

MSG

Search

[Home \(index.html\)](#) / [Library \(all-subjects.htm\)](#) / [Marketing \(all-subjects.htm#marketing\)](#)
/ [Marketing Research \(marketing-research-articles.htm\)](#) / [Observation Method](#)

Observation Method

The observation method involves human or mechanical observation of what people actually do or what events take place during a buying or consumption situation. "Information is collected by observing process at work." The following are a few situations:-

1. Service Stations-Pose as a customer, go to a service station and observe.
2. To evaluate the effectiveness of display of Dunlop Pillow Cushions-In a departmental store, observer notes:- a) How many pass by; b) How many stopped to look at the display; c) How many decide to buy.
3. Super Market-Which is the best location in the shelf? Hidden cameras are used.
4. To determine typical sales arrangement and find out sales enthusiasm shown by various salesmen-Normally this is done by an investigator using a concealed tape-recorder.

Advantages of Observation Method

1. If the researcher observes and record events, it is not necessary to rely on the willingness and ability of respondents to report accurately.
2. The biasing effect of interviewers is either eliminated or reduced. Data collected by observation are, thus, more objective and generally more accurate.

Disadvantages of Observation Method

1. The most limiting factor in the use of observation method is the inability to observe such things such as attitudes, motivations, customers/consumers state of mind, their buying motives and their images.
2. It also takes time for the investigator to wait for a particular action to take place.
3. Personal and intimate activities, such as watching television late at night, are more easily discussed with questionnaires than they are observed.
4. Cost is the final disadvantage of observation method. Under most circumstances, observational data are more expensive to obtain than other survey data. The observer has to wait doing nothing, between events to be observed. The unproductive time is an increased cost.

HOT
MSG

NEW

Galaxy M series
Samsung.com[< PREVIOUS ARTICLE
\(SURVEY_METHOD_TECHNIQUES.HTM\)](#)[NEXT ARTICLE >
\(SECONDARY_DATA.HTM\)](#)

Similar Articles Under - Marketing Research

- ➔ [Projective Techniques \(projective_techniques.htm\)](#)
- ➔ [Survey Method \(survey_method.htm\)](#)
- ➔ [Techniques of Survey Method \(survey_method_techniques.htm\)](#)
- ➔ [Secondary Data \(secondary_data.htm\)](#)
- ➔ [Sources of Data \(sources_of_data.htm\)](#)

[\(MARKETING-RESEARCH-ARTICLES.HTM\)](#) ➔ Authorship/Referencing - About the Author(s)

The article is Written By "Prachi Juneja" and Reviewed By **Management Study Guide Content Team**. MSG Content Team comprises experienced Faculty Member, Professionals and Subject Matter Experts. We are a **ISO 2001:2015 Certified Education Provider**. To Know more, click on [About Us \(https://managementstudyguide.com/portal/about-us\)](https://managementstudyguide.com/portal/about-us). The use of this material is free for learning and education purpose. Please reference authorship of content used, including link(s) to ManagementStudyGuide.com and the content page url.

 Search

Marketing Research

MSG

- [Marketing Research - Introduction \(marketing_research.htm\)](#)
- [Limitations of Marketing Research \(limitations-marketing-research.htm\)](#)
- [Marketing Research: Step by Step Execution \(step-by-step-execution-marketing-research.htm\)](#)
- [Data Collection in Marketing Research \(data_collection.htm\)](#)
- [Qualitative and Quantitative Research - Concept \(qualitative-and-quantitative-research.htm\)](#)
- [Types of Marketing Research and their Application \(types-of-marketing-research-and-their-application.htm\)](#)
- [Focus Groups \(focus_groups.htm\)](#)
- [Depth Interview \(depth_interview.htm\)](#)
- [Case Study \(case_study.htm\)](#)
- [Projective Techniques \(projective_techniques.htm\)](#)
- [Survey Method \(survey_method.htm\)](#)
- [Techniques of Survey Method \(survey_method_techniques.htm\)](#)
- [Observation Method \(observation_method.htm\)](#)

[Home \(index.html\)](#) / [Library \(all-subjects.htm\)](#) / [Marketing \(all-subjects.htm#marketing\)](#)
/ [Marketing Research \(marketing-research-articles.htm\)](#) / [Secondary Data](#)

Secondary Data

Secondary data is the data that have been already collected by and readily available from other sources. Such data are cheaper and more quickly obtainable than the primary data and also may be available when primary data can not be obtained at all.

Advantages of Secondary data

1. It is economical. It saves efforts and expenses.
2. It is time saving.
3. It helps to make primary data collection more specific since with the help of secondary data, we are able to make out what are the gaps and deficiencies and what additional information needs to be collected.
4. It helps to improve the understanding of the problem.
5. It provides a basis for comparison for the data that is collected by the researcher.

Disadvantages of Secondary Data

1. Secondary data is something that seldom fits in the framework of the marketing research factors. Reasons for its non-fitting are:-
 - a. Unit of secondary data collection-Suppose you want information on disposable income, but the data is available on gross income. The information may not be same as we require.
 - b. Class Boundaries may be different when units are same.

Before 5 Years	After 5 Years
2500-5000	5000-6000
5001-7500	6001-7000
7500-10000	7001-10000

Thus the data collected earlier is of no use to you.

2. Accuracy of secondary data is not known.
3. Data may be outdated.

Evaluation of Secondary Data

Because of the above mentioned disadvantages of secondary data, we will lead to evaluation of secondary data. Evaluation means the following four requirements must be satisfied:-

1. **Availability-** It has to be seen that the kind of data you want is available or not. If it is not available then you have to go for primary data.
2. **Relevance-** It should be meeting the requirements of the problem. For this we have two criterion:-
 - a. Units of measurement should be the same.
 - b. Concepts used must be same and currency of data should not be outdated.
3. **Accuracy-** In order to find how accurate the data is, the following points must be considered: -
 - a. Specification and methodology used;
 - b. Margin of error should be examined;
 - c. The dependability of the source must be seen.
4. **Sufficiency-** Adequate data should be available.

Robert W Joselyn has classified the above discussion into eight steps. These eight steps are sub classified into three categories. He has given a detailed procedure for evaluating secondary data.

1. Applicability of research objective.
2. Cost of acquisition.
3. Accuracy of data.

[< PREVIOUS ARTICLE
\(OBSERVATION_METHOD.HTM\)](#)

[NEXT ARTICLE >
\(SOURCES_OF_DATA.HTM\)](#)

MSG

Similar Articles Under - Marketing Research

- [Survey Method \(survey_method.htm\)](#)

- [Techniques of Survey Method \(survey_method_techniques.htm\)](#)

- [Observation Method \(observation_method.htm\)](#)

- [Sources of Data \(sources_of_data.htm\)](#)

- [What is Big Data ? \(big-data-and-its-importance.htm\)](#)

[\(MARKETING-RESEARCH-ARTICLES.HTM\)](#) →

Authorship/Referencing - About the Author(s)



The article is Written By "Prachi Juneja" and Reviewed By **Management Study Guide Content Team**. MSG Content Team comprises experienced Faculty Member, Professionals and Subject Matter Experts. We are a **ISO 2001:2015 Certified Education Provider**. To Know more, click on [About Us \(https://managementstudyguide.com/portal/about-us\)](https://managementstudyguide.com/portal/about-us). The use of this material is free for learning and education purpose. Please reference authorship of content used, including link(s) to ManagementStudyGuide.com and the content page url.

Marketing Research

- [Marketing Research - Introduction \(marketing_research.htm\)](#)

- [Limitations of Marketing Research \(limitations-marketing-research.htm\)](#)

- [Marketing Research: Step by Step Execution \(step-by-step-execution-marketing-research.htm\)](#)

- [Data Collection in Marketing Research \(data_collection.htm\)](#)

- [Qualitative and Quantitative Research - Concept \(qualitative-and-quantitative-research.htm\)](#)

- [Types of Marketing Research and their Application \(types-of-marketing-research-and-their-application.htm\)](#)

- [Focus Groups \(focus_groups.htm\)](#)

- [Depth Interview \(depth_interview.htm\)](#)

- [Case Study \(case_study.htm\)](#)

- [Projective Techniques \(projective_techniques.htm\)](#)

- [Survey Method \(survey_method.htm\)](#)

- [Techniques of Survey Method \(survey_method_techniques.htm\)](#)

→ Observation Method (observation_method.htm)

MSG

 [Advertisement](#)

 

[next \(sources_of_data.htm\)](#)

ABOUT US

[Contact Us \(contact-us.htm\)](#)

[About Us \(contact-us.htm\)](#)

[Create New Account](#)

[\(https://managementstudyguide.com/portal/user/register\)](https://managementstudyguide.com/portal/user/register)

[Login](#)

[\(https://managementstudyguide.com/portal/user/login\)](https://managementstudyguide.com/portal/user/login)

MAIN SUBJECTS

[Management Basics \(what_is_management.htm\)](#)

[Management Functions \(planning_function.htm\)](#)

[Organizational Behaviour \(what_is_motivation.htm\)](#)

[Marketing \(marketing-for-21st-century.htm\)](#)

[People Management \(personnel-management.htm\)](#)

[Operations \(supply-chain-management-definition.htm\)](#)

[Finance \(financial-management.htm\)](#)

[Economics \(managerial-economics.htm\)](#)

[List of all Subjects \(all-subjects.htm\)](#)

MSG

PREMIUM MEMBERSHIP

Powerpoint Presentations

(<https://managementstudyguide.com/downloads/index.html>)

Download FREE Presentations

(<https://managementstudyguide.com/portal/user/register>)

Membership - FAQs ([membership-signup.htm](https://managementstudyguide.com/portal/user/register))



Management Study Guide is a complete tutorial for management students, where students can learn the basics as well as advanced concepts related to management and its related subjects. We are a ISO 9001:2015 Certified Education Provider.

MSG Presentations

(<https://managementstudyguide.com/portal/courses>)

© 2021 Management Study Guide Privacy Policy ([msg-privacy-policy.htm](https://managementstudyguide.com/portal/courses))

[HOME \(INDEX.HTML\)](#)

[LIBRARY \(ALL-SUBJECTS.HTM\)](#)

[COURSES \(HTTPS://MANAGEMENTSTUDYGUIDE.COM/PORTAL/COURSES\)](https://managementstudyguide.com/portal/courses)

[PLANS & PRICING \(HTTPS://MANAGEMENTSTUDYGUIDE.COM/PORTAL/USER/PLANS-AND-PRICING\)](https://managementstudyguide.com/portal/user/plans-and-pricing)

[ABOUT US \(CONTACT-US.HTM\)](https://managementstudyguide.com/portal/user/contact-us.htm)