

## Sample of a market research proposal

### **Project Purple**

**Research to prepare for Domestoil launch in the UK**

**A research proposal**

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**Prepared for: J.W. Farina Ltd**

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A response to a brief from John Peterson

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### **Terms of business**

J.W. Farina Ltd was established in Italy in 1888 and has become a market leader in the supply of Italian wines and oils to countries outside Italy. The company is particularly strong in France, Austria and the UK. Olive oil is valuable to the human body, both inside and out. It eases dry skin and helps to keep the heart healthy. Major competitors are butter and margarines; the advantage of olive oil is that it has a shelf life of up to a year. There are many advantages that can be probed in the research.

In the UK, Farina supply the oil to restaurants, but not to the general public. Farina is now con-

sidering the possibility of offering to the UK general public the same quality olive oil that it currently supplies to restaurants. The working name for this oil is 'Domestoil'. The company has experience of this market segment in Austria and France, which may be useful for this research. Research for Success has been approached and a meeting took place in mid-April this year. This meeting involved a discussion of a written brief prepared by J.W. Farina Ltd. Subsequent telephone conversations clarified outstanding issues and the following proposal has been prepared.

## 2 OBJECTIVES

The overall objective is 'to examine attitudes to the use of Olive Oil in the home'. This has been broken into the following sub-objectives:

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1. To examine how oils are used in domestic settings
2. To identify attitudes to Domestoil and competing brands
3. To determine promotional platforms that can be used to launch Domestoil.

We have detailed further areas beneath each objective.

1. To examine how oils are used in domestic settings

This objective would seek to follow the oil from arrival in the home until it is consumed or disposed of in some other way. It will establish how many households keep olive oil in the home and what kinds of olive oil are usually kept. It will look at for what olive oil is currently used and, perhaps most importantly, it will attempt to identify what should constitute the target audience.

2. To identify attitudes to Domestoil and competing brands

You will note that we have modified your original objective slightly. This objective would seek to go beyond the practical uses. It will need to introduce the product and discover which groups of people are most likely to make use of this high-quality olive oil. This should give indications of the quantities they are likely to buy and whether they would be prepared to pay more for Domestoil. It will establish what other kinds of olive oil householders are aware of. It will look at both spontaneous and prompted awareness.

3. To determine promotional platforms that can be used to launch Domestoil

This objective is far more exploratory and will help to discover what appeals to the most promising segments for the brand to uncover usage figures and any useful information. The second stage will involve qualitative research to provide in-depth information on oil usage in the home, attitudes to oils and the possibilities for the use of olive oil. This will help to design the questionnaire to be used in the third stage.

## 3 DESK RESEARCH

### 3.1 Purpose

The proposed research will have three stages. The first stage will be to inspect existing sources. Our search of secondary sources will be carried out to refine the objectives and provide lines of enquiry for the next stages. Specifically, the desk research phase will gather information on national usage of oils over the last ten years. This trend data should give a useful indication about the status of the marketplace. At this point, we must also generate a list of brand names and uncover any pertinent information on competing brands that may be useful in the next parts of the research.

The desk research will attempt to establish the following:

- How many households keep olive oil in the home?
- What kinds of olive oil are usually kept?
- What is olive oil currently used for?
- What prices are charged?

- What bottle sizes are used?
- What promotions are currently used?
- Who should be the target audience?

### 3.2 Procedure

The search will begin internally with Farina; we would ask that you to allow us to consult personnel who may have access to records. We would brief them on the requirements of the research and we would expect to hold three meetings for this purpose. The sales team mentioned in the brief may be part of this. We would expect access to: (possibly indirectly) internal reports on the domestic marketplace; information on distribution to restaurants; correspondence with customers; regional buying patterns; any complaints. These will all be indicative of the likely domestic marketplace and will indicate strengths and weaknesses that will help in segmentation. An external search will also take place. We will obtain and analyse existing market assessments by such companies as Mintel or Keynote. We will contact relevant trade associations. We will inspect published research (the NRS, TGI, etc.) for any indications of oil use. We intend to create a portfolio of advertising and promotional materials used by your competition. This will give materials that will allow us to explore likely promotional platforms.

## 5014 QUALITATIVE RESEARCH

### 4.1 Purpose

Given the exploratory nature of some aspects of the objectives, we will provide you with detailed qualitative information. Focused research will be used to explore and understand the attitudes of potential customers towards the new brand and subsequent quantitative research will be used to measure how widespread these attitudes are.

The qualitative phase will probe the following:

- How and where olive oil is stored in the home
- The kinds of olive oil that are usually kept
- Olive oils of which householders are aware
- What olive oil is currently used for
- Which groups of people are most likely to make use of this high-quality olive oil
- The quantities they are likely to buy
- Whether they would be prepared to pay more for Domestoil
- Whether the brand name Domestoil is confused with one for household bleach.

### 4.2 Population and sampling

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We propose four groups with the following profiles:

Group 1	Group 2	Group 3	Group 4
North ABC1	North C2DE	East C2DE	West ABC1

These will include:

- Light users and heavy users
- Mix of males and females.

### 4.3 Procedure

We will need to introduce the product and, because we have the opportunity to do so, we intend to describe, then show, the product along with the likely competitors. One issue here is that of packaging, which could be an important variable. The skilled moderator will ensure that this does

not become a distraction; we might use the packaging used in your other markets (Austria or France).

## 5 QUANTITATIVE RESEARCH

We propose to carry out a telephone study using a questionnaire on CATI. This has been chosen as a cost-effective way of contacting relevant respondents. Personal interviewing would go outside your budget. We have not proposed a postal study or online approach because we feel that achieving the desired number and type of respondents.

### 5.1 Purpose

This stage aims to quantify how many households keep olive oil in the home and the kinds of olive oil that are usually kept. It will also give percentages of olive oil brand names of which householders are aware. We will provide percentages for both spontaneous and prompted awareness. By establishing classification data, we will know what type of people buy and use, and the prices they are prepared to pay. We do not think the negative name association will need to be the telephone gives us the opportunity to select people accurately and swiftly. This gives an assured probe at this phase, but we can add a question on that too.

### 5.2 Population and sampling

We have made the decision to carry out 200 interviews in households of different sizes. This will give a spread of responses and the opportunity to identify interesting differences. It will be with 'the person mainly responsible for the household shopping'.

We have set interlocking quotas as follows:

Household size Male Female Total sample

1	25	25	50
2	25	25	50
3	25	25	50
4+	25	25	50
Total	100	100	200

### 5.3 Procedure

The questionnaire will be developed by Research for Success and sent to Farina for approval. The questionnaire will probe the following:

- What kinds of olive oil are usually kept?
- What other kinds of olive oil are householders aware of?
- What is olive oil currently used for?
- Which groups of people are most likely to make use of high-quality olive oil?
- What quantities are they likely to buy?
- Would they be prepared to pay more for Domestoil?

Where possible, questions will be pre-coded, but, for costing purposes, we have assumed five open-ended questions and a maximum duration of ten minutes. In the case of the open-ended questions, code frames will be prepared, based on the response of the first 10 per cent.

503The analysis will involve computer tabulations, in the form of frequency distributions.

Subsequent

requirements for statistical analysis will be discussed, once the initial data is evaluated. We intend to weight the data to bring the data in line with national figures from the latest census.

## 6. REPORTING

Following the qualitative section of the research, an interim presentation-report will be submitted. This will be followed by a meeting with Farina to discuss the next stage of the research. An outline PowerPoint presentation will be created. Once this has been approved, there will be a formal presentation of all findings, along with conclusions drawn. Three copies of a report summarising the findings of all phases of the research will then be submitted. Three sets of tabulations will also be provided. It is not our normal practice to provide transcripts of the interviews, but these can be provided at extra cost, available on request.

## 7. TIMING

The table below indicates our suggested timeframe for the project. This meets the deadlines set out in the brief. When the project is underway, we will send weekly progress reports in the form of emails at 12 noon every Friday. This allows us to summarise the week's work and gives us the opportunity of the weekend to put into place any modifications you might suggest. Please note that there are overlapping periods; these have been carefully studied to ensure that your deadlines are respected. Timing is tight, so if we are to conduct the research to match the deadlines you provided, we would require sign-off within the next two weeks. Should your own launch date

change, our timetable can be applied to the new requirements.
Week Activity
1–4 Desk research
4–6 Qualitative fieldwork
7 Qualitative/desk research report available
8 Questionnaire development
9 Pilot (n = 15)
10 Pilot debriefing
11–12 Quantitative stage (n = 200)
12–13 Coding and data preparation
14 Analysis
16 Presentation
19 Final report available

The fees quoted below are exclusive of VAT and are subject to the standard terms and conditions, which are appended. The fees are subject to the assumptions contained in these proposals and we reserve the right to make adjustments should any assumptions prove to be incorrect.

Phase
Desk research
Description Fee
15 hours senior executive £3,250
30 hours junior executive
£1,000 to purchase/access

## 8. FEES

relevant reports
Qualitative research Four focus groups £8,000
Quantitative research 200 CATI interviews £10,000
Total fee
£20,250

## 9. CREDENTIALS

The project will be carried out by the Consumer Research Division of Research for Success Ltd, under its director, Nigel Bradley, who has worked for many years in the market research field. He has specialised in the application of research techniques to the food industry and, before founding the company in 1996, spent many years with leading international research agencies. He has worked and studied in the UK, France and Italy.

Ted Douglas will have day-to-day responsibility for the project. Ted is an associate director. He joined the company in 2006 after working with two other leading agencies. Since he arrived, he has managed a variety of ad hoc projects, several of them in this sector.

For further credentials, please see our web pages at [www.researchforsuccess.com](http://www.researchforsuccess.com).

### Quality control

All interviewers are trained and supervised. We check 10 per cent of interviews in one of three ways: in person, by telephone or by post. All fieldwork meets the industry standards laid down by our professional bodies, the MRS and ESOMAR.