

Market Research Techniques

A/B Testing – Related terms: Split testing, multivariate testing. A controlled experiment that compares two versions of a marketing element (e.G., Webpage, email) to determine which performs better. Example: An e-commerce site shows Version A with a green “Buy Now” button and Version B with a red button to a random half of visitors; conversion rates are measured. Practical application includes optimizing landing pages, ad copy, and pricing displays. Challenges involve ensuring sufficient sample size, avoiding “peeking” bias, and accounting for external factors that may affect results.

Attitude Scaling – Related terms: Likert scale, semantic differential. A quantitative technique that measures respondents’ attitudes toward a product, brand, or concept using a graduated response format. Example: A survey asks participants to indicate agreement with statements about a new smartphone on a five-point scale from “Strongly disagree” to “Strongly agree.” This data helps marketers gauge acceptance levels and identify attitude drivers. Challenges include scale bias, central tendency, and interpreting neutral responses.

Benchmarking – Related terms: Best-practice analysis, competitive analysis. The process of comparing a company’s performance metrics (e.G., Market share, customer satisfaction) against industry standards or leading competitors. Example: A retailer evaluates its average transaction value against the top three national chains to identify gaps. Practical use includes setting realistic performance targets and uncovering improvement opportunities. Challenges arise from data availability, differing market contexts, and the risk of copying rather than innovating.

Conjoint Analysis – Related terms: Choice modeling, discrete choice experiment. A statistical technique that decomposes consumer preferences into the value of individual product attributes (e.G., Price, color, features). Example: A car manufacturer presents respondents with several hypothetical vehicle profiles, each varying in engine size, fuel type, and price, then asks which they would purchase. Results reveal trade-offs consumers are willing to make, guiding product configuration and pricing strategy. Challenges include designing realistic attribute combinations, avoiding respondent fatigue, and interpreting interaction effects.

Customer Journey Mapping – Related terms: Touchpoint analysis, experience mapping. A visual or descriptive representation of the steps a consumer takes from awareness to post-purchase, highlighting emotions, motivations, and pain points at each stage. Example: A telecom provider charts a customer’s path from online research, through store visit, contract signing, to service activation, noting moments of confusion during plan selection. Practical applications involve identifying friction points, improving omnichannel experiences, and aligning internal processes. Challenges include capturing cross-channel data, keeping the map up-to-date, and ensuring stakeholder buy-in.

Data Mining – Related terms: Predictive analytics, clustering. The process of extracting hidden patterns, correlations, and insights from large datasets using algorithms such as decision trees, neural networks, or association rules. Example: A supermarket analyzes loyalty card transactions to discover that customers buying organic baby food often purchase premium coffee, prompting bundled promotions. Practical use

includes segmentation, churn prediction, and cross-selling. Challenges involve data quality, privacy regulations, and the risk of over-fitting models.

Depth Interview – Related terms: In-depth interview, qualitative interview. A one-to-one, open-ended interview technique that explores a respondent's motivations, perceptions, and experiences in great detail. Example: A cosmetics brand conducts 30-minute interviews with frequent buyers to uncover emotional triggers behind loyalty. Findings inform brand storytelling and product development. Challenges include interviewer bias, time and cost intensity, and difficulty in generalizing results.

Ethnographic Research – Related terms: Participant observation, cultural immersion. A qualitative method where researchers observe consumers in their natural environment to understand behaviors, rituals, and unmet needs. Example: Researchers spend a week in a family's home watching how they use kitchen appliances, noting workarounds for limited counter space. Practical applications include uncovering latent needs for product innovation. Challenges involve access to private settings, observer influence, and extensive time commitments.

Focus Group – Related terms: Group interview, moderated discussion. A moderated session with 6-12 participants who discuss a specific topic, product, or concept, generating rich qualitative data through interaction. Example: A beverage company runs a focus group to test reactions to a new flavor, noting spontaneous comments about taste, packaging, and brand fit. Applications include concept testing, advertising pre-testing, and idea generation. Challenges include groupthink, dominant participants, and limited representativeness.

Gap Analysis – Related terms: Needs-gap model, performance gap. A systematic assessment that compares current market performance against desired objectives or competitor benchmarks to identify shortfalls. Example: A SaaS firm measures its feature adoption rate versus industry standards, uncovering a 15% gap in mobile usage. The analysis informs roadmap prioritization. Challenges include defining realistic benchmarks, isolating root causes, and aligning organizational resources to close gaps.

Kano Model – Related terms: Quality function deployment, attribute classification. A framework that categorizes product attributes into Must-Be, One-Dimensional, Attractive, Indifferent, and Reverse, based on how they influence customer satisfaction. Example: Survey respondents rate a smartphone's battery life as "Must-Be" and its facial recognition as "Attractive." The model guides feature prioritization and resource allocation. Challenges include correctly interpreting ambiguous responses and ensuring cultural relevance of attribute classifications.

Likert Scale – Related terms: Attitude scaling, rating scale. A psychometric scale commonly ranging from 1 to 5 or 1 to 7 that measures the degree of agreement or disagreement with a statement. Example: Participants rate "The checkout process was easy" from "Strongly disagree" (1) to "Strongly agree" (5). Widely used in satisfaction surveys, employee engagement studies, and brand perception research. Challenges involve central tendency bias, acquiescence bias, and the difficulty of treating ordinal data as interval for statistical analysis.

Market Segmentation – Related terms: Demographic segmentation, psychographic segmentation,

behavioral segmentation. The process of dividing a broader market into distinct groups of consumers with similar needs, characteristics, or behaviors, enabling targeted marketing. Example: A travel agency segments customers by purpose of travel (leisure vs. Business) and designs separate promotional packages. Practical applications include media planning, product positioning, and pricing differentiation. Challenges involve selecting relevant segmentation variables, maintaining segment stability, and avoiding over-segmentation.

Net Promoter Score (NPS) – Related terms: Loyalty metric, promoter-detractor model. A single-question metric that asks respondents how likely they are to recommend a brand or product on a 0-10 scale; scores are calculated as the percentage of Promoters (9-10) minus the percentage of Detractors (0-6). Example: An airline receives an NPS of +35, indicating a strong base of loyal advocates. Used for benchmarking, tracking loyalty trends, and identifying at-risk customers. Challenges include cultural response variation, the simplicity of the metric overlooking nuance, and the need for follow-up qualitative insights.

Observational Research – Related terms: Field observation, non-intrusive research. A technique where researchers watch consumer behavior without direct interaction, capturing authentic actions. Example: Video cameras record shoppers' aisle navigation in a supermarket to analyze product placement impact. Applications include store layout optimization, checkout process redesign, and usability testing. Challenges include observer effect, ethical considerations regarding consent, and the difficulty of interpreting observed actions without context.

Panel Survey – Related terms: Longitudinal study, recurring survey. A research design that repeatedly surveys the same group of respondents over time, allowing tracking of attitudes, behaviors, and market trends. Example: A consumer electronics panel reports quarterly brand preference changes, enabling early detection of shifting loyalty. Practical uses include brand health monitoring, product lifecycle analysis, and media consumption tracking. Challenges involve panel attrition, maintaining respondent engagement, and ensuring data consistency across waves.

Qualitative Research – Related terms: Exploratory research, narrative analysis. Research methods that collect non-numerical data—such as words, images, or observations—to gain deep insight into motivations, feelings, and social contexts. Example: A fashion brand conducts photo-elicitation interviews where participants discuss outfits while showing personal photographs. Benefits include rich, contextual understanding and idea generation. Challenges include subjectivity in analysis, difficulty in scaling findings, and time-intensive data collection.

Quantitative Research – Related terms: Descriptive research, statistical analysis. Systematic investigation that generates numerical data amenable to statistical testing, often using surveys, experiments, or secondary data. Example: A retailer administers a 1,000-respondent online survey measuring purchase frequency and average spend. Enables hypothesis testing, trend identification, and predictive modeling. Challenges include questionnaire design bias, sampling error, and ensuring data reliability.

Regression Analysis – Related terms: Linear regression, multiple regression, predictive modeling. A statistical technique that estimates the relationship between a dependent variable (e.g., Sales) and one or more independent variables (e.g., Price, advertising spend). Example: A consumer goods company uses multiple regression to quantify how price discounts, shelf placement, and seasonality affect weekly sales.

Applications include forecasting, budgeting, and ROI calculation. Challenges involve multicollinearity, omitted variable bias, and over-reliance on historical patterns.

Sample Size Determination – Related terms: Power analysis, confidence interval, margin of error. The process of calculating the number of respondents needed to achieve statistically reliable results, based on desired confidence level, population variability, and acceptable error. Example: For a national survey with a 95% confidence level and 3% margin of error, a sample size calculator suggests 1,067 respondents. Critical for ensuring representativeness and credibility. Challenges include balancing cost constraints, dealing with low response rates, and adjusting for design effects in complex sampling.

Survey Design – Related terms: Questionnaire construction, skip logic, scaling. The art and science of creating effective survey instruments that elicit accurate, unbiased responses. Example: A health insurer designs a questionnaire with clear, neutral wording, balanced Likert scales, and logical flow, using online skip logic to reduce respondent burden. Proper design enhances data quality and completion rates. Challenges include wording bias, length management, and accommodating diverse respondent devices.

Trend Analysis – Related terms: Time-series analysis, moving average, seasonal decomposition. The examination of data points collected over intervals to identify patterns, growth rates, or cyclical behaviors. Example: A beverage company tracks monthly sales for three years, applying a moving average to smooth out volatility and reveal a steady upward trend in low-calorie drinks. Used for forecasting, strategic planning, and market entry decisions. Challenges involve distinguishing true trends from random noise, handling missing data, and accounting for external shocks.

Usability Testing – Related terms: Heuristic evaluation, user experience (UX) testing, task analysis. A method where participants perform specific tasks with a product (often digital) while observers note difficulties, errors, and satisfaction. Example: Participants navigate a mobile banking app to locate the fund-transfer feature; time-on-task and error rates are recorded. Findings guide interface redesign and improve conversion. Challenges include recruiting representative users, creating realistic task scenarios, and interpreting qualitative feedback alongside quantitative metrics.

Voice of Customer (VoC) – Related terms: Customer feedback loop, sentiment analysis, net promoter score. A systematic process for capturing customers' expectations, preferences, and aversions through surveys, interviews, social listening, and complaint analysis. Example: A telecom operator aggregates call-center logs, social media mentions, and survey responses to produce a VoC dashboard highlighting pain points in billing. Enables targeted service improvements and product innovation. Challenges include integrating disparate data sources, filtering noise, and acting on insights promptly.

Web Analytics – Related terms: Digital metrics, clickstream analysis, conversion funnel. The collection, measurement, and analysis of website data (e.g., Page views, bounce rate, session duration) to evaluate performance and user behavior. Example: An e-commerce site tracks the checkout funnel, discovering a 40% drop-off at the shipping-information step, prompting a redesign that recovers 12% of lost sales. Supports optimization of content, navigation, and marketing spend. Challenges involve data privacy compliance, attribution modeling, and distinguishing causation from correlation.

Weighted Scoring Model – Related terms: Decision matrix, criteria weighting, multi-criteria analysis. A quantitative method that assigns relative importance (weights) to evaluation criteria and scores alternatives accordingly to aid decision-making. Example: A product development team rates three concept ideas on criteria such as market potential (0.4), Technical feasibility (0.3), And cost (0.3); The highest weighted score guides selection. Provides transparent, repeatable assessment. Challenges include subjectivity in weight assignment, potential bias, and the need for accurate underlying data.

Zero-Based Budgeting (ZBB) – Related terms: Incremental budgeting, cost-benefit analysis. A budgeting approach where each expense must be justified from a “zero base” each period, rather than basing allocations on previous budgets. Example: A marketing department reviews every campaign, assigning resources only to those with demonstrable ROI, eliminating legacy spend on underperforming channels. Encourages cost discipline and alignment with strategic priorities. Challenges include time-intensive analysis, resistance from stakeholders accustomed to incremental budgets, and the risk of overlooking long-term brand investments.