An introduction to

Market Research

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An Introduction to Market Research

This guide offers a general introduction to market research to support any organisation or artist working in the arts. It presents an overview of the key principles associated with market research including how and when to use the different forms of research, and how to devise a research programme for your organisation.

Contents

Why and when should we do research?

Understanding audiences is fundamental to effective marketing. Developing a clear picture of who your actual and potential audiences are (where they come from, where they choose to go, how often, to what art form, and how they find out about events) supports the development of your organisation and the achievement of your social, economic and artistic aims.

Effective market research enables you to address these questions and to understand the needs and motivations of your audiences and any barriers which may stop them attending or participating in your work.

Market research, like many areas of marketing, is a specialist discipline. There are many organisations that can undertake research for you and will bring specialist expertise and experience in an objective and cost effective way. However, every organisation can undertake some research themselves and this guide helps you understand what can be achieved and what you need to ask of a specialist organisation.

Market research helps you find out:

- Industry trends
- Characteristics of your geographic area
- Who you are currently attracting
- Who you could be attracting
- What people think of your organisation
- Why people do and do not attend
- What problem areas you may have that you could address

It is appropriate to carry out research when:

- You have a clear idea about what you want to find out
- You have the support of others in your organisation
- You have the resources to carry out the research efficiently and effectively
- You have the means and commitment to do something with the findings

Where do you start?

Before undertaking any research, it is worth asking a number of questions:

What information is needed?

What information do you already have?

Why do you want the new information?

What are you going to do with the research?

You need to consider the COST IMPLICATIONS of what you want to do, both in terms of TIME and MONEY. Will the information you gain be worth the cost?

If so, start by defining your objectives (what you want to find out) and your resources (time as well as money). You then need to consider which approach to take to fulfil your objectives.

What are the different research approaches?

Broadly, there are two areas of market research, covered in this guide; Desk Research / Secondary Research, and Primary Research – Quantitative Research and Qualitative Research.

Desk Research / Secondary Research

Desk Research (sometimes known as secondary data or secondary research) involves gathering data that already exists either from internal sources (e.g. customer database), publications of umbrella cultural organisations, governmental and non-governmental institutions, free access data on the internet, in professional newspapers and magazines, in annual reports and commercial databases to name but a few. In many projects, carrying out an initial desk research stage is strongly recommended to gain background knowledge to a subject as well as providing useful leads that will help to get the maximum from a research budget.

Primary Research

This is the generation and collection of original data which can be carried out by your organisation, or commissioned by you.

Primary research methodologies are essentially divided into Quantitative Research and Qualitative Research:

Quantitative Research

Quantitative research is concerned with measuring i.e. how many, how much. For instance, how many people share similar views, characteristics, or behaviours. Quantitative research is performed on a far larger scale compared with qualitative research (in terms of the sample size) and helps to provide accurate statistical data from which conclusions can be drawn. Questions tend to be closed as opposed to open.

Qualitative Research

Qualitative research is exploratory research and involves understanding people’s motivations and attitudes; for example, why people choose to attend particular events. Qualitative research is in-depth research performed on a small scale to provide detailed in depth results and data.

Desk Research

There may be information, data or previous research within your organisation that can help you find out what you want to know and address your objectives.

Financial statistics, visitor or box office data may be readily available and can be examined to find trends or inform your future strategy.

At this stage it is worth asking the following questions:

Does it answer any of your questions?

How complete is this information?

Are there any gaps?

How accurate is the information?

How up to date is the information?

Can you verify the facts?

Do you trust the figures?

If you can answer these questions positively and the research addresses your objectives you may have completed your research. If not, the next stage would be to look at further research.

Secondary Research

Data, information and published research are often available in the public domain. This could put your desk research into context, enable you to test any assumptions, or draw on other people's research that may be relevant to you and your organisation.

Organisations for you to consider:

- Arts Councils (e.g. Area Profile Report)
- Arts Council of Wales www.artswales.org.uk
- Arts Council of England www.artscouncil.org.uk, www.newaudiences.org.uk
- Welsh Assembly Government www.wales.gov.uk
- Department of Culture, Sport and Media www.culture.gov.uk
- Local authorities
- National Office of Statistics www.statistics.gov.uk, www.neighbourhood.statistics.gov.uk
- Audience Data UK www.aduk.org
- Ticketing.org.uk
- Audiences Wales www.audienceswales.co.uk
- Arts Marketing Association www.a-m-a.co.uk

Statistics about your geographic areas, available through Area Profile Reports and government sources, can create a detailed picture of the population around your organisation. This information is freely available and can help you identify potential audiences and put your visitor or box office information into context.

Primary Research
Quantitative Research

Quantitative research is concerned with gathering facts and figures and concentrates on structured questions. Quantitative research techniques include:

- Self-completion questionnaire
- Face-to-face interviews
- Telephone interviews
- E-survey

Quantitative research can be used when you need to measure how many (e.g. audience profiling) and when you need to consult with a large number of people. It can also be used to support other forms of research (desk or secondary) is you need to address specific areas, and also support qualitative research.

Guidelines for Self-Completion Questionnaires

- Clear and attractive questionnaire design. The design will have an impact on the effectiveness of the questionnaire.
- Think about the format of the questionnaire e.g. A4 questionnaire, A5 card, customer feedback cards/forms, etc.
- Do not ask too many questions – 2 sides of A4 pages will not be too off-putting to potential respondents, especially if the questionnaire is in English and Welsh (A3 folded into A4).
- Think about how to distribute the questionnaire:
- Postal questionnaire to all or random selection of patrons on your database (e.g. theatre box office database, other customer databases)
- Leaving the questionnaire on theatre seats before a performance
- Handing out questionnaires on the way in or way out of a performance
- You may require collection boxes and/or Freepost address
- Offer an incentive to ensure a good response and thank people for their time e.g. free prize draw.
- If names and addresses are taken for a free prize draw ensure that the Data Protection Act guides are followed.
- Include a closing date to encourage prompt completion of questionnaire. (If using a postal questionnaire allow people 2-3 weeks to fill in).
- Allow time for data entry of completed questionnaires.

Guidelines for Face-to-Face Interviews

- Requires trained market research interviewers.
- Remember that the interviewer will reflect on your organisation so you need to make sure the interviewer is briefed i.e. how to approach audience members and how the survey should be introduced, and a suitable dress code.
- A person to act as supervisor required to check that interviewers are asking the questions properly, accurately completing the questionnaire and meeting the target number of interviews and possibly, quota as well (see 'Sampling').
- Decide on where to carry out the interviews e.g. in the foyer area, near major attractions, near the exit (when people are arriving or on the way out if you wish to collect data on the experience of an event).
- Interviewers should have some kind of official identification.

Different Quantitative Interviewing Techniques

	Pros	Cons
Self-Completion	Less expensive. Potentially large samples.	No control over response rate and sample.
Personal Face-to-Face	Capture 'live' data, i.e. immediate response to an event.	Lots of organisation and need to avoid interviewer bias and use representative sample i.e. interviewing over a number of days of event.
Telephone	Control over sample.	Need good quality lists (up-to-date telephone numbers). Need to obtain agreement.
E-survey Web-survey	Good for interviewing people when a quick turnaround of results is needed.	Need up-to-date email addresses (e-survey).

Qualitative Research

Qualitative research is used to understand motivations, attitudes, perceptions, and understanding. It uses open questions to allow the respondent to express themselves in their own words.

Qualitative research techniques include:

- Focus groups (also known as group discussions)
- Individual one-to-one in-depth interviews
- Customer circles

Focus Groups

- Small discussion groups of 7-8 people
- Specifically recruited to fit a defined criteria
- Facilitated by an independent moderator
- Interview script (often referred to as the 'topic guide') with open questions to allow for a structured but free-flowing discussion
- Tape recorded, transcribed and can be observed by the client
- Lasts between one and a half hours to two hours
- Should be conducted in a neutral venue wherever possible

In-Depth Interviews

- One-to-one, face-to-face interview
- Respondents are recruited according to pre-established criteria (e.g. stakeholders, specific types of users)
- Last between 45 minutes and one hour
- Good for exploring certain issues in great depth
- Suitable for sensitive or confidential issues

Structure of the Questionnaire or Interview

- When designing a questionnaire or qualitative interview, as well as thinking about the objectives of your research, you need to consider the respondent's experience as well as data entry and analysis issues.
- Make sure your questionnaire or interview is laid out in a logical order and all questions are relevant.
- Make sure there are clear instructions e.g. if you only want to interview first time attenders you must include this as an instruction for the interviewer.
- Start the interview with easy, general questions.
- If using a structured questionnaire, think about the use of closed and open questions. Closed questions are quicker to answer and make inputting the data easier. Open questions will elicit interesting answers but the respondent will need time to consider their response. If you ask too many open questions, it will add to the length of the interview and make the data inputting longer (and the respondent may terminate the interview).
- The interview should not feel too taxing to the respondent. It needs to be a pleasant experience for the respondent.
- It must be remembered that the respondent or interviewee is doing the interviewer a favour in responding to his or her questions. The least the interviewer can do in return is to be well prepared so that the interviewee does not feel that his or her time has been wasted.

Sampling

- You can't interview all your customers
- Instead, you need to interview a **sample** of your customers i.e. an extract from the overall 'population'
- The survey results obtained from the sample are broadly the same as those that would have been obtained had the whole population been surveyed.
- The fundamental question when selecting a sample is 'what is the definition of the population from which the sample is to be selected?' to ensure a representative sample or a good cross section of respondents is being interviewed.
- In sampling, the population (sometimes call the 'sample universe') is the aggregate of items from which the sample is to be drawn e.g. a venue's ticket purchasers, attenders at a particular performance or run of performances, gallery visitors, etc.
- How to determine a good sample? Most samples are small fractions of the population. (Political opinion polls are frequently based on a sample of 1,000 adults representative of the British population.)
- Validity of the sample size will depend on:
- The size of the sample in relation to the population where the subject of the survey is concerned
- Qualities of the sampling frame (source of sample) e.g. list of visitors, theatre bookers
- The care with which the sample has been drawn
- Avoidance of 'non-sampling errors' when the data are being collected and analysed, errors such as 'interviewer bias' and use of ambiguous questions
- How you plan to use the results e.g. if you need to divide the total sample of respondents into sub-sample e.g. women/men, age groups, etc.
- To make sure that you have interviewed a representative sample it is important to have a tight definition of the sample of people you wish to survey e.g. the theatre's ticket purchasers.

Different types of sampling techniques for selecting respondents to be interviewed:

- Random sampling (also known as probability sampling) – every member of the population has known probability or chance of selection. A random number is used for selecting people to be interviewed. Also, by giving the interviewer a random address at which to conduct the first interview and a rule to select the next person, i.e. the interviewer continues to interview at every nth address.
- Quota sampling – based on the deliberate selection of groups of people so that the aggregate picture reflects the total population. The interviewer is given a target number of interviews to carry out with certain types of people, e.g. heavy/medium/light users quota, age/sex/social grade quota.
- Disproportionate sampling – over sample small sized segments of the population e.g. frequent attenders

Market Research Society Code of Conduct

The Market Research Society has produced a useful Code of Conduct which is designed to safeguard the interests of anyone who participates in market research. You don't need to be a member of the society to use it and it offers a useful standard by which to work.

- Respondents must be totally willing to co-operate.
- Be clear and honest about the intentions of the research – think about an appropriate brief introduction.
- Avoid 'SUGGING' – selling under the guise of research.
- Be objective
- Confidentiality of responses – any comments and statements are non-attributable unless you obtain express permission from the respondent and make it clear you will be identifying their responses (who said what).
- Protection of identity – any information showing name and address details e.g. contact lists, questionnaires need to be safely stored away.
- Accuracy – research must never be used to mislead.
- Ensure all research complies with the Data Protection Act.
- Samples used for confidential research purposes only do not need to be pre-screened against the Telephone, Mail and Fax Preference Services but any 'do not contact for research purposes' markers must be respected.
- Ensure that a potential respondent has a very clear and unambiguous understanding of the purpose for collecting their personal data and how it will be used ('transparency').
- Informed consent – ensure that the respondent has given their consent to their data being collected and invited to opt-in to any subsequent uses of the data.
- Data given for one purpose cannot be subsequently used for a different purpose unless the individual has given their permission.
- You must obtain permission to re-interview at the time of the first interview.
- Personal data collected in the name of the researcher can only be transferred to the client, even if for research purposes, with the explicit consent of the individual respondent.
- If they ask, respondents have the right to know the source of any personal data used to recruit them.
- Data Protection Act 1998 requires researchers and their sub-contractors to take responsibility for the security of personal data provided to them, such as on a recruitment questionnaire, self-completion questionnaire, or any document that has been completed by an interviewer, recruiter or respondent. Customer lists must be stored securely during use and all hard copy and electronic address lists must be stored securely, destroyed / shredded or returned to the client.

Devising a Research Programme

Structuring your research programme:

- Background to the research
- Identifying the research objectives – specify what you want to find out and why
- Methodology – how you propose to do the research
- Budget
- Timescale
- Reporting – written report and/or presentation
- Implementation – turning data into action

Important issues to consider when running a research programme:

- Set your objectives – what do you want to find out, and what do you want to be able to use the information for?
- Decide on the research methods you would like to use. If you need to use someone from outside your organisation consider writing a Research Brief (necessary if putting the work out to tender).
- Decide on a timescale for your project.
- Work out how much the project will cost you, remember to include your time and that of any colleagues you envisage working with you. If you can't afford it, go back to your research methods and think again – you might get similar results with a different methodology.
- Discuss your plans with your colleagues and get their backing. The project will be very difficult if not everybody is 'on board'.
- Consider running a pilot programme – if you're going to distribute a questionnaire, test the survey form first, to make sure that people can follow it easily. If you're running a focus group, consider a 'dummy run' to check that the topics you have planned will give you the information you need.
- Refine your plans if necessary.
- Project manage your research programme – remember to monitor everything as you go along.
- Analyse the results.
- Write and present your report.

Interpretation and Reporting of Research Results

- If reporting quantitative research, use tables and graphs for reporting figures. Include a commentary on the figures.
- Include non-attributable verbatim quotations in qualitative reports.
- Make sure there is an Executive Summary written for a busy senior manager who will not have time to read the whole report.
- Include details of the methodology i.e. dates on interviews, how respondents were selected for the research, etc.

How To Avoid The Pitfalls of Research

- Make sure the research objectives are clear and everyone knows what to expect from the research.
- Think about which elements of the research programme you can manage in-house and which have to be subcontracted.
- Remember to be impartial.
- Think about the Market Research Society (MRS) Code of Conduct.

Working with a Research Agency

Once you have prepared you research programme, you may decide that you need the support of an expert, independent agency or consultant to provide advice or undertake your research. There are a number of agencies and consultants available to you with different experience, expertise and costs.

Your research programme forms the basis of the brief you will need for the consultant or agency that you would like to approach.

Talk to colleagues, other organisations or funders as they may have experience of working with researchers and may be able to make some recommendations. If you have a shortlist of possible companies (say 3 or 4) contact them with your brief and invite them to offer a proposal of how they would deliver your objectives and undertake the research. Be sure to ask the following:

- Timescale – how long will it take to do the research and when can they do it?
- Who will undertake the research (and ask for previous experience)?
- What would they charge you and what is included in this cost?

Be sure to provide a deadline by which you need the proposal and be clear what process you will undertake to make a decision. You may want to interview or ask for a presentation from the agencies. Your organisation may also have a procurement or tendering procedure that you will need to comply with (often based on the expected cost of the project).

How do you decide which agency to use?

If you have three or four proposals to choose from, how do you decide? There are a number of questions to consider:

- Which company has understood what you need?
- Does their proposal match your expectations and, if not, are convincing alternatives presented and explained?
- Which company has coming up with additional or alternative ideas?
- Does the company have relevant experience, either in terms of methodology and/or the subject of your research?
- Do they fit within your budget? Do they offer value for money?

Score each proposal against these or other questions, much as you would in a job interview, and see which company scores the highest. If you find a couple have very similar scores, you may want to weight one of the criteria that is particularly important to you (previous specialist experience, for example).

Managing the relationship

Like any business relationship, your chosen agency or consultant will need to deliver your agreed research programme on time and in budget. Keep in regular communication with them and ensure that your needs are understood and delivered. You may also like to have a debrief meeting with them at the end of the process – what could you or they have done differently, did anything unexpected happen during the process, for example. And lastly, feedback to the research agency what you do with the research, they will be keen to know that their work has made a difference.

Further Information

Audiences Wales (www.audienceswales.co.uk)
Wales' arts marketing and audience development agency.

Arts Council of Wales (www.artswales.org.uk)
Website includes useful contacts and research information.

Market Research Society (www.mrs.org.uk)
The association for professionals working in research and related fields.

Arts Marketing Association (www.a-m-a.org.uk)
The professional body for arts marketing.

Chartered Institute of Marketing (www.cim.co.uk)
The leading marketing training provider with lots of useful resources on the website.

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