

PGDM/IB  
Marketing Research & Analytics  
DM-533/IB-509

Trimester – **V**, End-Term Examination: December 2015

Time allowed: 2 Hrs 30 Min

Max Marks: 50

Roll No: \_\_\_\_\_

**Instruction:** Students are required to write Roll No on every page of the question paper, writing anything except the Roll No will be treated as **Unfair Means**. All other instructions on the reverse of Admit Card should be followed meticulously.

Sections	No. of Questions to attempt	Marks	Marks
A	3 out of 5 (Short Questions)	5 Marks each	3*5 = 15
B	2 out of 3 (Long Questions)	10 Marks each	2*10 = 20
C	Compulsory Case Study	15 Marks	15
		<b>Total Marks</b>	<b>50</b>

**Section A: Attempt any three questions. 5 marks each**

1. Sergio Zyman, former CMO of Coco-Cola in his book, *The End of Marketing* summarized that "The sole purpose of marketing is to get more people to buy more of your product, more often, for more money." Discuss this statement in the context of Marketing ROI.
2. What are the basic concepts of Multidimensional Scaling (MDS). How is it useful for marketers?
3. What is the difference between a management decision problem and a market research problem? Explain with appropriate examples.
4. What kinds of problems entail the use of cluster analysis in marketing decisions? What are the key steps and statistics associated with clustering?
5. Historically marketing research and marketing analytics have been independent domains. Today we see a partnership, a marriage of the two. Discuss.

**Section B: Attempt any two questions. 10 marks each**

6. A study was conducted to identify the variables which distinguish between heavy and light users of social networking sites among students. The following tables display the results using discriminant analysis. Answer the questions based on your interpretation of the tables.

- I. What is a discriminant function? Write out the discriminant function that can help classify the students as heavy and light users.
- II. What is the percentage of respondents the discriminant function is able to classify correctly?
- III. How will you use the results to build a decision rule and a cut-off score for classifying a new respondent as a heavy/light user
- IV. Identify the predictor variables that are better at discriminating between the two groups.
- V. What kind of organizations could use this information and for what purpose?

Classification Results					
		Internet Usage	Predicted Group Membership		Total
			Light Users	Heavy Users	
Original	Count	Light Users	21	11	32
		Heavy Users	10	19	29
Cross-validated	Count	Light Users	16	16	32
		Heavy Users	14	15	29

Canonical Discriminant Function Coefficients	
	Function
	1
Linking with Professional	.004
Messaging	.621
Networking	-.178
Make new friends	-.322
Promote events	.145
Bloggng	.638
News Updates	-.408
Games	.489
Education	-.058
Photo sharing	-.623
Job seeking	.217
Online dating	-.315
(Constant)	-.119
Unstandardized coefficients	

Standardized Canonical Discriminant Function Coefficients	
	Function



	1
Linking with Professional	.006
Messaging	.753
Networking	-.199
Make new friends	-.407
Promote events	.162
Blogging	.688
News Updates	-.429
Games	.619
Education	-.068
Photo sharing	-.592
Job seeking	.246
Online dating	-.464

Functions at Group Centroids	
Internet Usage	Function
	1
Light Users	-.453
Heavy Users	.500
Unstandardized canonical discriminant functions evaluated at group means	

Structure Matrix	
	Function
	1
Blogging	.573
Promote events	.405
Online dating	-.266
Messaging	.229
Photo sharing	-.221
Games	.203
Linking with Professional	.158
News Updates	.122
Make new friends	-.114
Networking	.099
Education	.092
Job seeking	.078
Pooled within-groups correlations between discriminating variables and standardized canonical discriminant functions Variables ordered by absolute size of correlation within function.	



7. What is Conjoint Analysis? What is the use of conjoint analysis in marketing decisions? Explain the process of conducting conjoint analysis using an appropriate marketing example.
8. You work for 'Personal PR' a reputation management organisation as they call themselves. You have been assigned the social media management responsibility for a new client. The client is very demanding and has been giving you a tough time in the last two meetings about how ineffective your campaigns for them have been. What would be your preparation for the next meeting include. How would you convince the client on the returns of social media marketing?

**Section C:**

**Marks 15**

**Read the following case study and answer all questions. Keep your answers to the point.**

With roots that go back to before the Great Depression, Marriott International ([www.marriott.com](http://www.marriott.com)) has come a long way from its founding by husband and wife John and Alice Marriott. As of 2014, Marriott International has grown to be a leading lodging company with more than 3,700 properties in seventy-four countries and territories worldwide. This sustained vast expansion over the last several decades is due in large part to marketing research. Marriott began pioneering segmentation in the hospitality industry by expanding its product offering in the 1980s, both upward and downward in quality from its flagship Marriott brand. Through focus groups and survey research, Marriott found that it could have many types of hotels serving different market segments, and that these market segments, although all providing the same basic needs, would not compete with each other. Certain brands under the Marriott umbrella serve the business traveler. Courtyard by Marriott, with pricing and scaled-back service levels compared to the larger Marriott hotels, is targeted toward the price-sensitive frequent business traveler.

Courtyard hotels—said to be designed for business travelers by business travelers—offer high speed Internet access, ample workspace within the rooms, and other amenities that are appealing to the business traveler. Fairfield Inns are priced still more modestly to appeal to travelers who are even more price sensitive. Other brands under the Marriott flag, such as the Ramada line, serve a more family-style vacation market, with a focus toward comfort and affordability. However, differentiation is not based on service and pricing alone. Marketing research has revealed other attributes that are important. For example, a family or a basic business traveler on a budget might be looking for a convenient location in addition to affordability. Hence, Marriott places Fairfield Inns along interstates and highways because these targeted groups travel by car. Convenient location becomes another attribute that adds value and enhances perception of the Marriott brand name. When Marriott began its Fairfield Inn and Suites brand, it started simply as Fairfield Inn. Then, with marketing research (focus groups and surveys), Marriott found that its Fairfield Inn customers desired a luxury-class room within the value hotel of the Fairfield line. Responding to this, Marriott changed the name to Fairfield Inn and Suites and added high-class rooms that contain amenities such as spas.

Analysis of internal secondary data identified a substantial number of travelers who stayed in Marriott hotels for more than a few nights. Focus groups and surveys revealed that these extendedstay travelers have different needs. They might need meeting space to conduct business, a kitchenette to dine in occasionally, or a suite space so that they do not get tired of seeing the same four walls around their beds when they come "home" in the evening after yet another day on the road. For these travelers, Marriott opened the Residence Inn line (a hotel line designed for an extended stay). Through subsequent marketing research, Marriott found that this segment had room to expand to a more value-priced line as well. Again, responding to this research, Marriott introduced Towne Place Suites (a value-priced extended-stay hotel line). Some of the guests at the Residence Inn or Towne Place Suites spend up to six months to a year at the same hotel. At the high end,



Marriott offers fuller service and higher prices with its Hotel Resorts & Suites and its Renaissance upscale business properties. According to Marriott's research estimating potential demand, the size of this high-end segment is substantial. With all of these hotel lines, Marriott continues its commitment to quality that began with John and Alice Marriott. Knowing from research that all hotel residents desire quality, Marriott strives to provide this in all facets of the hotel service. One way in which Marriott demonstrates this is by empowering its customer service representatives to address customer problems.

Although each of the various Marriott brands has worked hard to carve out a niche for itself, they all share the Marriott brand identity—the key ingredient to their success. According to Gordon Lambourne, vice president of marketing and public relations, the Marriott brand identity is all about commitment to service excellence: a strong focus on employees that work in the hotels, taking care of these associates so that they can really focus on their jobs and provide a level of service that customers demand and expect today that is consistent throughout the global Marriott brand. Each of Marriott's hotels has a different personality with a distinct design and service level that make the guests feel like they are in London or Munich or Paris, but all these hotels have a common thread running through them that identifies them as Marriott hotels. The numerous Marriott brands, rather than creating competition for each other, actually help cultivate and sustain business. According to Lambourne, each brand does an excellent job of appealing to its particular segment, because each has its loyal following, and each markets itself independently and as part of a group that is a portfolio of brands. However, there is some crossover, but Marriott views it as a great opportunity to serve customers whose needs may change. So a customer looking for an extended stay might prefer the Residence Inn, but choose a full-service hotel such as the Renaissance for a shorter trip. So whatever the customer prefers at any time, whatever that need might be, Marriott is well positioned to capture that customer and that piece of business.

Marriott has been highly successful in using marketing research to develop a segmentation strategy of targeting a large range of customers with different needs by providing a strong variety of products and options. The diverse offerings have helped Marriott appeal to an increasingly wide spectrum of clients and win greater business. Continued reliance on marketing research will be critical to Marriott's success in the future.

1. Marriott would like to further penetrate the non-business-travelers segment in the United States. Define the management decision problem
2. Define an appropriate marketing research problem based on the management decision problem you have identified.
3. Marriott has developed a new hotel package for families on a vacation. It would like to determine consumers' responses to this package before introducing it in the marketplace. If a survey is to be conducted to determine consumer preferences, which survey method should be used and why?
4. In addition to the data they already collect, what type of internal secondary data will be useful to Marriott?
5. Suggest what marketing metrics should the managers at Marriot be keeping track of? How can these help in decision making?