selling attempt.

Rights and Obligations of the Client Sponsor (User)

- Issues in the client-researcher relationship
  - Ethical behavior between buyer and seller
  - An open relationship with research suppliers
  - An open relationship with interested parties
  - Privacy rights of research participants

Privacy on the Internet

- Many researchers argue that they don’t need to know who the user is, but they do want to know certain things (e.g., demographics, product usage) associated with an anonymous profile.
- Researchers should not disclose private information without permission from consumers who provided that information.
References

- Quinlan, C. 2011, Business Research Methods, Cengage Learning - chapter 3