Advanced Certificate in Market and Social Research Practice

13th June 2007
10.00am –12.30pm

EXAMINATION ANSWER GUIDE

Instructions for Candidates

Time allowed 2 hrs 30 minutes

Answer ALL questions in Section 1
Answer TWO questions from Section 2

Section 1 accounts for one third of the final result.
Section 2 accounts for two thirds of the final results.

All answers must be written in your Examination Answer booklet.

<u>Section 1</u>: Compulsory question **(Recommended time: 50 minutes)**

This section tests problem identification and problem solving using a number of skills. The answers in this section account for one-third of the total marks.

Read the following case study and answer **ALL** the questions below.

New Waves is a small chain of hair salons owned by brothers Jon and Evan Williams. The business began with the first salon, opened 12 years ago, and has grown considerably in the past 6 years. The brothers now own 4 salons, one of which is also a training academy for hairdressers. Business is good, and the brothers are keen to expand further.

As Chief Artistic Director, Jon Williams is keen to establish *New Wave* as a business at the cutting edge of hair design. He feels that the current image of the business is too staid and mainstream, and he would like to expand by opening a high-profile 'hair creation studio'. The new studio would specialise in innovative hair design techniques and, he feels, would attract high-profile customers. Evan, however, feels that the most appropriate route for expansion is via the *New Waves Hair Academy*. In his opinion, opening a group of new salons, each staffed by Academy graduates, would build the *New Wave* name quickly and would establish it as a business which takes its social responsibilities as employers seriously.

Until this point, the brothers have found it easy to agree on business decisions. For the past 4 years, they have employed a marketing company, *Silk,* to market their business, but have never felt the need to commission market research to test their business ideas. Now, however, they cannot agree on a way forward. They have contacted *Silk* for advice. As the research expert in the agency, you have been given the task of advising the Williams brothers.

a) How could market research help the Williams' brothers solve their business problem? Discuss the possible benefits and limitations of undertaking market research to help identify the best way of expanding the *New Waves* business. Illustrate your answer with examples.

(Weighting: one-third of total mark)

<u>Answer Guide</u>
This section requires candidates to identify and discuss the usefulness of market research to the business problem described. In order to pass, candidates should identify at least two potential benefits and one possible limitation, each with convincing illustration. Stronger answers may identify a wider range of benefits relevant to this particular business problem. Weaker answers are likely to identify more generic benefits of research and may fail to make clear connections with the research problem under discussions.

Possible benefits may include some or all of the following:

- *Secondary research could identify and describe the current market for innovative hair technology (including both hair academies and 'hair creation studios') in order to assess the potential level of competition for each idea.*
- *Primary research could test these ideas amongst others including some existing and maybe (some) prospective high profile customers to find out if the brothers have identified the most suitable approaches to expanding the business*
- *Primary research could explore potential reactions to each of the new ideas, and to which one was preferred – exploration on sites, names, branding issues, likely customer base, criteria for success and volume uptake.*
- *Primary research could also test the market to see if it would support the expansion of the business*
- *Primary research with experts in the field such as journalists on hair magazines or others who have experimented with such salons and academies in other parts of the country.*

Possible limitations include:

- *Lack of secondary research on such a specialist subject readily available*
- *Not sure if brothers have explored all the options – is the primary aim to expand the business or to launch a new type of product? At this point, greater exploration/definition of the problem is needed.*
- *How will the information be used? As both brothers have very firm ideas about how they want to proceed, they might not respond well to negative views on their idea*
- *The size of the project: these are two 'big' ideas to test out, and probably need some qualitative research. But this research will not necessarily be representative of the range of opinions available.*

b) The brothers have decided that they would like to commission some research, and have asked you to devise a brief for circulation to a number of research agencies. Outline the information which should be included in the brief to ensure that the research agencies understand what is required in the project. Give reasons for the suggestions you make.

(Weighting: one-third of total mark)

Answer Guide

This section of the question requires candidates to demonstrate understanding of the importance of the brief in guiding the research project. In order to pass, candidates need to demonstrate that they are aware of the information which a brief should contain and how it should be structured, along with some justification for their suggestions. Weaker answers are likely to provide a list of the information to be included, with little or limited rationale. Stronger answers are likely to provide greater depth of rationale. Very strong answers may also identify possible options for information to be included, with rationale for how those options might be selected.

The answer should touch on the following issues:

- *Background information: what does the agency need to know about the business?*
- *Business problem: what does the agency need to know about the business problem which the brothers need to solve?*
- *Research problem: what are the objectives for the research agency*
- *Suggested methodology: are there any recommendations for how the problem should be approached?*
- *Timing*
- *Budget (budget at their discretion – many clients choose not to divulge it at this early stage).*
- *Any reporting requirements?*
- *Contact names*
- *How results will be used.*

c) The brothers have received proposals from three different research agencies, and now need help to decide which one they should commission. Outline the guidance you would give to help the Williams brothers evaluate the proposals. Give reasons for the suggestions you make.

(Weighting: one-third of total mark)

Answer Guide

Candidates are required to identify and provide a rationale for a set of criteria for evaluating proposals. At pass level, candidates are expected to identify a minimum of 4 requirements with some rationale for each criterion. Stronger answers may provide a wider range of criteria, and/or more detailed discussion of the relevance of each.

Criteria include:

- *Does the proposal demonstrate an understanding of the problem?*
- *Is the suggested approach appropriate for the problem?*
- *Does the proposed research meet requirements in terms of time, cost and deliverables?*
- *Does the research agency have experience in similar areas?*
- *Do the personnel put forward have the requisite expertise*

- *Overall reaction to the proposal, the way it is written, and the questions the agency asked whilst they prepared the proposal.*
- *Does the proposed research appear to provide value for money*
- *Does the agency and team inspire your trust and confidence; are these people you want to work with and feel will do a good job*
- *If not already done so, meet key team members to ensure good understanding, rapport etc*

<u>Section 2</u>: Optional Questions **(Recommended time: 100 minutes)**

The answers in this section account for two-thirds of the total marks.

Answer any **TWO** questions from the six listed below. Give a full answer to each of the questions you choose.

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1. A local authority has commissioned a satisfaction survey of local residents using amenities such as public parks, leisure facilities and children's play areas. Your research agency has proposed a project which uses quota sampling, based on age, gender, employment status and residence, and face-to-face interviews conducted in the street. Although the authority is impressed by the proposal, they are concerned that the costs are too high. They have asked your agency to consider making the following changes to the proposed research in order to reduce costs.

a) Reduce the sample size ***(Weighting: one-third of total mark)***
b) Reduce the number of quota controls in the sample ***(Weighting: one-third of total mark)***
c) Shorten the questionnaire ***(Weighting: one-third of total mark)***

What is the possible impact of each of these changes on the usefulness of this quantitative survey? Identify the issues which the client needs to understand before any cost-cutting measures are taken. Illustrate your answer with examples.

<u>Answer Guide</u>
<u>Examiners should note that each section is equally weighted.</u> At pass level, candidates should identify a minimum of two limitations in each section. Credit should be given for the range of ideas included and the level of justification given for the inclusion of each.

a) *Reduced sample size*
Will reduce fieldwork cost – almost pro-rata. But little effect on other elements of cost, although less sub-sample analysis will reduce other costs to some extent.
If sample is too small:

- *Reduced statistical confidence in accuracy of measurements (larger sampling error – greater variability)*
- *Potentially less representative:*
  - ⇒ *more likely to miss full range of views/behaviours*
  - ⇒ *more likely to overstate/understate certain views/behaviours*
  - ⇒ *results may not be accepted/believed/taken seriously*
  - ⇒ *apparent differences between sub-groups are less likely to be real/statistically significant.*
- *Inability to look in any detail at subgroups/analyse data further – limits understanding/interpretation*
- *Increase in potential for interviewer effect – likely to have fewer interviewers/each interviewer becomes more influential*
- *Increase in potential for regional effects – likely to have fewer sampling points (if face to face)/increased pressure for points to be representative*
- *Increase in potential for timing effects – smaller sample likely to be conducted over shorter fieldwork period – may be atypical*
- *Particularly important for repeat/tracking studies where want to be able to attribute differences in data to real world rather than changes in sample*

b) *Reduce the number of quotas*

Will reduce cost, because of reduction to finding time – but interviewing time stays constant and other costs not affected at all.

If sample is too broad:

- *Some respondents may not have sufficient knowledge to answer all questions:*
  - ⇒ *reduced sample size for certain questions – less confidence in reliability of answers*
  - ⇒ *more routing needed on questionaire – greater potential for errors/hinders flow and hence rapport*
  - ⇒ *data analysis more complex if greater routing*
- *Probably less able to ask detailed questions – data potentially too general to be actionable*
- *If original quotas are interlocking changing to non-interlocking could help reduce costs*
- *May reduce the amount of sub-group analysis that can be done if these sub-groups have not been quota'd for/not present in sufficient numbers*
- *May end up with skewed samples (eg too many non-working respondents etc, too few younger men) which one may or may not be able to adjust with weighting*
- *Need to carefully consider what are the most important criteria to set quota controls on, and how best to collapse the quotas would otherwise have in place*

c) *Shorter questionnaire length*

Will reduce cost at all stages of research process. A shorter questionnaire may allow more interviews to be conducted. Need to focus - necessity to omit questions:

- *Insufficient level of detail – too general –less actionable*
- *Insufficient depth of exploration of any issue – limits understanding/potentially too superficial to be actionable*
- *Inability to interpret a piece of data – needed to know more about respondent to put finding into context, especially demographic/classification*
- *More need to focus on proving/disproving current hypotheses – less flexibility to explore alternative hypotheses based on speculative/exploratory questions*
- *Pressure to remove questions that are not directly relevant to that point in time – e.g. in tracking studies may need to replace certain questions with more topical issues but in doing so overall comparability with other waves is compromised*
- *May not allow any/so many open ended questions so pre-codes have to be predetermined with resulting diminution in breadth/spontaneity of response*
- *Balance of breadth and depth may affect respondent*
  - ⇒ *if depth is lost in favour of breadth respondent may feel questionnaire is too superficial and treat it less seriously esp. professional/business respondents*
  - ⇒ *if focusing on depth, questions may be 'harder' for respondent – fewer 'easy'/general questions as increased pressure to provide more detailed information*
- *Reductions may mean full/original information requirements will not be met*
- *Need to carefully consider and prioritise what question areas must be retained and what can be left out*
- *May mean respondents don't have an opportunity to say all they would wish to*

Better responses at c) may suggest:

- *Some questions are asked of just one in N respondents, with different respondents being asked a different set of such questions (will reduce sample sizes for these questions, but will provide data / insight not otherwise provided at all). A system would be required to ensure respondents are randomly or systematically routed to specific questions to ensure questions and responses not skewed*
- *Respondents to have be given an opportunity to add further comments at the end of the interview to mention things not already covered*

2. A number of key principles underpin the MRS Code of Conduct to ensure that research is carried out in an ethical manner.

a) Describe briefly what is meant by each of the concepts below in the context of the research process.

i) informed consent
ii) anonymity and confidentiality
iii) accurate reporting **(Weighting: 50% of total)**

Answer Guide
Each item is equally weighted. At pass level, candidates should provide a clear definition of each concept and provide some demonstration of their understanding of why this concept is important to the research process. Candidates who fail to define one item accurately may compensate for this by demonstrating good depth of understanding of the remaining two concepts.

i) informed consent

- *Participants must agree to take part in research.*
- *Must know what it will involve and what data will be used for.*
- *Voluntary participation and no harm to participants form basis of informed consent.*
- *Researcher's responsibility to ensure that research is not misrepresented in any way.*
- *Qual research – signed consent is required for viewing and recording*
- *Gaining permission from appropriate others if wishing to interview individuals aged under 16.*
- *Participants can withdraw at any time*
- *Participants can refuse to answer any question*
- *If recontacted as a result of earlier research, should be told this is the case, unless it will adversely affect the research, in which case respondents should be told this at the end, and would have the right to have their data removed (which they do anyway, of course)*

ii) anonymity and confidentiality

Anonymity:

- *Means that you cannot identify a response with a particular respondent*
- *Data record must not have personal info attached*
- *Respondents who are answering for themselves vs. for a company where the company might be identified if it doesn't reveal the respondent identity*
- *higher levels of participation and the ability to ask questions about more sensitive issues*

Confidentiality:

- *You can identify a response with a particular respondent but you agree/promise not to do so. All data should be kept secure and no unauthorised access should be allowed.*
- *You can only reveal information from an identifiable individual with that individual's consent.*

iii) accurate reporting

- *Means that reports must not mislead clients or the public in any way*
- *All findings must be clearly supported by the data*
- *Enough technical information must be included to allow valid interpretation of results*
- *Researchers also have a responsibility to ensure that the client does not misrepresent the findings in any publication of results.*
- *Ensuring the way questions are asked doesn't result in answers which do not accurately reflect the 'market' opinions and/or behaviour.*
- *Research results differentiate between what is factually found in the data and what is deduced or inferred.*
- *Ensuring the impartiality of the profession thereby safeguarding its reputation*

b) You have conducted research among the employees at a local hospital to find out their views about the effectiveness of new policies designed to promote equality of opportunity at work. You are now writing the report, based on a series of individual interviews with 15 staff members. Outline the steps you would take to ensure that your report meets the ethical and professional standards set by the MRS Code of Conduct.

(Weighting: 50% of total)

Answer Guide

Candidates are required to demonstrate a practical understanding of their responsibilities in the reporting stage of a project. At pass level, answers should identify a minimum of two relevant steps with convincing rationale. Stronger answers are likely to reflect an understanding of the impact of the research context on how results are reported. Weaker answers are likely to present a more generic list of steps to be taken.

Steps could include some or all of the following:

- *Any verbatim quotes need to be checked to see that they cannot be traceable – this does not simply mean removing names, as the individuals may be identifiable by department, title etc.*
- *Ensure that the steps taken in analysis are clearly explained, and the extent to which findings are generalisable*
- *Any details of the schedule/timing of interviews need to be checked to ensure that they cannot be used to identify the respondents*
- *If the employer wants to publicise the results, the researcher needs to check any press release or other materials being prepared to ensure their accuracy.*
- *Back checking the questionnaire to ensure verbatim quotes and conclusions are valid.*
- *Back checking that any quotes used are genuinely illustrative and that care has been taken to signal where views are of those of a majority or a minority.*

3. A chocolate manufacturer is about to launch a new product: a low-fat chocolate which tastes rich and creamy, but which is very low in calories. The company is carrying out a series of focus groups with consumers to help create an identity for the new product, including a name, packaging and marketing images.

a) Describe at least three projective techniques which moderators could use in the focus groups to gather the information which the company needs. Give reasons for the suggestions you make.

(Weighting: 50% of total)

Answer Guide

In order to pass this section, candidates must identify three techniques and provide an appropriate description and rationale for at least one of these. Stronger answers may make clear links between the context and the use of the techniques. Weaker answers are likely to provide more generic description.

Possible techniques include:

- *Word association*
- *Picture association*
- *Sentence completion*
- *Collage*
- *Projective questioning*
- *Personalisation of the brand*
- *Choice ordering*
- *Visualisation*
- *Analogies and CV*
- *Bubble drawing*
- *Brainstorming*
- *On-line methods – inc: moderated on-line group discussions and forums*

b) The focus groups will be carried out by a team of 3 moderators, each working in a different area of the country. Each moderator will conduct 3 focus groups. Describe and give a rationale for the steps you would take to ensure consistency of approach across the 9 groups.

(Weighting: 50% of total)

Answer Guide

Candidates are expected to identify a minimum of two steps, with detailed rationale, to meet pass level. Candidates with more steps may provide more limited rationale. Stronger candidates may identify sequential steps which can be taken and will provide clear justification for their suggestions.

- *Review the research objectives: Ensure that there is shared understanding of the aims and the type of information required.*
- *Review the discussion guide: Do all moderators agree on the aim and interpretation of the questions? Do all feel that all topic areas can be covered in the time given for the discussion group? Give an indication of amount of time spent on each topic to ensure that all moderators are consistent with regard to the level of probing.*
- *Ensure agreement on how data will be recorded. Also what data will be recorded – e.g. are you going to record non-verbal behaviour?*
- *Review the make-up of the groups (i.e. geographical spread; age groups etc): What similarities and differences are there? Are there potential impacts on the data collection?*
- *Discuss the approach and structure of tasks. How are groups going to be warmed up? How and when are the projective techniques going to be used? What (if any) materials are to be used and how will they be used?*

- *Arrange meeting/communication following the first round if possible, to discuss and resolve any problematic issues and to do debrief of early findings and examine their impact*
- *First group observed by other moderators and reviewed before continuing other groups. If not practicable for other moderators to attend venue they could be sent recording to view.*
- *provide an analysis grid to all moderators in advance so they know what information is needed.*
- *Hold the groups on the same week – try and minimise differences in time so that there is no difference occasioned by different time of groups taking place*
- *After all the groups, hold a brainstorming session so all can bring their findings and contribute ideas, draw up the results together in consultation (although this will ensure consistency in results rather than in approach)*

4. **The research organisation you work for has won a contract to track customer satisfaction over time for a small but expanding chain of clothing shops.**

a) Identify a range of approaches which could be taken to gathering this continuous data. Illustrate your suggestions with examples.

(Weighting: one third of total)

Answer Guide
At pass level, candidates are expected to identify a minimum of two approaches to this particular study and show how each might be used in relation to this context. Weaker answers are likely simply to list and describe possible approaches. Stronger answers are likely to provide a wider range of possible approaches and more convincing illustration.

Possible approaches might include:

- *Panel of regular customers*
- *Regular postal questionnaires with incentives*
- *In-store interviews at regular intervals*
- *Inclusion of customers satisfaction questionnaire with random selection of customers on completion of transaction*
- *General on-line panel*
- *Exit interviews*
- *On-line interviews*

b) Discuss the strengths and limitations of each approach you have identified. Which approach would you recommend, and why?

(Weighting: two thirds of total)

Answer guide
At pass level, candidates should identify a minimum of two strengths and two limitations for each option and provide a justified recommendation. Weaker answers may fail to identify a range of strengths or the potential limitations. Stronger answers are likely to identify a wider range of strengths/limitations. They are also likely to provide a greater depth of rationale for their choice. Very strong answers might identify how the limitations identified in the recommended option might be overcome.

Potential strengths/limitations for the approaches suggested may include some or all of the following:

	Strengths	***Limitations***
Panel	• *Regular customers know the organisation and study may give insight into loyalty* • *Cost-effectiveness linked to higher response rate* • *after first time, limited recruitment costs so potentially more cost effective than ad hoc*	• *Panel needs to be large enough to allow for respondent fatigue* • *Rotation necessary to ensure that views of new customers are heard* • *Members may cease to be customers – hence drop out* • *Bias if panel members happen to be more loyal customers and/or higher frequency purchasers.* • *Customers may become used to the questions and so sensitised to customer service so if asked again may not give totally representative responses second time round (this is a big and real drawback)* • *may be unrepresentative as it is made up of regular customers. They may provide a more positive response because they are happy with the store and that is one*

		reason why they are regular customers. • *respondents may not have visited the shop since last survey* • *visitor views may not change over time* • *may become boring/repetitious if content is always the same* • *for the above reasons, need to ensure don't interview individuals too frequently, so panel needs to be sufficiently large to cover future waves, and appropriate screening questions needed*
Postal	• *Less expensive therefore suitable for a small company* • *If money-off incentives are given, could encourage response* • *respondent can complete in own time*	• *Could be limited response rates (depending on incentives)* • *Need to ensure that people respond only once in each round, if incentives are given* • *May not get all groups of customers – probably only those with loyalty cards* • *If incentives are given, especially discount vouchers this could result in biased CSQ ratings* • *Need to ensure that accurate customer address lists are available* • *not always the most representative – how do you know that those responding are not just the most and least satisfied.* • *difficult to control response from postal and ensure it is representative of the population* • *one may get proportionally more dissatisfied customers responding, again creating a bias picture of overall customer satisfaction* • *as self-completion cannot be sure who is completing* • *no interviewer to encourage participation, probe, clarify*
On-Line	***Broadly as postal plus*** • *can include visuals* • *no postage costs*	***Broadly as postal plus*** • *need email addresses* • *not all will be on-line/have provided email addresses/read an email invite* • *need expertise to develop/manage an online survey*
In-store	• *Easier to fill quotas for different groups, including irregular shoppers* • *Could arrange times to ensure that all groups are covered (e.g. mid-week shoppers and weekend shoppers)* • *Easier to weed out those who respond more than once* ***better responses*** *may include info on interviews being conducted at different points in the shopping experience (e.g. on arrival, during the shop (possibly mentioning accompanied shops), exit interviews) – with*	• *More time-consuming – both for interviewers and for shoppers who may not want to do an interview when shopping.* • *Need to decide which stores to target – are they all equally representative?* • *Need to have somewhere to conduct the interview – respondent privacy.* • *More expensive if interviewers are involved* • *Consideration must be given re best time to conduct the interview in the customers visit (on arrival, during shop, at end)*

	associated comments on strengths and limitations of each	• *Need to ensure cover appropriate days of the week/times of the day* • *Interview would need to be kept relatively short and concise, thus may not cover all areas of potential interest*

5. You are preparing a report on a research project which has made use of the following analysis techniques. You are sure that your client will ask you to explain the basic principles of each technique:

i. correlation
ii. weighting
iii. inferential statistical tests

a) Describe each technique and describe how each might be used. Illustrate your answer with examples.

(Weighting: two-thirds of total)

Answer Guide
In order to pass this section, candidates are expected to provide an accurate definition of at least two of the three terms and provide a convincing illustration of how at least two of the concepts are used in analysis.

Stronger answers for this section will provide clear and accurate definitions and examples which demonstrate a depth of understanding of key issues.

The basic information sought within definitions and descriptions include some or all of the following:

Correlation:
- *A technique that tries to establish a statistical relationship between two variables. An example of a correlation would be the relationship statisticians have found between smoking and cancers.*

Weighting:
- *Mechanism used to adjust sample data in order to make them more representative of the target population.*
- *Where there is an imbalance (eg where an equal number of responses from men and women is required) eg. wanted to interview 100 men and 100 women, but achieved 150 men and 50 women. Therefore need to up weight women by a factor of 2, and down weight men by a third (i.e. 0.67)*

Inferential statistical tests:
- *Used to determine if differences between means or percentages are 'real' or are they more likely to have occurred by chance (e.g. is the proportion who buy brand X significantly greater than the proportion who buy brand Y?)*
- *Choice of the test will depend upon the type of data, the level of measurement and how the sample is gathered (i.e. a random/probability sample) – whether you are testing for a difference or a relationship, whether the data is derived from one sample or two and whether or not the samples are related.*
- *The tests tell us the probability that the differences are real (as opposed to occurring by chance).*

b) Your client has asked you to identify drawbacks to using the techniques above. Select <u>one</u> of the techniques and describe the limitations of using it in analysing data for a research project. Illustrate your answer with examples.

(Weighting: one-third of total)

<u>Answer Guide</u>
Candidates are expected to select only one of the techniques from the selection of 3. The range of limitations identified will depend on which is chosen. However, answers are expected to demonstrate a clear, practical understanding of the implications of the limitations identified for the research project. Limitations could include some/all of the following:

Correlation:

- *Depending on the variables being correlated, it can be difficult to interpret accurately.*
- *It is important to identify that correlation doesn't necessarily imply a causal relationship. See point above about need to ensure accurate interpretation*
- *Need a large numbers of interviews to be robust*

Weighting:

- *A main limitation is that weighting can actually distort (rather than re-calibrate) the sample. This can occur especially if a weight of 2 or over is given to any individual respondent or unit (i.e. say you only interviewed 50 women and yet 200 men and so wanted to down-weight the men and up-weight the women, if you had each woman respondent acting as the equivalent of two in the sample (i.e. their answers are double counted) then sometimes you can make the data skewed, in particular if the sample cell (e.g. in this case women) is not that large, so any over-extrapolation is risky.*
- *Samples need to be a of a reasonable size for weighting to work*
- *It also takes time to compare un-weighted with weighted data*
- *If the weighting regime is not accurate or wrongly applied, then data can be inaccurate (and there is more chance of things going wrong)*
- *Clients can get confused between the two sets of data (unweighted and weighted). All charts showing data must make clear if the data is unweighted or weighted.*
- *If you do not accurately know the incidence in the universe of the various samples (eg say you did not know the real ratio of men to women in the universe – so are guessing)*

Inferential statistical tests:

- *Need a true random sample (very rare in research surveys today) and a high response rate.*
- *Depending upon the level of confidence selected, can declare a difference to be real when it is not – with the potential risk of misleading conclusions being drawn.*
- *When measuring differences between two different samples or two different points in time, must ensure that the 'correct' test is being applied, that one has identical samples as far as possible and, be aware of other factors that could be influencing the results (e.g. bad publicity about the industry sector or the company itself during one of the 'waves' of the survey).*

6. **A close friend is interested in setting up a small business, creating floral displays for weddings and other social functions. She feels that she doesn't have the financial resources to carry out primary research into the market for her product. However, you feel that a programme of secondary research is needed before she launches her business.**

a) What are the potential benefits and limitations of a programme of secondary research in this context? Illustrate your answer with examples.

(Weighting: one-third of total)

Answer Guide
At pass level, candidates are expected to identify a minimum of two advantages and two limitations. Candidates are expected to provide clear examples for the points they make.

Advantages	***Limitations***
• *Cost effective – the research needed might have been done already* • *Accessible – wide range of sources available so a range of material can be gathered* • *Not necessary to employ an agency – sources can be searched by non-researchers* • *Info gathered might indicate a range of possibilities not considered previously*	• *Needs some expertise to ensure that appropriate sources are consulted* • *Need to be aware of possible bias (e.g. who commissioned the research?)* • *Need to be aware of scope of research – how representative, reliable and valid is the information?* • *Some sources may be time consuming or difficult to track down* • *May be difficult to make an accurate synthesis of all the data* • *Will not give the depth, breadth and insight that primary research would.*

b) Your friend needs to understand her market better and has asked you to set up a programme of secondary research. Outline the steps you will take to set up the programme, giving reasons for the suggestions you make.

(Weighting: two-thirds of total)

Answer Guide
Candidates are expected to provide a brief plan, with clear stages outlined. The plan should be convincing in that it should provide:
- *Logical progression*
- *Clear rationale for each stage included*

At pass level, candidates are expected to provide a plan with a range of stages and some rationale. Stronger answers may provide greater depth of rationale for suggestions and relate this convincingly to the context of a small business. Weaker answers may focus on data gathering without giving due consideration to the other stages, such as preparing to carry out the research or deciding how to analyse it.

Steps may include some or all of the following:
- *Identify the market accurately – in order to select type of info required*
- *Identify key competitors – in order to identify possible sources (e.g. competitors' websites)*
- *Draw up list of sources and the type of info sought on each*
- *Identify internet and non internet sources eg finding out which magazines and publications operate in this area (floral/weddings/social functions); possible visits to appropriate reference libraries (eg British Library and their reference rooms); existing reports/data sets available for purchase or via subscription (eg Keynote, Mintel)*
- *Allocate the research activity – will one person be responsible for data gathering or will this be split between different people?*

- *Decide how to record the information – categories of information; recording opinions/attitudes expressed in the information etc*
- *Plan on how to collate the data gathered – identify how to prioritise the different types of data gathered*
- *How will it be presented/communicate*
- *Action planning – what will be done as a result of the info? How does this relate to the research objectives?*