

Quantitative methods in marketing research

General information

7,5 ECT credits

Time: April- May 2012

In 7 course meetings (3-5 h each)

Language: English

Examination: completion of problem sets; oral and written presentation of problem sets

Grading: Pass/Fail

Offered at: SLU, Department of Economics by Carl Johan Lagerkvist

Introduction

In today's competitive environment, businesses need to make every monetary unit count. As researchers, we play a critical role. Successfully employing advanced marketing research techniques in marketing research can assist businesses in strengthening customer loyalty and in driving sales, maximizing return on media investments, and in pricing products for increased profit. This course takes an in-depth look at advanced marketing research methods, the analysis of quantitative data, and their application to real-world challenges. The overall aim of this course is to explain and familiarize students with recent marketing research tools and methodologies.

Learning outcomes

The learning objective of this course is related to providing a hands-on overview and experience of marketing research tools and methodologies. After the course the students should be able to:

- Prepare experimental design for conjoint and discrete Choice Analysis including Best-Worst scaling using SAS, or equivalent software.
- Explain methods to assess and compare alternative designs, balance, orthogonality and design efficiency.
- At a principle level use modeling and model estimation procedures, including latent class and hierarchical Bayesian methods to estimate choice data. To use, or build, simple market simulators as well as interpreting results and recent developments.
- Use modeling and model estimation procedures within structural equation modeling for path analysis, etc.
- Use methods and tools of effective segmentation as well as interpreting results
- Use as well as explain best-in-class research techniques associated with new product development

Content and design

The course will have its main focus on the following topics:

- experimental design for conjoint and discrete choice modeling
- structural equation modeling
- segmentation
- best practices in new product development research

The scheduled lectures/exercises build in time to interact and idea-share with fellow students and peers. You'll come away with knowledge and connections that hopefully will bring your research work to a whole new level.

Examination

The student performance in the course is evaluated through a set of problem assignments (each referring to the main parts of the course).

The course is offered as integrated lectures and exercise, where the PhD-students participate actively in the dialogue. In preparation for each lecture, the lecturer has picked out some readings. PhD students are expected to have read these readings prior to the lecture (except for the first day of the course).

Requirements for passing the course:

- Active participation during all the lectures /exercises
- Submitted individual answers/reflection on specific assignments

Readings in the course:

Hensher, D.A., Rose J.M., and Greene, W.H. Applied Choice Analysis – A Primer.
Cambridge University Press (ISBN 978-0-521-84426-0 hardback)

(For more information – look at: <http://www.cambridge.org/0521605776>)

Article and supplementary readings suggested by the lecturers will be announced on the course home page.

A preliminary schedule (Jan 24th) All the lecture-exercises are given at SLU Campus.

Date (2012) Time	Lecturer	Contact information	Preliminary topics (more information at the start of the course)
24/4 10-15	Carl Johan Lagerkvist	carl-johan.lagerkvist@slu.se	Welcome to the course Experimental Design for Conjoint and Discrete Choice Analysis
Marketing researchers have increasingly turned to conjoint and discrete choice experiments to address questions about product and price optimization and strategy. Fundamental to these techniques is the plan for running the study, called the experimental design. The purpose of this session is to provide a practitioner-oriented introduction to experimental designs for conjoint and discrete choice analysis. Real-world examples will be presented, and interactive class exercises will be included. The session will cover the definition of an experimental design and a comparison of conjoint and discrete choice designs. Topics also include methods to assess and compare alternative designs, balance, orthogonality and design efficiency.			
3 /5 10-15	Carl Johan Lagerkvist		Conjoint and Discrete Choice Modeling and Applications
8 /5 10-15	Carl Johan Lagerkvist		Conjoint and Discrete Choice Modeling and Applications
Using foundations from the experimental design session, these paired sessions will extend coverage of conjoint and discrete choice by presenting modeling and estimation techniques. The discussion will include traditional procedures and also current advanced methodologies, including latent class and hierarchical Bayesian methods. Real-world examples will be presented. Coverage will include modeling and model estimation, market simulators, interpreting results and recent developments.			
14/5 10-15	Helena Hansson	Helena.hansson@slu.se	Structural Equation Modeling
The objective of this session is to introduce the technique of structural equation modeling (SEM) and its application in practical marketing research studies to prioritize resources and drive desired business outcomes. SEM is a powerful analytical tool that depicts more realistically the cause and effect relationships among a set of performance measures and latent traits underlying these measures. Marketing research in the B2B and B2C environments usually involves the study of dynamic relationships among business processes, consumer perceptions and product performance. The traditional key driver approach using regression analysis tends to simplify such relationships and loses sight of the dynamics and interaction in business processes. SEM, on the other hand, can capture those dynamics by simulating the relationships more realistically. SEM has the following key benefits over traditional regression analysis: 1) allows for estimation of both direct and indirect impact on dependent measures, 2) offers an effective way to deal with performance indicators that are highly correlated with one another, and 3) provides more accurate estimation of measurement errors in surveys. SEM has wide applications in such areas as brand equity, brand awareness, customer satisfaction, customer loyalty and brand share. Because SEM is based on the measurement of latent constructs we will also discuss how measurement scales can be developed in an exploratory setting before testing them with SEM.			

22/5 10-15	Carl Johan Lagerkvist		Segmentation
<p>Segmentations often drive corporate strategy and marketing decisions. Effective segmentations aid in identifying opportunities for successful targeted marketing programs and can reveal unmet needs that form the basis for new product ideas and development. However, many firms consider their segmentation efforts less than successful. This session will discuss the methods and tools of effective segmentation. Topics to be covered include a managerial definition of segmentation, discussion of the role that segmentation can play in effective marketing, criteria used to determine the viability of market segments and alternative bases for segmenting markets. Many tools and techniques typically used for segmentation will be reviewed, and recent trends and practices in segmentation will be discussed.</p>			
29/5 10-15	Carl Johan Lagerkvist		Methods in New Product Development Research
<p>Creating insight is a crucial part of new product development. The tools we have covered throughout the course put us in good stead for developing such insight. Still, it is widely reported that 9 out of every 10 new products launched fail. We will discuss why this is the case and provide a framework for increasing chances of new product success. The breakdown is largely due to an inability to turn true insight into foresight — a lack of attaching an insight to competitive landscape end states and the changes likely to take place. While truly finding a need and filling it is certainly one path to success, human motivations short of needs, such as simple wants and desires, are often overlooked as potential territories for development. Instead of just asking “what’s not working?” or “what could work better?” we can and should structure inquiry around aspirations as well.</p> <p>We will review best-in-class research techniques associated with new product development, such as needs gap analysis, feature optimization, concept testing, demand forecasting, scenario assessment and strategic opportunity mapping. We will show how judicious use of these techniques can help ensure that the “good” is not sacrificed in pursuit of “the perfect” and how incremental solutions are successfully implemented.</p>			
1/6 13-16	Carl Johan Lagerkvist		Making use of the wisdom – PhD-student presentations of problem assignments

Carl Johan Lagerkvist
Draft – course plan and outline – January 24th 2012