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DEBUGGING AND IMPLEMENTING THE LIVE CASE APPROACH TO MARKETING RESEARCH IN THE AUSTRALIAN ENVIRONMENT

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ABSTRACT

This paper will discuss the implementation of a "Live-Case" Marketing Research course in Australia. The paper outlines the course as it was organized in 1975 and the problems that were encountered in that first year of operation. The 1976 and 1977 programs are then described, with discussion of the modifications, incorporated to overcome the earlier problems.

INTRODUCTION: THE LIVE CASE PROGRAM

In 1975, the School of Marketing, University of New South Wales, Australia, undertook to offer organizations the opportunity to participate in real-life research projects. These projects were to be undertaken over a one semester time period by final year undergraduate marketing majors as a part of their Marketing Degree requirement.

At the University of New South Wales, previous Marketing Research courses were taught by a structured lecture program, supported by a standard text, e.g., Green and Tull. Practical content was built into the course by having students construct a model questionnaire and analyze a set of previously collected data.

This traditional course structure was deficient in a number of ways.

- i) As a final unit in the students Marketing Degree, the course failed to integrate the previous courses into a meaningful practical application. *
- ii) The lack of a live-case approach meant that students did not have the experience needed to analyze the following questions in a real world environment.

- What is the specific problem that should be researched?
- How can the data be gathered, given the nature of the particular problem and research population?
- What type of analysis is required?
- How and to whom should the report be written?

- iii) Students were not exposed to such practical problems as controlling costs, time deadlines and data collection.

In addition to overcoming these deficiencies, the real-life" research projects were anticipated to have a number of other benefits. These were the stimulation of business interest in marketing students as

potential employees and the development of business and community support for the School of Marketing¹

In the 1975 Marketing Research program, students were divided into some 20 groups of 2 or 3 students. Each group could undertake research for either a small business, large business, non-profit organizations or government organization.

Working students were encouraged to undertake research for their employer companies. Other students were strongly encouraged to find their own clients and in most cases they were surprisingly successful in doing so. The remaining students (generally the less motivated or weaker students) were matched with clients from a pool that had been arranged internally on the university campus (e.g., the library) or through contacts of the academic staff (consulting clients, research contacts or past students).

The projects ran in coordination with the formal lecture program. Thus, students would be exposed to each research element in the classroom prior to its project implementation. In the research program the students passed through the following stages: Client Brief^{**}, Research Proposal, Design of Research Instrument, Pilot Testing, Data Collection, Data Tabulation (Analysis and Interpretation), Report.

The 1975 course was successful in providing students with practical experience in marketing research execution and with exposure to potential employers. In addition it provided the instructor with useful research data. However, a variety of problems existed for all three parties involved with the research projects, i.e. the students, instructor and clients.

Problems Faced by the Students

- i) Clients were often unwilling to provide a concise research brief and adequate secondary data. This hindered the students efforts in problem definition and writing the research proposal.
- ii) Students experience difficulties in arranging meetings with clients. This frustrated them particularly as they faced deadline dates for each research stage.
- iii) Students lacked confidence in their research out put, primarily because of their perceived lack of knowledge about the subject market. This restricted their willingness to think broadly about the possible research problems existing within the research brief.

* The Australian Marketing Degree program largely follows the typical U.S. business degree courses in content and scope. However, a number of differences exist. In particular, all students taking senior level Marketing courses are Marketing majors, who have completed the same core program. Thus, implementing a live-case program is not fraught with the problems of a wide variation in student quality or knowledge.

¹ Burns' A. "The Extended Live Case Approach to Teaching Marketing Research" in Exploring Experiential Learning, Simulations and Experiential Exercises. Proceedings of the Fifth Annual ABSEL Conference, Denver, Co. 1978. Edited by Daniel C. Brenenstuhl and Samuel C. Certo.

** **The client brief is the clients communication to the researcher outlining the clients business problem, its background and the areas of potential solution.

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iv) Students found the data collection requirements burdensome in effort, time and cost (which they paid themselves). The minimum data collection requirements were 200 structured interviews, or 30 individual depth interviews or 8 group discussions. Although often methodologically insufficient these requirements were limited by the students resources.

Problems Faced by the Instructor

i) A great deal of time was consumed by personal involvement, particularly with students, to bridge the student-client gap.

ii) A further, unexpected problem of computer availability arose. The semester was three quarters completed when data processing and tabulation were scheduled. At this time demand for the university computer facilities was extremely high. The resulting delays meant that the projects were completed after the end of the semester, which created time pressure and grading problems for the instructor.

Problems Faced by the Clients

i) Very few clients had any previous experience with students and so their expectations of the quality of the students work and their capacity to undertake substantial research projects varied widely.

ii) Clients tended to see themselves in the role of a benefactor who was doing students a favor. Therefore they wanted a low time involvement in the research. Further, they were unwilling to provide confidential information. This limited the importance of the project which they gave to the students, and this further decreased their interest in the research.

THE REVISED "LIVE" RESEARCH PROJECT

The benefits accruing to the student's client and instructor from the 1975 research program were assessed to outweigh the difficulties experienced in implementation. In 1976 it was decided to repeat the "live" projects program, although with substantial changes.

The Revised Client Role

The student and client feedback from the 1975 program indicated that the lack of client involvement was an underlying cause of many implementation problems. Therefore changes were made to the 1976 program to overcome this situation.

The initial change was in the approach adopted for soliciting potential clients. In the 1975 program, clients had been recruited by an appeal to their "community spirit" in helping students learn marketing in a real-world environment. This appeal was used by both the students (using a letter of introduction from the School of Marketing) and the instructor when seeking potential clients. Although successful in obtaining many volunteer clients (20 projects being undertaken in the first year) it did not maintain their interest.

The 1976 selling effort was based on soliciting organizations as paying clients, rather than as benefactors. The theme was to offer sound marketing research at a fraction of the cost charged by professional researchers.

The research projects were offered as a vehicle by which organizations could obtain information by participating in individual research projects at a financial commitment of \$300-SOD. (Note: Project Funding). This participation was offered with the guarantee of client approval of the research proposal, supervised fieldwork and a final report. No guarantee of research quality was given, either express or implied. The clients were simply informed that the students undertaking the project were final year marketing students with an

average age of 21 years. In addition, unclassified copies of the previous year's projects were available for client appraisal.

The research commitment of \$300-SOD was an extremely small outlay for the participating organizations. However, the fact that client funds were being spent insured involvement. It "legitimized" the projects and their objective of providing useful management information and it raised the clients expectations about the research quality.

The students needs for clear directions and rapid feedback were satisfied. A synergistic effect occurred. Because of their financial involvement, clients were willing to spend time with the student research (in one project the client provided company offices for the students use). Because of the students thorough preparation (note the Market Appraisal) the clients initial interest was maintained.

The Revised Instructor Role

For the instructor, the projects were a useful source of research material (the projects for non-profit and government organizations generally were not subject to client confidentiality restrictions). However, the problem of student evaluation existed, with a potential for conflict between the client's information needs and the instructor's academic needs.

This conflict was resolved to the satisfaction of both parties. The quality of marketing research should always be evaluated in terms of the usefulness of the information that it provides for management. Therefore each evaluation stage of the project was assessed in terms of its correct application of principles and the potential usefulness to management of the information generated.

Instructor evaluations were made at each of the following stages: Market Appraisal, Proposal, Design of the Research Instrument, Data Collection, Tabulation and Analysis, Report.

IMPLEMENTATION

In implementing the "live-case" research projects, further fine tuning was undertaken to increase project quality and control, to simplify the instructors involvement and to avoid any possible legal problems. These changes are described below.

The Market Appraisal

As an introduction to the research project the students were required to submit a "market appraisal." The objective was to acquaint them with all the available information about their client's market.

The completed market appraisal integrated all the available secondary data into a single source document. This secondary data included client and non-client, quantitative and qualitative, macro and micro information. It was compiled by the students with due reference to marketing principles learned throughout the total marketing program.

The market appraisal provided the students with direction for their evaluation of the client's brief,

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subsequent client discussions, and for their preparation of the research proposal. In nearly all cases the brief was found to be deficient, usually in the application of principles (e.g., seeking market awareness data when the fundamental problem was a question of segmentation or requesting market quantification from the agreed 200 respondent sample). The students arranged further client meetings until the research brief was mutually agreed upon by the client, students and instructor.

This demand for detail and precision in the client's research brief was extremely effective in demonstrating the seriousness and quality of the research. The clients response to the unexpected detail was to be better prepared for the following meetings.

Upon agreement to the brief, the students prepared a research proposal. At this stage the client had the option of either accepting or rejecting the research proposal. Because of the thoroughness of the initial work no proposal has ever been rejected (although numerous have been modified or expanded at the client's request). Once the proposal was agreed by all three participants (client, student, and instructor) the students proceeded with the research.

Project Control

Each project group was required to issue weekly status reports to the instructor. This was included as a project requirement to ensure a constant work input. In addition it satisfied the students needs for a controlled environment, clear directions, and rapid feedback. For the instructor, the status reports provided a continuous source of data from which to evaluate student progress, while maintaining a low instructor-client involvement.

Project Funding

Project funding was provided by way of client payments. However, potential legal problems existed in Australia (as in the U.S.A.)² with any dissatisfied clients who could possibly claim express or implied contracts or negligence in the research execution.

The University of New South Wales lawyers solved this potential problem. Letters were written to all clients, formally requesting them to participate in the research program. The letters explained that no price would be charged for the research, but that the School of Marketing would incur substantial costs in running the program. Therefore, each participating company was asked to make a "no-strings" donation to cover the course costs. A figure of \$500 was recommended as an adequate donation. Most participating organizations willingly donated \$500. However some donated services (typing, xeroxing, duplicating, etc.) or products (in one case \$1000 worth of cosmetics for further research) in lieu of monetary payment. In all cases each client from outside the university "donated" something (the projects for university institutions, e.g., the library, being done free of any donation).

To emphasize the "donation" aspect the letter gave no guarantee of student or research quality (although word-of-mouth communication from past and present clients and publicity about the projects built up a strong product image). Also, no invoices were issued, the letter to clients acting as the paper work for clients to initiate the donation payment.

Because of the frequent inability of lower management to make such donations, letters were sent to both the client contact-person (e.g., Product Manager and the client decision-maker (e.g., Marketing Director). This overcame the donation payment problems. The contact person briefed the students and maintained project contact. Upon completion of the research, reports were sent to both client personnel and generally both attended the report discussions.

For smaller clients the decision-maker and contact person were often one and the same. This negated the above problems, although other problems arose with the quality of these smaller clients (Note: Client Selection).

The non-financed projects were those done either for the instructors own research projects, or by weaker students who, it was felt should not be "unleashed" upon unsuspecting clients. These students undertook very useful projects for campus organizations, e.g., projects included studies of university library usage, student attitudes towards university food facilities and staff usage of campus travel agencies.

Project Costs

The major project costs were typing, xeroxing, duplicating, interviewing computer time and report binding. The interviewing costs arose because each student group was allowed to hire an independent interviewer of their choice for 3 days at \$30 a day. This reduced the students data collection load and time required but it involved the student in selecting, briefing and supervising an "employee" whose work efficiency would directly influence the students remaining workload. No other student costs (travel, phone calls, etc.) were compensated.

Project Timing and Integration

The research projects were commenced two weeks prior to the official start of the winter semester timetable. This was done to avoid delays from the already overloaded computer system.

In total the course ran for 16 weeks. The formal course work covered the material required in the projects with each topic scheduled to be taught about one week prior to its implementation in the due case. This insured that the projects operated as a live and practical application of classroom principles.

Client Selection

The success of the program has led to a situation of more willing clients than available student groups and so a pool of potential companies has developed. Students can select clients from this pool, or from their own contacts.

Certain organizations were rejected as clients. This was usually done for one of two reasons

i) Organizations whose marketing problems were not researchable within the students time, money and knowledge resources, e.g., problems requiring a national probability sample or longitudinal studies.

² Summey, J. H. and Carraway, E. "The Legal Implications of Business-Student Field Reports." Proceedings: Mid-Atlantic Marketing Association. Sixth Annual Conference, 1978. University of Richmond, VA. Marketing Education: Beyond the Lecture. Edited by Thomas J. Cosse' and Terry M. Weisenberger.

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Loss of Clients

A constant fear in this type of program is the loss of a client midway through the project. This could occur either by loss of client interest or changes in company management. In the University of New South Wales program no client has not yet been lost. This reflects three factors

- i) The professional approach demanded from students-- this being enforced by the requirements of written briefs, market appraisals and weekly status reports.
- ii) The use of two client personnel--the client decision maker and the client contact person.
- iii) The research "donation" paid for the research, which stimulated client involvement.

Student Incentives

In addition to the course requirements, incentives were offered for the best projects. Each year the final reports of the 5 best projects were leather-bound and stamped with gold printing. Copies were made for the clients, each student-group member and the instructor. This incentive stimulated strong student interest and intergroup competition, as well as providing an impressive report for the client (in both content and presentation).

CONCLUSION

The above "live-case" program was implemented in an environment that is different from the U.S. situation in a number of ways. First, the University of New South Wales is situated in the city of Sydney which means a potential market of three million consumers and a very large number of potential clients. This situation often does not exist for the U.S. universities. Second, the specific legal problems and computer limitations are not necessarily typical of the United States situation, where computer problems are generally less severe and legal problems more severe. Thirdly, the Marketing Research program involved students who were all final year undergraduate majors in Marketing, a situation that may not apply in many U.S. universities.

Therefore, variations in implementing the "live-case" approach to marketing research may be required for the United States environment. However, these variations will not undermine the very real benefits to be gained from the "live-case" program as outlined above. Summey and Carraway³ note that students recall 10% of what they read, 40% of what they write down, 70% of what they do and 80% of what they do in actual business situations. The above program aims to achieve this highest level of learning by integrating substantial marketing research theory into an innovative, interesting and highly practical project format.

³ Summey, J. H. and Carraway, E. "The Legal Implications of Business-Student Field Reports." Proceedings: Mid- Atlantic Marketing Association. Sixth Annual Conference, 1978. University of Richmond, VA. Marketing Education: Beyond the Lecture. Edited by Thomas J. Cosse' and Terry M. Weisenberger.