Chapter Five

Exploratory Research Design: Syndicated Sources of Secondary Data
Figure 5.1 Relationship of Syndicated Sources to the Previous Chapters and the Marketing Research Process

<table>
<thead>
<tr>
<th>Focus of This Chapter</th>
<th>Relationship to Previous Chapter</th>
<th>Relationship to Marketing Research Process</th>
</tr>
</thead>
</table>
| • Syndicated Sources of Secondary Data | • The Marketing Research Suppliers & Services (Chapter 1)  
• Tasks Involved in Problem Definition & Developing an Approach (Chapter 2)  
• Exploratory Research Design (Chapter 3)  
• Descriptive Research Design (Chapter 3)  
• Secondary Data (Chapter 4) | • Problem Definition  
• Approach to Problem  
• Research Design  
• Field Work  
• Data Preparation and Analysis  
• Report Preparation and Presentation |

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Figure 5.2  Syndicate Secondary Data: An Overview
The Nature of Syndicated Data

A Classification of Syndicated Services
(Figs 5.3 & 5.4) (Table 5.1)

Surveys

- Periodic
- Panel

Psychographic and Lifestyles
Advertising Evaluation
General

Purchase and Media Panels (Fig 5.5)

- Purchase Panels
- Media Panels

Application to Contemporary Issues

International | Social Media | Ethics

What Would You Do?

Opening Vignette

Be a DM! Be an MR! Experiential Learning

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Opening Vignette

Electronic Scanner Services
- Volume Tracking Data
- Scanner Panels
- Scanner Panels with Cable TV

Syndicated Data from Institutions (Fig 5.6)
- Retailer and Wholesaler Audits
- Industrial Firms/Organizations

Combining Data from Different Sources: Single Source Data

Application to Contemporary Issues (Fig 5.7)
- International
- Social Media
- Ethics

Be an DM! Be an MR! Experiential Learning
What Would You Do?
Companies that collect and sell common pools of data of known commercial value designed to serve a number of clients

 Syndicated sources can be classified based on the unit of measurement (households/consumers or institutions).

Household/consumer data may be obtained from surveys, panels, or electronic scanner services.

Institutional data may be obtained from retailers, wholesalers, or industrial firms.
Figure 5.3
A Classification of Syndicated Services

Unit of Measurement

Households/Consumers

Institutions
Figure 5.4
A Classification of Syndicated Services: Household Consumers

- Household Consumers
  - Surveys
    - Advertising Evaluation
    - Psychographic & Lifestyles
    - General
  - Consumer Panels
    - Purchase
  - Electronic Scanner Services
    - Scanner Panels with Cable TV
    - Media
    - Volume Tracking Data
Figure 5.5
A Classification of Purchase and Media Panels

Purchase and Media Panels

Purchase

Media

Television
Radio
Internet
Mobile
Social Media
Figure 5.6
A Classification of Syndicated Services: Institutions

- Institutions
  - Retailers
    - Audits
  - Wholesalers
    - Corporate Reports
  - Industrial Firms/Organizations
    - Clipping Services
    - Direct Inquiries
<table>
<thead>
<tr>
<th>Type</th>
<th>Characteristics</th>
<th>Advantages</th>
<th>Disadvantages</th>
<th>Uses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surveys</td>
<td>Surveys conducted at regular intervals</td>
<td>Most flexible way of obtaining data; information on underlying motives</td>
<td>Interviewer errors; respondent errors</td>
<td>Market segmentation; advertising theme selection, and advertising effectiveness</td>
</tr>
<tr>
<td>Purchase</td>
<td>Households provide specific information regularly over an extended period of</td>
<td>Recorded purchase behavior can be linked to the demographic/psychographic</td>
<td>Lack of representativeness; response bias; maturation</td>
<td>Forecasting sales, market share, and trends; establishing consumer profiles, brand loyalty, and</td>
</tr>
<tr>
<td>Panels</td>
<td>time; respondents asked to record specific behaviors as they occur</td>
<td>characteristics</td>
<td></td>
<td>switching; evaluating test markets, advertising, and distribution</td>
</tr>
</tbody>
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<table>
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<th>Uses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Media Panels</td>
<td>Electronic devices automatically recording behavior, supplemented by a diary</td>
<td>Same as purchase panel</td>
<td>Same as purchase panel</td>
<td>Establishing advertising rates; selecting media program or air time; establishing viewer profiles</td>
</tr>
<tr>
<td>Scanner Volume Tracking Data</td>
<td>Household purchases are recorded through electronic scanners in supermarkets</td>
<td>Data reflect actual purchases; timely data; less expensive</td>
<td>Data may not be representative; errors in recording purchases; difficult to link purchases to elements of marketing mix other than price</td>
<td>Price tracking, modeling; effectiveness of in-store modeling</td>
</tr>
<tr>
<td>Type</td>
<td>Characteristics</td>
<td>Advantages</td>
<td>Disadvantages</td>
<td>Uses</td>
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<tr>
<td>Scanner diary panels with Cable TV</td>
<td>Scanner panels of households that subscribe to cable TV</td>
<td>Data reflect actual purchases; sample control; ability to link panel data to household characteristics</td>
<td>Data may not be representative; quality of data limited</td>
<td>Promotional mix analyses; copy testing; new-product testing; positioning</td>
</tr>
<tr>
<td>Audit services</td>
<td>Verification of product movement by examining physical records or performing inventory analysis</td>
<td>Relatively precise information at the retail and wholesale levels</td>
<td>Coverage may be incomplete; matching of data on competitive activity may be difficult</td>
<td>Measurement of consumer sales and market share; competitive activity; analyzing distribution patterns; tracking of new products</td>
</tr>
<tr>
<td>Type</td>
<td>Characteristics</td>
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</tr>
<tr>
<td>Firm Syndicated Services</td>
<td>Data banks on industrial establishments created through direct inquiries of companies, clipping services, and corporate reports</td>
<td>Important source of information on industrial firms; particularly useful in initial phases of the projects</td>
<td>Data is lacking in terms of content, quantity, and quality</td>
<td>Determining market potential by geographic area; defining sales territories; allocating advertising budget</td>
</tr>
</tbody>
</table>
Single-Source Data

**Single-source data** provide integrated information on household variables, including media consumption and purchases, and marketing variables, such as product sales, price, advertising, promotion, and in-store marketing effort.

- Recruit a test panel of households and meter each home's TV sets.
- Survey households periodically on what they read.
- Grocery purchases are tracked by UPC scanners.
- Track retail data, such as sales, advertising, and promotion.
Figure 5.7 A Concept Map for Syndicated Data

Syndicated Data

- unit of measurement
- unit of measurement

Households/Consumers
- contacted via
- contacted via

Surveys
- may be
- may be

Psychographics & Lifestyles

General

Purchase

Volume Tracking

Electronic Scanners
- may be
- may be

Panels

Media

Scanner Panels

Scanner Panels with Cable TV

Institutions
- may be

Retailers

Wholesalers

Industrial Firms/Organizations

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International Marketing Research

- For companies considering expansion internationally or managing existing international ventures, one of the first steps toward understanding and monitoring these markets can be through syndicated sources.
- Many of the same major syndicated firms operating in the United States, e.g., Gallup, have invested heavily in creating data collection systems to support their internationally operating clients.
  - Nielsen has made huge investments in European markets over the past 30-plus years, introducing scanner and tracking services at the retail level.
Marketing Research & Social Media

- Information gathered from social media is used by syndicated firms to understand the market, answer clients’ concerns, connect to consumers and potential participants, as well as to conduct online research and publicize their reports and company information.
Marketing Research & Social Media (Cont.)

- The Nielsen Company has an active presence on various forms of social media. The Nielsen Wire is the Nielsen Company’s social media platform, which aims to reach out to the internet savvy generation of the twenty first century.

- Nielsen offers various social media products and services on a syndicated basis. On September 22, 2009 in New York, Nielsen announced its strategic alliance with Facebook. Nielsen BrandLift is designed to provide marketers with effectiveness measurement for Facebook advertising.
Marketing Research & Social Media (Cont.)

- Online word-of-mouth leaves a “digital trail”, allowing its content to be located, categorized, analyzed, and then understood. Nielsen BuzzMetrics is a prime example of a tool by a syndicated research firm to “follow” this trail.
- The Nielsen Company and McKinsey & Company joint venture, NM Incite (www.nmincite.com), provides solutions like Social Media Intelligence Strategy that helps companies embed social media intelligence across a range of functional business units.
Ethics in Marketing Research

- Respondents’ rights, particularly their privacy, are a salient issue. Obtaining data from respondents without their full knowledge or consent is an invasion of privacy.
- Researchers have the ethical responsibility to avoid both uninformed and misinformed participation by respondents in market research projects.
- Syndicated firms are playing a significant role in researching ethical issues and sensitizing marketing firms, the marketing research industry, and the general public about these concerns.
Acronym: Syndicated

The salient characteristics of syndicated data may be described by the acronym SYNDICATED:

S urveys
Y ields data of known commercial value
N umber of clients use the data
D iary panels
I nstitutional services
C ost is low
A udits
T imely and current
E lectronic scanner services
D ata combined from different sources: single-source data