NEW YORK UNIVERSITY

NYU
STERN

LEONARD N. STERN
SCHOOL OF BUSINESS

Customer Insights MKTG-GB.2327

Class: Tue: 6:00 – 9:00 pm
Location: 3-120
Office Hours: Tue: 4:30 – 6:00pm

Syllabus as of February 2, 2015, 2014

Professor: Priya Raghubir
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Prerequisites:
Marketing Management and Business Statistics
This course assumes a good understanding of the basics of business statistics and applies them to marketing research to solve marketing management problems. Students are strongly encouraged to review their business statistics course and be familiar with the concepts of hypothesis testing, testing of differences in proportions and means, correlation and regression.

Required Materials
   1)   Case Reader
   2)   SPSS software
   3)   Excel software

Additional Suggested Readings
1) Marketing Research: An Applied Orientation (2009), 6/E, Naresh K Malhotra, Prentice Hall
2) Asking Questions: A Practical Guide to Questionnaire Design (Social & Behavioral Science
      Series) by Seymour Sudman and Norman M. Bradburn

Course Objectives
         Customer Insights is an elective course following the core concepts of the core marketing course focused on how to collect insights using marketing research. Marketing research is an organized way of developing and providing information for managerial decision-making. As the complexity of problems facing managers increase, so does their need for information. It is a near certainty that whatever functional area you enter, and whatever industry, you will come in close contact with market research. The basic objective of this course is to help you conduct, purchase, and use research to make more effective business decisions.

The course will be taught from the point of view of helping you be a marketing research producer and user.

⇒ Producers of Information include the market research manager within a company who works with a market research agency, as well as those in a market research agency, and those who are vendors of information. They need to convert the business problem of the user of information into a research problem that they can answer. They need to know what use information will be put to so that they can design their research appropriately. The kinds of decisions they need to make include:
- o Whether to conduct primary market research to:
  - o Segment a market
  - o Choose a target market to start with and grow with
  - o Choose a product design
  - o Identify appropriate promotional methods
  - o Set prices and other elements of the marketing mix
  - o Evaluate customer satisfaction
  - o Diagnose reasons for slow growth
- o What research to conduct and how to design it:
  - ▪ Exploratory: e.g., focus groups, in-depth interviews, projective techniques
  - ▪ Descriptive: Cross sectional and longitudinal Survey Research
  - ▪ Causal: Experimental research and test marketing
- o How to select a sample and decide on sample size
- o What questions to ask, and how to design and structure a questionnaire
- o How to analyze data collected and draw conclusions to answer business problems

The course objectives are to:
⇒ Demonstrate how research results can be used to make different types of marketing decisions
⇒ Provide an understanding of research methodology and the logistics of conducting research.
⇒ Provide practice in implementing research to solve a real business problem.

We will achieve these objectives via Case Analyses, Lectures, Guest Lectures, and In-class workshops, and a Marketing Research project.

Grading Criteria

Class Attendance and Participation	20%
Homework Assignments (2 x 5% each)	10%
Exam	35%
Group Research Project	35%

Class Attendance and participation is mandatory. NO CELL PHONES are to be used in class. Bring your name tag with you and use it in every class. If you are texting/ emailing or otherwise engaged, be sure that this is very evident and will negatively affect your class participation as it is a distraction to the class and to me. Do not come in late or leave the class in the middle. We will take a break in the middle of each class. In specific classes you will be asked to bring a laptop to class to design a questionnaire and do statistical analyses. The laptop is ONLY to be used for

this purpose. Otherwise, NO LAPTOP, READER, or any other screen is to be used in class. You should get a hard copy (rather than a digital copy) of the reader so you do not need to access it using a reader.

Homework assignments need to be handed in on time. It is important that you clearly label your assignment with your name if you are not submitting it on the web portal. Assignments without a name will not be given credit. Each individual needs to submit his/ her own homework assignment to receive credit. Do not submit assignments as a group though you may work on them as a group. We will go over the answers in class for you to correct your errors. They are meant as a preparation for your examination and group project and for you to see how well you have understood the concepts being covered in class.

Exam. This will be a short-question exam. It is closed-book, closed notes.

If you have a qualified disability and will require academic accommodation during this course, please contact the Moses Center for Students with Disabilities (CSD) and provide me with a letter from them verifying your registration and outlining the accommodations they recommend. If you will need to take an exam at the CSD, you must submit a completed Exam Accommodations Form to them at least one week prior to the scheduled exam time to be guaranteed accommodation.

Group Research Project. Form a group of 4 people. Your project will involve a number of sub-steps that have been laid out in the attached schedule, with grading criteria attached. Choose a project that allows you to walk through all of the steps – *e.g.*, qualitative as well as quantitative data collection. On the last day of class you will be presenting your project. Presentations will account for 20% of your total project grade (6% of the total grade). You need to be in regular touch with me regarding your group project as this is where the large part of your learning will come from. I would like to meet each group individually at least a couple of times during the term. You can sign up to meet with me during office hours, or at other times. I will grade all group projects and presentations.

Session	Date	Subject and Materials

SECTION 1: RESEARCH METHODS USED TO COLLECT DATA

1.   **Feb 10**   **Introduction to Gaining Customer Insights**
Overview of research methods
Note: Backward Marketing Research   85301-PDF-ENG
Note: Market Research   9-592-034-PDF-ENG

Marketing Primer: Reviewing the 3C and 4P frameworks: Segmentation, Targeting and Positioning, and basic questions of product, price and promotion management.

2.   **Feb 17**   **Demand Forecasting using Exploratory, Descriptive, and Causal Research Methods**
Case: Johnson Wax: Enhance   583046-PDF-ENG

3.   **Feb 24**   **Qualitative Exploratory Research: Theory and Case Study**
Evoe Spring Spa: A Positioning Dilemma   IVEY 9B13A051
Amplifying Perceptions: How JetBlue Uses Twitter to
Drive Engagement and Satisfaction   STAN M-336
Exercise: Consumer Behavior Exercise (A)   596-039
Exercise: Consumer Behavior Exercise (F)   596-044

 ------------- Form Groups and Decide on your Projects--------------

4.   **Mar 3**   **Questionnaire Design: Theory and Exercises**
Rules of thumb, FAQs
Critique a Questionnaire
Redesign a Questionnaire

 ------------- BRING LAPTOPS TO CLASS ----------------------

Questionnaire Design with Qualtrics: Using Qualtrics to create a questionnaire; choose response formats and arrange question flow.

5.   **Mar 10**   **Experiments**
Note: Conjoint Analysis: A Manager's Guide   590059-PDF-ENG
Spreadsheet   XLS230-XLS-ENG

SECTION 2: RESEARCH TECHNIQUES USED TO CONVERT DATA INTO INSIGHTS

6.   **Mar 24**   **Quantitative Review and Introduction to Statistics Software**
7.   **Mar 31**   **Quantitative Review and Introduction to Statistics Software**

        Stats Primer: Reviewing descriptives (Means/ frequencies), correlations, t-tests of mean differences, non-parametric binomial and chi-square tests, and regression.

        ------------- BRING LAPTOPS TO CLASS---------------------

        Introduction to SPSS: Stats Primer (with SPSS): Using SPSS to calculate descriptives (Means/ frequencies), cross-tabulations, and correlations, and run regressions. Using SPSS to conduct t-tests of mean differences, non-parametric binomial and chi-square tests.

------------- Complete Focus Groups and In Depth Interviews for Group Project-----------------

8.   **Apr 7**   **Segmentation and Targeting**
        Note: "Rediscovering Marketing Segmentation," Daniel Yankelovich and David Meer, *HBR*, February, 2006, pages 2-12   R0602G-PDF-ENG
        Note: Cluster Analysis for Segmentation: UV-0745

        ------------- BRING LAPTOPS TO CLASS---------------------
        Segmentation with SPSS: Using SPSS to segment using demographic variables, psychographic variables, and usage variables.

        HOMEWORK 1 DUE (APPLYING CONCEPTS LEARNED IN SESSIONS 6 AND 7): READ AN EXCEL FILE PROVIDED INTO SPSS AND SAVE IT AS AN SPSS FILE. USE THE MENU SYSTEM TO GET DESCRIPTIVES/ FREQUENCIES OF DEMOGRAPHIC, ATTITUDE AND USAGE VARIABLES THAT WILL BE THE STARTING INPUT FOR HYPOTHESIS TESTING, REGRESSIONS AND SEGMENTATION ANALYSES. ANSWER THE QUESTIONS BASED ON YOUR ANALYSES.

9.   **Apr 14**   **Positioning: Factor Analysis and Perceptual Mapping**
        Note: Perceptual Mapping: A Manager's Guide   590121-PDF-ENG
        Spreadsheet   XLS232-XLS-ENG

        ------------- BRING LAPTOPS TO CLASS---------------------
        Factor Analysis and Perceptual mapping with SPSS: Using SPSS to factor analyze attitudinal variables; identifying constructs, creating scales, and using the scales for perceptual mapping exercises.

        ------------- Complete Draft of Questionnaire for Group Project-----------------

9.   **Apr 21**   **Sampling**
        Case: TiVo in 2002: Consumer Behavior   9-502-062-PDF-ENG

Office Hours: Group Projects Questionnaire Design

COME WITH STEPS 1-6 OF YOUR GROUP PROJECT SHEET COMPLETED FOR REVIEW (IDENTIFICATION OF BUSINESS AND RESEARCH PROBLEMS, SECONDARY DATA GAPS, RESEARCH PLAN PROPOSED, AND EXPLORATORY DATA COLLECTION), SO WE CAN DISCUSS HOW WELL YOU ARE PREPARED TO EMBARK ON STEPS 7-8 (QUESTIONNAIRE DESIGN AND PRE TESTING).

HOMEWORK 2 DUE (INTERPRETING OUTPUT): YOU WILL BE PRESENTED ANALYSES. YOU NEED TO WRITE A SHORT SUMMARY OF WHAT THEY MEAN.

------------- Deploy Survey for Group Project----------------

10.　　　**Apr 28 Exam (In class)**

------------- Data Collection for Group Project Must be Complete----------------

12.　　　**May 5　　　Group Presentations**

GROUP PROJECTS (HARD COPIES) DUE IN CLASS PRIOR TO PRESENTATIONS.

Group Project Grading Sheet (out of 100): Weight = 35% of total grade

Deliverable	Expectation	Max.
1. Form groups and identify a business	This could be in any industry, any aspect of business. Ensure they will cooperate with you.	
2. Identification of the business problem	Your clients may need help in explicating their problem. Note: the company does not need to have a "problem" – but may need to make a decision. Many companies will simply want you to get a "feel" of their customers/ market. This is a good example of a company that needs help in identifying their problem. Ask them what they would like to do once they have this feel – introduce a new product, change prices, change advertising, etc. – with this decision focus in mind, it is fine to get a "feel" of the customers as you know what exactly you will do with this understanding – without it you are wasting your time and theirs.	__/ 2
3. Conduct secondary research	Identify what information you can get without incurring the cost of primary research (5 points). Clearly include what you already know and what you still need to find out. Identify the gaps that primary data needs to fill (5 points).	__/ 10
4. Translate the business problem into a research problem	Some problems are very large (*e.g.*, market entry decisions) and need a research program. Convert the problem into sub-pieces that an individual project could tackle. Choose from the above list of primary data needs and make a decision as to which of those data needs YOU will satisfy.	__/ 2
5. Design a Research Plan	Evaluate the various research methods to identify which of those would be most appropriate. Discuss the role of all three research methods at various stages of your research project and mention one strong reason as to why you are using one method over another (or are using a mix of methods).	__/ 8
6. Conduct exploratory primary research	This could be a focus group or in-depth interviews. Use a small convenience sample (n < 10 is adequate). Provide details as to what the primary goal of the exploratory research is (e.g., is it to identify later research directions, is it to get complementary data to help with understanding quantitative results, is it to assess whether a questionnaire to be fielded later is comprehensive in the issues it deals with, etc.). Provide a written script of the focus group/ IDI questions. You must code the data and present the qualitative responses in both qualitative and quantitative form. At the end, evaluate what you learned from the exploratory research and how this will specifically help you design your descriptive or experimental research.	__/ 10
7. Design a questionnaire	For survey or experimental research. You should have an introduction (2), ask the right questions (6), in the proper order (4), worded correctly (4), using suitable open-ended/ closed-ended scales (4). BE SURE THAT THE QUESTIONS YOU ASK AND THE MANNER IN WHICH YOU ASK THEM WILL ALLOW YOU TO DO THE ANALYSIS YOU WOULD LIKE TO DO AND ARE REQUIRED TO (See point 11 below).	__/ 20
8. Pretest the questionnaire	Use a small convenience sample (n = 2-5). Record the changes made (if any) in the questionnaire.	__/ 2
9. Identify sampling	Justify your choice of method of choosing the sample (convenience/	__/ 6

method	mall intercepts/ etc., (2) assess sample size required, and include an estimate of costs of conducting the entire study (2). List the limitations of your sample and be specific what aspect of your conclusions this affects (and why this is still ok to do in terms of time and person costs versus research benefits: 2 points).	
10. Conduct a "pilot" (or full) study	Depending on sample requirements, conduct the full-scale research, or simply a "pilot." (n $\cong$ 100)	
11. Analyze the data	Use SPSS or similar package for descriptives, frequencies and cross-tabulations (between two or more variables). You will be graded on the correctness and comprehensiveness of your analyses. The set of analyses that we would have covered in class include: 1. Tests of mean differences (t and z tests to examine differences between 2 groups for a construct, Analysis of variance to examine differences between 3 or more groups, and paired t-tests to examine whether a group differ between two different constructs: such as importance of price versus importance of quality); 2. Tests of proportion differences in the count of number of people in a group (binomial z tests for two groups, and chi-squares for more than 2 groups). 3. Correlations (between two variables), factor analyses (to assess whether a group of items all tap into the same construct), and scale reliability (to assess the extent to which indices – such as overall satisfaction -- based on a group of items are correlated to each other within the scale). 4. Regressions (assessing the extent to which a range of predictor variables, e.g., attitudes, can predict a dependent variable such as purchase intention, the sign and the magnitude of the relationship). 5. Cluster Analyses for segmentation 6. Factor Analyses for product benefits 7. Perceptual mapping for positioning	__/ 30
12. Write a research report, present the research and identify research limitations.	10 pages + exhibits. Address to what extent, and how the research helped answer the business problems. Make recommendations to your client based on the research you have done. You are not expected to have conducted the perfect research. You ARE expected to know its limitations, without which you will not know how much in error you may be. You may include areas of future research if they are required.	__/ 10

Course Reader Contents