
UNIT 4 MARKETING RESEARCH

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4.0 OBJECTIVES

After reading this Unit, you should be able to:

- explain what is marketing research,
- understand why and how marketing research is conducted,
- enumerate the sources of information on market activities,
- describe what is a market survey, and
- design and direct a marketing research activity.

4.1 INTRODUCTION

Those who make decisions on marketing matters, need information relating to the market, viz. the consumers, the competition, the trade and the distribution system. Marketing research is related to the collection of such information.

Some Marketing information can be generated on a continuous on-going basis, from sources within the organisation. If records are kept of tourists arriving in the country at every entry point and at every destination and the information in these records are regularly collated, it is possible at any time to know about the tourists from various countries, their flow within the country, the duration of stay, their preferences for various destinations and attractions and so on. This data is generated from the Marketing Information System.

But if we would like to know what proportions of tourists from various countries come to India, and why some of them go to countries other than India, so that we may think of ways to attract them to India, a special study will have to be made. That special study would be a Marketing Research activity. The market is complex, consisting of a variety of elements. Each of these elements has its own dynamics. They are also affected by other elements. It is not easy to even know some of these elements or the changes therein, and the ways they influence each other. Here lies the role of Marketing Research (See also Block- 6, TS-1). This Unit will help you in understanding the concept and operational aspects of Marketing Research and its importance in the context of tourism industry.

4.2 MARKETING RESEARCH

Marketing Research may be defined as **systematic collection and analysis of data relating to the marketing of goods and services**. Different scholars have defined it in different ways. For example, Philip Kotler describes it as a

"Systematic problem analysis, model building and fact finding for the purpose of important decision making and control in the marketing of goods and services."

Similarly Green & Tull mention it as a

"Systematic and objective search for and analysis of information relevant to the identification and solution of any problem in the field of marketing."

All these definitions point to:

- systematic collection of data,
- objectivity and exhaustiveness,
- analysis of data,
- purposes of problem solving and decision making.

4.2.1 Purpose

The purpose of Market Research has to be clearly defined. Data gathered through Marketing Research will, by definition, be related to the field of Marketing. These may be in the areas of :

- the product,
- the consumers profile, (their behaviours, preferences)
- the competition, (market shares),
- the trade structure, (distribution systems, facilities), and
- market characteristics, (size, growth, spread, demand).

The research may be limited to a specific problem or deal with a very comprehensive topic covering all the manifold facets of the market and marketing operations, providing the basis for making decisions in marketing strategy. For example at the macro level, the Government of India may arrange for a study of tourists into India and other countries, their distinct profiles and preferences in order to develop suitable national policies on tourism. On the other hand the manager of a particular attraction may want to know on what facilities he has to invest to match the needs of visitors. Broadly, the purpose of Market Research may be either any one or two or perhaps all of the following:

- to plan more effectively,
- to find satisfactory explanations for events or experiences,
- to identify problems and provide solutions, etc.

In fact it is related to practically everything in the modern competitive environment and the purposes can be manifold.

While conducting Marketing Research the emphasis is on:

- **Objectivity**, i.e. determining the facts as they are, instead of individual hunches on what the facts are or ought to be. For example those who are in the business think that they know everything, where as the professionals check and ensure that information is reliable and authentic.
- **Completeness** i.e. the availability of total data. This is ensured through proceeding in a systematic and planned way and avoid looking at only certain segments.
- **Reliability** This depends on the manner in which the research is designed and structured.

4.2.2 Items

Marketing Research may seek information on:

- **Market** - its size, spread, growth, in terms of volume and revenue share of competition, segmentwise.
- **Consumer** - his profiles, habits, needs, preferences, expectations, perceptions both quantitatively and qualitatively.
- **Products** - to know differentials among competing products in same position, price sensitivity, packaging, servicing, acceptability of features.
- **Promotion** - sales, effectiveness of communication, reach of media reaction to promotion strategies, effectiveness of sales force.
- **Distribution** - facilities available for stocking, merchandising, outlets shelf space usages, retailer loyalties.
- **Performance** - monitoring and evaluation.

Further in the case of the tourism industry, the research may seek information on:

- number of tourists of various kinds, (leisure, study, holiday, recreation, pilgrimage, cultural, etc.) emanating from different countries, even towns, and proceeding to different countries.
- modes of travel, durations of stay, life styles and expenditure patterns of tourists going elsewhere and coming to India.
- experiences of tourists at entry points in India, during travel within the country and at destination points, relating to accommodation, food, access, information, guidance, facilities for communication, money and health care and generally about behaviour of hosts, specifically looking at expectations not met.
- adequacy of accommodation (of different kinds) and ancillary services in terms of expectations. These services may relate to essentials like travel, money exchange etc. or to shopping, souvenir collection, entertainment, cuisine, contact with local people, etc.

4.2.3 Categorisation

Research can be grouped into three categories:

- **exploratory,**
- **descriptive, and**
- **causal.**

Exploratory research focuses on the discovery of ideas and is generally based on secondary data. It is a preliminary study. The researcher may have to change the focus as a result of new ideas and relationships among the variables.

A descriptive study is undertaken when the researcher wants to know the characteristics of certain groups such as age, educational level, income, occupation etc.

A causal research seeks to find cause and effect relationships between two or more variables.

4.3 SCOPE FOR RESEARCH

The scope of marketing research is very vast in tourism and covers every constituent or element of the tourism industry. Whether it is the Government, travel agency, airlines, hotels, tour operators, tourist transport operators, guides, escorts, etc. and even non profit organisations, all can benefit from market research. Each ought to study consumer behaviour, consumer demands and attitudes. Moreover they have to understand the competition, the characteristics of the market, promotion campaigns, impacts, etc.

Each one of the constituents of the tourism industry contributes in some way to the total experience of the tourist. Hence, each one would like to know how it is contributing to the

tourist's satisfaction and how they may enhance the satisfaction. Each one may also like to know about the contribution or performance of the other elements in order to develop synergy with them, if possible.

Each of these elements can do the market research separately themselves or a group may do the research jointly for the benefit of the members of the group. For example, an association of shopkeepers may be a group and another such group may be the local guides. They may come together to understand the issues of common concern, although there may be competitions on a day-to-day basis.

The Market Research may also be done by one of the regulatory authorities with a view to take decisions on their own regulations and the other elements that need to be organised. It is only through such research that one can know the level of tourists' satisfaction or the problems faced by them. For example it was through the filling of the feed back forms that the hotel owner came to know that the tourists did not have information on the shops in the market, the kind of items they held in terms of variety and price ranges. Some of them came to know about the availability of some items, which they would have liked to buy, only when they saw those items with other members in the party, on the way home.

If they could go through such information in the hotel, before venturing out into the market, they could have made better choices on where to go and save time and effort.

Tour operators may have to research and collect information on changes relating to:

- the environment - political, social, legal, economic, technological.
- places to visit, facilities therein, infrastructure available, etc.
- profile, habits and interests of tourists.

This information would help decide on:

- new places or routes, to take tourists to,
- emerging tourist groups to cater to,
- the changes in formalities to be observed at various points,
- the places to avoid due to possible risks,
- how the new facilities and or infrastructure would affect the package as planned, and the costs thereof,
- how the changes in regulatory (legal) systems relating to customs, police, foreign exchange, may affect the movement and activities of the tourists,
- how to influence these changes, either expediting them or reversing them, if they are likely to adversely affect the flow of tourists, etc.

The information may be collected by or for all the tour operators together, but each operator may respond to each information differently, depending on the segment he or she caters to.

Governments or tourism development authorities can use the research information to know the habits and interests of tourists, particularly of those going to other attractions, so that they may develop strategies to divert some of that traffic to their respective areas. Such information is also necessary to segment the market and to create appropriate promotion and communication messages to be focussed on the target groups.

Each of these elements may do the research for information on how the competition is performing relative to itself in an attempt to understand its own performance and possible ways to improve thereon. This information may relate to pricing, relationship with distributors (travel agents, tour operators etc.), and facilities provided (to end users and intermediaries).

4.4 SOURCES OF INFORMATION

The information required for decision making would be available in:

- the records of the organisation concerned. This is called marketing information.

- the records elsewhere in publications, trade information etc. This is called secondary data.

In this Section we basically talk of primary data collection and sampling methods. Information not available within the records of the organisation or as secondary data will be treated by us as primary data to be collected.

Records of immigration authorities will show the number of tourists from each country, the places they have visited and the hotels they have stayed. Some enquiry into the records of the hotels and shops may provide data on the patterns of expenditure and durations of stay and preferences for different kinds of accommodation or food. But none of the records will show why they preferred to come to the host country, what specifically they were looking for, what is it that they are excited about and or displeased about. This information is primary data. Even if some research had been done on this issue earlier this is primary data because changes take place over a period of time.

Collection of primary data is field work. Persons will have to be contacted either individually or in groups. They may be just observed or talked to, seeking responses to:

- questions
- hypothetical situations, and
- pictures and images.

The number of persons to be contacted for collecting data relevant for research is very big. For example, all the 1.6 million tourists coming to India from abroad have to be contacted if complete data is to be had about tourist preferences and experiences. This is impossible. The practical method is to contact a much smaller number, so chosen as to be representative of the total. The smaller number is chosen for research purposes on the basis of sampling techniques validated by statistical theories. The total number of which the sample is a part is called the population or universe. The sample is representative of the population or universe.

There are different methods of sampling.

- i) **Random Sampling** is whereby samples are taken from the population by methods that ensure that there is no bias. In random selection, every member of the population has an equal chance of being in the sample. The choice is free from human judgement. For example, winning tickets in a lottery are picked on simple random basis. Tables of random numbers, generated by statistical methods, are available and may be used to choose samples from a population which is listed in numerical order.
- ii) **Systematic Sampling** seeks to introduce some order into the choice of sample, yet ensure lack of bias. If the sample to be chosen is one tenth of the population, every 10th person in the list of the population can be included in the sample. This will be a good sample if the list (of the population) is not arranged on characteristics relevant for the research study. Every 10th can be decided upon as Nos. 1, 11, 21, 31 etc. in the list or Nos. 5, 15, 25, 35 etc. in the list.
- iii) **Stratified Sampling** is the process whereby samples are taken from different segments of the population. For example, if we take a sample from all the tourists coming into India in a month, and that month has a heavy inflow of one kind of a tourist, (in terms of age, interest or country of origin) the sample may not be representative enough. We may take samples from every age group, interest group or country of origin separately. Or we may take samples from every month separately. We may like to know about the experience of tourists at beaches, at heritage places, or whether they are having large budgets or only small budgets, etc. If so, we may take separate samples from these different groups.
- iv) **Area Sampling** is a kind of stratified sampling where the population is separated on geographical dimensions. Samples could be taken separately from those visiting the places in the South and others visiting in the Northern cities having common motives for travel.

Other Methods - For convenience sake, the rigid methods prescribed by considerations of statistical validity are not adhered to sometimes. Accessibility sometimes decides the choice

of sample. For example, one may stand at the gate of a popular attraction like an exhibition or a park or a monument and contact all or every 10th person coming in; or every 10th guest registering in a hotel may be met; or every 10th passenger coming out of an airport may be met. Gates, reception desks or airports are not places where anybody would be willing to answer a researcher's questions. These methods may be alright, however, for some kind of studies involving not more than a couple of questions.

Check Your Progress-1

1) The following methods are used when selecting names from a telephone directory, for a survey. State what kind of sampling each one of them is.

a) Using a table of random numbers.

.....

b) Taking the first name in every column in every page.

.....

c) Taking every hundredth name in each locality, identified by PIN Codes.

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2) Which of the alternatives provided are correct.

a) Purpose of research is

i) making decisions, ii) solving problems, iii) building data bank

b) MIS provides

i) primary data, ii) secondary data

c) A research study made 5 years back provides

i) primary data, ii) secondary data

4.5 DESIGNING A MARKET RESEARCH

The design of a research study depends on the purpose for which it is being done. The purpose will decide what data has to be collected and the population from which the data will be collected.

4.5.1 Purposes of Market Research

Some purposes have been indicated in Sections 4.2 and 4.3 earlier. Some other purposes of Market Research in tourism may relate to:

- foreign exchange, costs of tourism, leakage through import (foodstuffs, construction materials, capital equipment), repatriation of profits.
- economic costs represented by improvements in per capita income, inflationary effects, shifts in occupations, loss or gains in local crafts, disparities in income and life styles,
- social costs represented by tensions in local - tourist interface, changes in lifestyles, entry of non-locals relegating locals to marginal occupations, moral corruption, effects on culture, shift of resource from social welfare, etc.
- environmental costs, pollution, erosion, loss of greenery, damage to coral reefs, etc.

With regard to a tourism product, the research may relate to:

- **planning:** to identify potential, its locations, pricing and promotions,
- **launch:** whether planned products will attract expected levels of tourists,
- **potential users:** where are they coming from,
- **experience:** why product is suffering or doing well in demand compared to original expectations or compared to other products, or
- **business analysis:** to identify type, range, source of existing business to assist concentration of marketing and sales activities, etc.

Some of the studies (on social costs for example) will require studying the local population (hosts) at the tourist centre. Some will require studying the establishments at the centre. Some will require study of the visitors (guests). Generally, those in **small business do not pay any attention to market research. However, in a service industry like tourism it is essential that market research is taken up at the most micro levels also in order to bring in a more professional attitude.**

4.5.2 Market Information System and Data Sources

With clarity in the purpose of research, the data to be collected is also identified with clarity. It can also be known whether the study should use and tap:

- the Market Information system (MIS)
- secondary data sources, or
- primary data sources.

For example the MIS of a hotel will provide data on:

- the number of guests travelling on business, or for sightseeing and leisure or for conferences,
- how many of them come back (repeat business),
- their mode of payment (cash, cheque, card),
- how many among them are company sponsored, and
- how many of them use the restaurant, bar and so on.

This information is always useful by itself. If compared at different times, it can also show changes that may be taking place and the effects of strategies that the hotel may have adopted to influence some of these factors.

A well designed MIS must have the following characteristics:

- Information available through it should be
 - a) relevant,
 - b) on time,
 - c) reach the appropriate (concerned) decision makers.
- Information should be adequate - neither too much, (overload) nor too little (sparse)
- Presentation of information should be precise, clear and complete.
- Information should be supplied on regular basis as well as whenever required to deal with specific situations/problems.

Secondary sources for data may not generally be known. That itself may be the subject of research. Studies and reports may have been made by others interested in the subject.

They may have done it internally or through some specialised agency undertaking such studies. Students of University courses may have done some project work. The MIS of other organisations may have relevant data. Enquiries with the press, particularly trade journals, and specialised research agencies, may provide some clues as to the possible sources.

If data has to be collected from primary sources, decisions have to be made on:

- choice of samples (whom to meet)

- method of data collection (how), and
- design of questionnaires and instruments to be used (what to collect)

Data may be collected through observation of the persons, their actions, their reactions, the levels of enjoyment, what they avoid, what they choose, how they do, and so on. Preferences can be known by experimenting with different kinds of transport or different timings, or different routes or different menus and analysing the difference in responses.

4.6 MARKET SURVEYS

One of the common techniques of market research is the market survey. Market survey aims to directly contact the persons concerned and obtain information from them. If the entire population is sought to be contacted, it is called a **Census Survey**, Otherwise, the responses are sought from a sample of the total population. That is called a **Sample Survey**.

The survey may be conducted with each person who is contacted being asked to:

- respond to a printed questionnaire, after reading the questions, without any help from anyone,
- respond to questions asked by the researcher based on a prepared questionnaire, being helped by the researcher, to clarify the meanings of the questions,
- answer open ended questions asked by the researcher, which provides more freedom and flexibility to the respondent to express himself.

Persons may be sent the questionnaire by mail and requested to respond. Mail Survey makes it possible to contact large numbers of people, spread out all over the country. Such interviews by mail may not work if the respondents are not literate. The response rate to mailed questionnaires is usually very low, 20% or even less. The reasons for such low responses are:

- non delivery,
- incorrect addresses, shift of homes and jobs not having been known,
- indifference to such questionnaires, or
- oversight in the midst of other pre-occupations

The response will be better if the questionnaire is accompanied by reply envelopes on which postage stamps may or may not be fixed.

Instead of mail, the person can be contacted on telephone also and requested to respond. The response rate may be better from those contacted. But the numbers contacted may be less, because they may not be available (or even free) when called. More than one telephone call may be necessary. This is an expensive method. It is also possible that the person responding at the other end, may not really be the person you have called.

Personal interviews are very effective in terms of quality and completeness of responses. This method is however, time consuming. It needs prior appointment as well as travel time. Attempts to meet persons for personal interviews without prior appointment may sometimes be met with hostile reactions.

If the persons to be contacted are many, the interviews will have to be conducted by many researchers. There is then the risk that the understanding of the responses and the recording thereof in the questionnaires may suffer from individual biases. This is so if the responses seek qualitative data. The field staff for the research must be recruited carefully, trained well and also supervised, if the data brought in by them has to remain reliable.

4.7 QUESTIONNAIRES OR INSTRUMENTS

A Survey is a technique of market research, undertaken to gather information about matters concerning events and phenomena in the market. Much of such information will be gathered from the views and perceptions of the people. For example, if we want to know about the respective market share of competitors, the most reliable source is the actual figures of sales

of each competitor. Some agencies compile such data and provide it to interested persons at a price. A survey of retailers also may provide the information, if proper sampling is done and if the retailers have kept records of sales, product-wise or manufacturer-wise. If such records are not available, the retailers' perceptions will indicate trends, though not exact figures. If the information sought is why customers prefer particular products or brands, this is a qualitative information and cannot be a matter of record. It is the consumer's perception.

Views and perceptions are gathered as responses to:

- (i) questions or
- (ii) other stimuli like incomplete pictures, incomplete sentences etc.

A set of such questions or stimuli is the basis of any survey. This set is called a questionnaire or instrument. (Hereafter, the word "questionnaire" is meant to include instrument also). While preparing questionnaires certain aspects have to be taken care of. We list some of them here.

1) Objectivity

Preparing questionnaires is a very critical part of the research design. Objectivity may be lost if the questionnaires are not prepared carefully. The bias of the researcher may unknowingly enter into the questions, leading to responses that are not fully representative of the respondents. For example, the response to the 2 questions below will be different.

- a) Do you think Government should allow people to drink in beaches?
- b) Do you think Government should forbid people to drink in beaches?

In an experiment, the question "Are you in favour of giving special priority for buses in roads during rush hours?" elicited the response, "Yes" from 62% while the question "Are you in favour of giving special priority to buses in rush hours or should private cars get equal priority?" elicited 40% positive responses for buses. Hence, it is important that how you frame the question.

2) Precision and Accuracy

While framing questionnaires, vague, ambiguous questions should be avoided. "What kind of clothes do you prefer to wear on a holiday?" is an example of a vague question. The location of the holiday is important. Words like "many", "often", "generally", "reasonably" are vague words. "Are you satisfied with the service?" is a vague question.

Questions with double negatives should be avoided. "Would you prefer not to travel in a non-smoking flight?" is an example. "If the flight is a non-smoking one, would you like to travel in that flight? Say Yes\No" is a better way of framing the question.

Another kind of question to avoid is the loaded question, where the question shows a preferred answer. "Do you care enough for your family to ensure that you carry enough insurance?" is an example of a loaded question.

Each question should deal with one point. For example, "what do you think of the courtesy and knowledge of the guides?" should be split up into 2 questions - one on courtesy and another on knowledge.

The questionnaire should cover all relevant information. It should be simple, brief and to the point, forming a logical sequence.

3) Designing Types of Response

In response to questions, respondents may be asked to:

- a) Choose from among two or more alternatives provided against each question like "Yes - No" or "Excellent - Good - Fair - Poor" or "Less than 10000, 10001 - 50000, 50001 and above" (in relation to income of respondents).
- b) Rank order three or more alternatives to indicate preferences/priorities, as for example, how while choosing an airline, one values convenient timings, conces-

sional rates, food, permitted stopovers, checking in formalities, choice of seats etc.

- c) Make a mark on a scale of say 1 to 10 or 1 to 7 or 1 to 5, represented by a line and anchored on either end with descriptive words like "Excellent - Poor", "Very Considerate - Indifferent"; the position marked being indicative of the view of the respondent.
- d) Tick the ones, from a list provided, which are appropriate as responses to the questions, more than one choice being permissible. (People read more than one newspaper or magazine or may be members of more than one club).

Provision must be made for the respondent not being able to choose any one of the alternative responses indicated. This can be done by adding, "Do not know" or "No opinion" or "Any other".

However carefully a questionnaire may have been drafted, it should be tested with a few persons not involved with the design of the study, to check and correct for ambiguity and other difficulties in responding. It is after this only that it should be used. In case the pre-testing shows some alterations to be done, they should be incorporated.

4) Structuring Questionnaires

Questionnaires are usually structured so that responses can be conveniently tabulated for analysis. If the tabulation is to be done through computer, it is advisable to have the computer programme also decided and tested before using the questionnaire.

Every questionnaire should begin with some personal details of the respondent to enable analysis of the responses according to different characteristics of the respondents. These details may relate to place of residence (behaviours of urban residents may be different from those in rural areas), income, occupation, age, sex, family size etc. These details are necessary if they are likely to have an impact on the preference, needs, expectations etc. being studied.

Structured questionnaires place a limit on the responses. If "Room Service" is rated as "Average", it shows that some improvement is necessary. But the response is not adequate enough to decide where exactly the improvement has to be made. Was it a delay in service, supply not being consistent with order, food not remaining warm enough, food being brought without proper cover, or handling by waiters being clumsy? "Better Service" by an airline may mean, prompt information about delays, courtesy of staff, generous food, not charging for excess luggage (over 20 kgs). "Better Services" by a hotel may mean recognition by waiters and staff, speed of service (room and restaurant), care in giving messages, quick billing, free fruit baskets. Dissatisfaction with the beaches may be because of lack of cleanliness, presence of oglers, lack of security, or noisy crowds. Further details can be had only through personal interviews.

At the beginning of this Section it was stated that responses may be sought to incomplete pictures, incomplete sentences etc. These are meant to understand motivations and thought processes. Construction of such stimuli is a specialised job needing grounding in psychology and human behaviour.

4.8 PERSONS TO INTERVIEW

Surveys are also done by contacting individuals. Individuals provide information about themselves, their needs, preferences, habits etc. which enable researchers to develop products that provide satisfaction.

Individuals also provide information about their own and competitor's performances. For example why a tourist chooses to go to beaches at Mauritius and not Singapore, can be answered by the tourist alone.

Qualitative information about services like tourism is difficult to collect and to evaluate. This is so because of the characteristics of intangibility, difficulty of standardisation, and the consumer himself being part of the process of producing the services product. Moreover it is not easy to articulate satisfactions and expectations. They are often not in the realm of

conscious' rationality. Most people have difficulty in identifying the elements in the experience which cause satisfaction or dissatisfaction.

Individuals can at best talk about themselves. The aggregates of individual responses may at best indicate the current situation. These aggregates are unlikely to indicate future trends or possible changes from existing situations. Sensitivity to changes and forthcoming trends is developed by some through specific observations and study or through long and intimate acquaintance. If a few of such people can be contacted, more valid information may become available.

In some cases a research study is conducted through a focus group. **A focus group is a group of persons specially invited to discuss and express themselves on matters relevant to the research study.** Focus groups may be particularly effective in looking into the future, in forecasting growth of segments of the market, impact of new technologies, likelihood of new products being successful in the market etc. Focus groups can also help in clarifying present customer habits, needs, preferences and perceptions, effectiveness of promotions and other marketing strategies etc. if such groups are in touch with the customer segments, either because of their profession or of their position in the community.

4.9 INTERPRETATION

Gathering data through research is a matter of technical expertise. The data so gathered has to be interpreted to understand the phenomena and to make decisions. This is not so much a matter of technical expertise as of insights and experience.

In the case of quantitative data, the numbers tend to give an illusion of objectivity and reliability. In order to have a proper interpretation and evaluation, it is necessary to know how the numbers have been generated. For example, a preference for a particular destination among four may be because a fifth destination had not been mentioned as an option for response. Increases in hotel room occupancies may be because a hotel had changed its method of reckoning occupancy, or because of business travellers, or because of official delegations, or because of non-business tourists. Not all of them can be interpreted as indicating increased attractiveness of India as a tourist destination.

Responses to a study may not be the same as the actions in real life. People often do what they say they do not. They do not admit what they do. People do not own up feelings. They are quick to rationalise irrational behaviour. They may not say that they avoid travel by boats because of fear of water. Therefore interpretation of research data need to be carefully handled. Inadequate experience could end up with misleading information and incorrect decisions.

If the same study is repeated at regular intervals, the changes could be significant pointers to what may be happening in the market. While interpreting, one has to be sensitive to these changes, however subtle they may be.

While interpreting it is to be assumed that there could be errors in the data. Some of the possible sources of errors are:

- inadequacy of sample (small size),
- wrong choice of persons to contact,
- field workers not recording responses faithfully,
- respondents being casual,
- coding errors,
- processing errors,
- incorrect understanding of question, or
- errors in definition of questions.

These errors are possible despite careful planning and testing.

There are agencies and organisations in India who specialise in doing market research studies. They have experts in choosing samples and in developing questionnaires. They also have

trained representatives at various places who can do field studies and provide basic data, collected as well as tabulations and interpretations. Yet it is only the decision maker's experience and insights that can validate the inferences and conclusions.

Check Your Progress-2

- 1) If you have to know more about the items mentioned below, state whether you will resort to Marketing Information (I), Observation (O), or Market Survey (S).
 - a) Seasonality of tourist inflows
 - b) Attractiveness of location
 - c) Attitude of hosts
 - d) Kind of music to play in the dining hall
 - e) Adequacy of guides - numberwise
 - f) Adequacy of guides - knowledge wise
 - g) Popularity of various parts in a tourist complex.
 - h) Profitability trends.
 - i) Images that foreign tourists have about India.
 - i) Modes of travel.

- 2) What kind of questions have to be avoided while framing questionnaires?

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- 3) State which of the following statements are True and which are False.
 - a) Interpretation of data collected in field work in a survey, is the job of a computer
 - b) A questionnaire can be constructed easily, if the data to be collected is clear
 - c) Respondents express themselves clearly on their motivations and reasons for satisfactions/dissatisfactions.
 - d) Only a properly trained researcher can obtain valid responses to questionnaires.

4.10 LET US SUM UP

Market Research relates to collection of information about the market and customers for purposes of making decisions. Information may be collected from existing records or from field studies through observation and/or surveys of samples of the population. Choosing the samples and developing the questionnaires/instruments are important parts of the design of the research. Interpretations of the data collected needs experience and insight. In brief, Market Research involves systematic collection of data, objective analysis of data and the information thus we get helps us to take appropriate decision. Whether you are an entrepreneur or a manager you ought to have information about the customer needs, nature of competition, etc. irrespective of the level at which you are working or what kind of service

you are providing. Market Research is relevant for product design, pricing, positioning and promotion etc.

4.11 KEYWORDS

- Census Survey** : Survey that contacts every member of the population
- Field Study** : Process of gathering information by contacting people in the sample.
- Focus Group** : A group of persons having specialised knowledge on the subject and invited to respond to issues being studied
- Population** : Also called Universe, refers to the total out of which the sample is taken
- Primary data** : Information to be gathered through field study
- Random Sampling** : A process of selecting a sample that ensures there is no bias
- Secondary Data** : Information existing in and to be gathered from the records of organisations
- Stratified Sampling** : Process of selecting samples that represent different segments of the population.
- Systematic Sampling**: Methods which introduce some order into the process of selecting a sample.
- Universe** : Same as Population.

4.12 ANSWERS TO CHECK YOUR PROGRESS EXERCISES

Check Your Progress-1

- 1) a) Random
b) Systematic
c) Area or Stratified
- 2) a) All the 3
b) Secondary
c) Secondary

Check Your Progress-2

- 1) (a), (h), (j) - I
(d), (e), (g) - O
(b), (c), (d), (f), (g), (i) - S
- 2) See Sub-sec. 4.7.2
- 3) (a) False
(b) False
(c) False
(d) True