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# International marketing research: A global project management perspective

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#### **KEYWORDS**

International marketing; Global marketing strategies; Marketing research; Competitive advantage Abstract As organizations continue to pursue more global strategies, the need to be able to understand consumers in far away places is increasing. Marketing research is the primary mechanism through which companies understand their current, as well as potential, customers. As companies contemplate the global marketplace, they must consider how domestic market research differs when conducted in international markets. In an effort to help internal client side marketing research managers design and implement improved international research studies, we briefly discuss the context for international market research and provide a framework for conducting international market research projects. Additionally, we present several factors that should be considered by marketers who engage in global market research studies. These factors represent the variety of challenges that must be addressed in order to conduct research across national borders. Particular attention is paid to the nuances related to primary data collection and questionnaire construction.

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### 1. Marketing research goes global

Changes in the global environment are presenting organizations with both new opportunities and challenges. Rapid advances in technology, increasing international trade and investment, growing wealth and affluence across the globe, and a convergence of consumer tastes and preferences are compelling businesses to expand their globalization strategies and tactics (Javalgi & White, 2002). In essence, the global economy is forcing organizations to adapt to a new international order (Czinkota & Ronkainen, 2002; Rugman, 2001; Yaprak, 2002).

The process of international marketing research shares many commonalities with its domestic counterpart, namely the familiar steps of problem definition, methodology design, fieldwork, and final report and recommendations. The major differences between the two involve disparities that spring from political, legal, economic, social, and cultural differences across countries, and the problem of comparability of research results (Kumar, 2000).

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As organizations become more global in their operations, how will these companies continue to be able to carry on a meaningful dialog with their customers as they become ever more dispersed around the globe? Which countries represent the best opportunities for the organization's products and services? How will these firms design consumerbased strategies that are customized for distant international market segments? Market research is the functional link between marketing management and an organization's ultimate customer-base. Baker and Mouncey (2003) argue persuasively that continual change and uncertainty in the global market is causing seismic shifts in the role of marketing research. Clearly, as globalization increases, firms will need to know how to better utilize market research approaches that enable them to stay close to these worldwide and diverse customer segments.

After briefly discussing the context for international market research, we provide a framework for conducting international market research projects. Our framework is designed to help organizations with in-house market research departments that design and execute primary data collection projects in support of strategic marketing corporate initiatives. These corporate marketing research initiatives include projects requiring the development of target market and marketing mix strategies to support their products and services. Both corporate and tactical marketing decisions are further complicated by the numerous challenges involved with the crosscultural context of global business. Our framework is especially well suited to aid on-staff (i.e., inhouse) research project managers working for product or service marketers who are looking for comprehensive guidelines to help them design better global research projects in support of their internal executive management clients. Although we realize that our proposed framework is also applicable to external market research vendors, our objective is to provide internal research department managers with a useful tool to design effective international research projects. By highlighting the various challenges involved in conducting international market research, we hope to help in-house marketing research managers design and implement more impactful and effective international research studies. Finally, we also discuss several crosscultural factors that should be considered by marketers who engage in global market research studies, as these represent challenges that must be addressed in order to conduct effective research across national borders.

Within the broader context of the international market research process, the focus of our paper addresses the nuances related to questionnaire construction and primary data collection issues. We believe these areas are especially critical (i.e., problematic) when designing research projects that cut across national borders. Furthermore, we think the vast majority of clients who utilize in-house market research departments are more often exposed to challenges related to questionnaire construction and data collection. Consequently, it is our position that this discussion will provide increased benefits for in-house market research project managers. We do not discuss other research methodologies including qualitative techniques, observational methods, and experimentation, nor do we address in detail the broader issues of scale development, measurement equivalence, sampling, and multivariate techniques. It is our hope that this narrow focus on the specific issues related to questionnaire construction and international data collection challenges will provide the reader with a more useful set of tools and guidelines for conducting effective global research projects.

## 2. The importance of international marketing research

Market research is the vital link between the organization and its customers. The objective of sound market research is to interpret consumer behavior and translate the perspective of key customers into actionable marketing strategies. Without this open dialog with customers, companies are unable to keep in touch with vital consumer behavior trends and the many influences that affect the customers of an organization. In today's consumer environment of over-choice and over-communication, growth can only be realized by organizations that are very skilled at crafting well-targeted strategies directed at specific micro-niches of the larger macro market. Companies that go to market without first uncovering specific segment needs and perceptions risk facing the monumental cost of marketing failure. With new consumer product launches typically costing \$25 million or more, the risk of not incorporating consumer behavior into marketing strategy is considerable.

Since the mid-1990s, the international research business has grown tremendously. In 1995, the top 25 global market research organizations had aggregate revenues of only \$5.7 billion, and 45% of their revenues came from outside the companies' home countries. By 2004, revenues had grown 133%, to Download English Version:

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