Exam Paper No:	



## **Advanced Certificate in Market & Social Research Practice**

## **EXAMINATION PAPER**

27<sup>th</sup> June 2018 10.00am – 12.30pm

### Instructions to Candidates

- Time allowed 2 hours 30 minutes
- Candidates must answer questions A, B, & C in Section 1
- Candidates must answer <u>TWO</u> questions from the <u>SIX</u> in Section 2
- All answers must be written in your Examination Answer booklet

Important Note: The requirement is for candidates to complete questions A, B & C in Section 1 and two questions from six in Section 2, failure to do this by either selecting more or less questions than the requirement may result in the paper being marked as non-compliant. Recommended times are detailed in each section to assist candidates in completing all the questions in the time available.

# Section 1: Compulsory question (Recommended time: 50 minutes)

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

Read the following case study and answer ALL 3 questions below.

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*Orinoco* is a major online retailer specialising in electrical household goods (e.g. washing machines, televisions, toasters). The company has become famous for its low prices and for finding ways of keeping its operating costs to a minimum. *Orinoco* has always sold its products exclusively via its website, where visitors must register (by supplying their name, address, and email address) to access special offers, such as its 'buy one, get one half price' offers.

In the past two years, *Orinoco* has seen a significant decrease in its market share and in its profits. Fewer people are visiting the company's website and those who do visit often leave without registering or making a purchase. There has also been a sharp decline in repeat custom and in the number of customers choosing the special offers. The senior management team feels that the market for online retail may be changing, and that *Orinoco's* business model may need to change if the company is to regain its profitability.

The senior managers have asked the company's own research team to carry out market research to inform discussions about the future direction of the company. They are keen to find out if and how the market is changing, why customers are no longer choosing *Orinoco* in the way they once did, and how the company might win back customers and repeat business.

#### **Question A**

The research team believes that a programme of desk research is a good place to start for two reasons: it will help build a sound understanding of the issues; and it will help define the objectives for primary research. They know there are useful secondary data to be found internally, in *Orinoco's* records, as well as externally. Outline the types of internal and external information that would be helpful, and describe where they might find that information.

(Weighting: one-third of total)

### **Question B**

The senior management team have asked for valid and reliable quantitative information about the attitudes to the company of current/ recent, former and prospective customers, and if their purchasing habits have changed in recent years.

Design a sampling plan to show how each group will be represented appropriately in the sample. The plan should outline:

- the sampling approach you have chosen for each group
- the sample sources or sampling frames you intend to use
- any ethical issues you need to take into account when drawing the sample for each group.

Give reasons for the suggestions you make.

(Weighting: one-third of total)

### **Question C**

One of the junior executives in the research team has been tasked with creating an online self-completion questionnaire which will collect information from recent customers. Below is an extract from a section of the first draft, starting at Question 5. How could the questions in this section be improved? Give reasons for the suggestions you make.

(Weighting: one-third of total)

- 5. How often do you visit the Orinoco website?
  - a) Regularly (once a week)
  - b) Often (once a month)
  - c) Occasionally (once every two to three months)
  - d) Not often (less than once every two to three months)
- 6. If you have made a purchase from Orinoco using the website what would you say was the best thing about the experience?
  - a) Easy to find what I wanted
  - b) Convenient
  - c) Value for money
  - d) Good related special offers
- 7. Do you agree or disagree with the following statements about Orinoco?
  - a) It offers good value for money Yes/No
  - b) It offers a good range of products Yes/No
  - c) It's seen as a good retailer Yes/No
  - d) The special offers are a good idea Yes/No

## Section 2: Optional Questions (Recommended time: 100 minutes)

This section accounts for two-thirds of the total marks.

Answer any TWO questions from the SIX in this section. Give a full answer to each of the questions you choose.

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## Question 1

Recent news stories about companies' misuse of personal data is starting to make some small businesses nervous about using their customers' data for research purposes.

Your research agency specialises in research projects for small businesses, and the local Chamber of Commerce has asked you to speak at an event for small businesses. They would like you to do a presentation on 'Using Customer Data Safely in Research'.

**a)** Describe at least three steps a small business should take before they allow the researcher access to customer data and explain why each step is important.

(Weighting: one-half of total)

**b)** Describe at least three steps a researcher should take to ensure that the customers' rights regarding their data are upheld during the research process. Explain why each step is important.

(Weighting: one-half of total)

## Question 2

A chain of coffee shops has recently invested in staff training to help staff increase sales of items such as biscuits and cakes when customers place their order for drinks. However, three months after the training programme, the sales have not increased significantly. The Marketing Director thinks that this is due to staff not applying their training when working with customers. The Marketing Director has commissioned your company to carry out mystery shopping research to find out why sales are not increasing as expected.

**a)** Identify the strengths and limitations of mystery shopping research in identifying why sales have not increased. Give examples for the points you identify.

(Weighting: one-half of total)

**b)** Outline the steps you would take before the research starts to ensure that this mystery shopping research is carried out in an ethical and professional manner. Give reasons for the steps you suggest.

(Weighting: one-half of total)

#### Question 3

Eastern General is a large hospital employing more than 1,200 people. Following news reports of low morale among healthcare staff across the country, the governing Board of the hospital has asked the management team to run a staff satisfaction survey of Eastern General staff. The Board wants to know how satisfaction rates compare with those at national level, and which groups of staff are the most and least satisfied. They also want to know what should be done to improve satisfaction. To address these aims, an online questionnaire has been sent to all staff. It includes questions about the participants' age, gender, department, professional role and length of service. It also contains questions about their satisfaction with different issues related to their work, and their views on a range of suggestions for improvements to working conditions.

Staff satisfaction is a very sensitive issue and the management team wants to be confident that the results are a reliable reflection of the views of the staff as a whole. They also want to be as specific as possible about the staff groups who are the most and least satisfied.

You are a member of the research team responsible for gathering and analysing the data.

**a)** Describe the steps you could take before and during the data collection to make sure that the data provides the information that the management team needs. Give reasons for your suggestions.

(Weighting: one-half of total)

**b)** The survey closed last week and 40% of staff participated. The data has now been cleaned and is ready for analysis.

Identify at least three techniques you could use in the analysis of the survey data so that the results provide the information that the management team needs. Give reasons for your suggestions.

(Weighting: one half of total)

## Question 4

A major business supplies company occupies a large office block in the city centre. The office is near transport links, which is convenient for staff, and also near to the offices of many of the company's clients. Now, however, rising city-centre rents mean that the company Directors are considering a move to an out-of-town business park. However, they are worried that such a move could lead to the loss of experienced staff and valued clients.

The Directors have asked for research to help them understand how employees and clients might be affected by the move. You are a member of the in-house research team tasked with carrying out the research project.

a) One of your research colleagues thinks that the project should begin with a phase of qualitative research to help identify some issues which might need to be explored in a larger study. She suggests that this qualitative research could be carried out with two small focus groups, one of employees and one of clients. Describe the strengths and limitations of this approach for this situation.

(Weighting: one-half of total)

**b)** The research team has decided to conduct this initial qualitative research via a short series of individual interviews with five members of staff and five longstanding clients. The aim of these interviews is to identify attitudes and opinions about the current office location and the proposed new location.

Create two outline topic guides, one to support interviews with employees and one to support interviews with clients. Each outline topic guide should identify the main topic areas you need to explore with participants in the respective groups, and include some key questions you can use to gather information in each area. Provide a clear rationale for the topic areas you choose to include in your outline.

(Weighting: one-half of total)

### Question 5

The value of a primary research project is usually measured in terms of its usefulness to the client.

**a)** Identify *at least* three factors which might limit the usefulness of a research project to the client who commissioned it and explain how each factor might affect the usefulness of the research.

(Weighting: one half of total)

**b)** You are a member of a research team who has carried out a piece of research for a new client. As the team leader, your role is to write the final report. Outline the steps you would take to maximise the usefulness of the report to the client.

(Weighting: one half of total)

#### **Question 6**

Benbarra is an area of natural beauty in the mountains of Scotland. The area is popular with hikers and mountain bikers. Recently, however, more tourists have started to visit in minibuses, creating long traffic jams in the hills. The regional authority which is responsible for the local environment including tourism is worried that the increase in traffic will spoil the wild appeal of the area, and result in a decline in the numbers cycling and hiking. One possible solution to these problems is to introduce an electric cycle hire scheme to encourage people out of minibuses. Although the scheme would be expensive to establish, the regional authority proposes to cover the costs with the revenue raised through the hire fees. However, in a time of cuts to budgets, there is considerable opposition to the introduction of a scheme which is seen to be expensive. Before going ahead, the regional authority needs to have confidence that the electric cycle-hire scheme would address the needs that have been identified.

**a)** Describe the potential benefits to the regional authority of carrying out market research. Illustrate your answer with examples.

(Weighting: one-half of total)

**b)** The regional authority has decided to commission a research programme, and has asked you to devise a brief for circulation to 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-half of total)

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