Marketing Research Ethics: 
Clients and Field Services

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Although many people believe marketing ethics is an oxymoron, our goal is to convince you otherwise and to provide a basic perspective for making more ethical marketing research decisions about clients and field services.

Research Clients

In the previous article, we focused on researchers’ obligations to respondents. Now we discuss researcher’s obligations to research clients. A researcher should avoid abusing research designs, methods, or results. A bad experience discredits marketing research and discourages businesspeople from relying on it when it is important.

Before we cover the main abuses you should avoid, here are six examples of ways in which researchers abuse clients:

- **Overcharging and double-billing.** Low-ball pricing, or winning a bid to conduct a research study knowing it cannot be completed at the bid price and then immediately raising the price after winning the bid, is problematic.

- **Failing to maintain client confidentiality.** Clients own the data collected for them; hence, researchers have no right to provide those data to other parties.

- **Failing to avoid a conflict of interest when a researcher has multiple clients in the same industry.** What researchers learn in conducting a study for one client should not be shared

1 Note: John Wiley & Sons, Inc. published Mike and Jeremy’s Marketing Research Kit for Dummies. It is available in paperback [ISBN: 978-0-470-52068-0] and Kindle [ASIM: B003CNQ4LG] versions. The following text is based on Chapter 4 of that book.
with other clients. In other words, one client should not pay for research results provided to another client.

- **Reusing data collected for another client, especially if they are proprietary.** Clients charged for data collection should be safe in assuming they are paying for newly collected data.

- **Conducting multiple interviews simultaneously.** Researchers running studies for two clients simultaneously may recognize economies to scale by conducting joint interviews for both clients; in essence, taking a questionnaire, making it longer, and including key questions for both clients. Clients should be safe in assuming a researcher who bids on a project is bidding on a single study and the effort to collect and analyze data is specific to that study.

- **Acting unprofessionally, not delivering what was promised, and missing deadlines.** Such behaviors are obvious abuses, so they require no elaboration.

**Keeping Proprietary Data and Materials Proprietary**

A researcher might develop, in the process of completing a study, a new data collection or analysis procedure. The researcher and client might agree any newly developed methods are proprietary to the client. In other words, only the client has the subsequent right to use that procedure. If the researcher subsequently conducts a study for another client using the same procedure, then the researcher has violated his/her obligation to the client.

Even worse, if a researcher conducts a study in which collected data or newly developed methods could be useful to competitors, and subsequently he/she solicits competitors about conducting a similar study, then such solicitations represent a conflict of interest.

**Conducting Unnecessary Research**

Conducting unnecessary research merely to earn fees and cover overhead is a major abuse. If a researcher conducts a study, then it ought to be necessary in the sense it provides information to help one or more managers select the best among several viable alternative courses of action. The research should reduce, in a meaningful fashion, the marketing managers’ uncertainty.

If a researcher knows in advance a study cannot succeed in this way, then it constitutes unnecessary research.
Doing the Wrong or Irrelevant Research

Reseaching the wrong or irrelevant problem is analogous to conducting unnecessary research. It is still unnecessary, but in this case it is both unnecessary and wrong. Such research gives the erroneous impression it has provided relevant information. As a result, a client may delay a decision needlessly, and that delay may be costly.

For example, an apparel retailer may ask a local research firm to help it understand why its promotional efforts are not increasing sales. However, the research firm, based on years of studying the local retailing environment, knows customers for the apparel carried by this retailer are very price sensitive. Thus, price promotions lowering prices 20% or more will be effective. Conducting the extensive consumer study the retailer requested, rather than merely disclosing this information and suggesting other possibly worthwhile studies, is unethical.

Businesses may conduct the wrong research for political reasons. For example, a company may know consumers are misled by its advertising claims, yet those claims encourage additional sales. To avoid regulatory sanctions, the company could field a study that seemingly, but does not in fact, show its claims are deceptive. After all, it is far cheaper to field a study than to run expensive corrective advertising that could reduce sales.

Ignoring Errors in Ongoing Studies

Continuing a study after spotting a procedural error is an abuse. For example, suppose a researcher snail mails questionnaires to 1,000 people—an expensive proposition—but once the questionnaires begin to return, he/she recognizes a major measurement flaw. However, the researcher fails to mention this flaw to the client; he/she continues to accept questionnaires, enters respondents’ answers into a database, analyzes those answers, prepares a report, and then presents it. Although no study is perfect, researchers who spot a problem are obligated to correct it as soon as it is spotted.

Using Unwarranted Shortcuts

Questionable shortcuts designed to secure a contract or to reduce expenses are abusive. Shortcuts typical entail using misappropriate research methods and failing to fully disclose important information about the research: Some unwarranted shortcuts are as follows:
• **Fudging the sample.** Altering the sample design to obtain enough respondents, even if that sample design will not create a representative or projectable sample of the overall population, is unacceptable.

• **Lax respondent checks.** Improper verification of respondents is unacceptable. It is nonsensical to query people who are unqualified to participate in a study; for example, asking people who have never used a brand for advice about how to improve it cannot yield meaningful insights.

• **Ignoring pretests.** Inadequate pretesting of questionnaires, which is likely to reduce their reliability and validity, is unacceptable. Although the pretesting stage takes time, energy, and a bit of money, it is necessary to ensure the main study is executed correctly.

• **Applying inappropriate analytical techniques.** Learning about sophisticated marketing research methods may be time consuming, and the software, computers, and other materials required to use these methods may be expensive. As a result, researchers may encounter financial pressures to apply inappropriate techniques merely to amortize their costs, or be encouraged to think if they have a research hammer, then every research problem is a nail.

   Another way researchers apply inappropriate techniques is by using more sophisticated analytical methods than required to answer the research question(s). Impressing a client is an inappropriate reason for using a sophisticated analytical technique.

   Similarly, using overly technical language in reports is a problem. Dazzling clients with bulls**t accomplishes little in the long run. Researchers are obliged to communicate clearly and to provide each client with an honest assessment of the data they collected and how it can be used to make better decisions.

• **Exceeding uncertainty limitations.** Not meeting accuracy requirements—for example, by reducing the sample size to the point random sampling error becomes an unacceptable threat or by querying an insufficient numbers of respondents in each category to make meaningful cross-category comparisons—is unacceptable.
• Hiding study limitations. Misrepresenting study limitations is an abuse. For example, researchers should not hide errors caused by non-response or sampling error. They are obligated to sensitize clients about the artificiality of laboratory experiments. Similarly, overstating the validity or reliability of any study is a problem. Managers ought to know the degree to which study results are reliable and valid, and thus determine proper weighting of those results.

• Pretending to be an expert. Insufficient expertise to conduct research is related to the prior abuse. For example, longtime clients may ask a researcher to conduct a study about which he/she is not technically versed. Rather than indicate a lack required expertise, and perhaps suggest other researchers with such expertise, the researcher stumbles along and conducts the study. Researchers who lack the expertise needed to perform a study should not attempt it.

Obligations of Field Services

Field services should avoid three things:

• Over-reporting hours worked is the same as overcharging because such services are compensated on an hourly basis.

• Falsifying data (or fudging the numbers) is problematic because researchers and businesspeople count on properly collected data, especially when their company’s survival depends on a research-based decision.

• Using so-called ‘professional’ respondents: Although the use of ‘professional’ respondents may seem more like carelessness than outright theft, such data collection shortcuts can be damaging. Professional respondents—people who participate frequently in studies—may be bored retirees or overly enthusiastic volunteers. However, such people tend to differ from the targeted population. Although cost considerations encourage their use despite their atypicality, field services should resist them.

Recognizing Clients’ Obligations to Researchers

Clients’ obligations to researchers mainly pertain to the research proposal process. By proper process, we mean if you solicit proposals for research, then there should be a legitimate chance for anyone submitting a proposal to win the research contract.
A manager who has already selected a research supplier may want to pick the brains of researchers working for other research companies, so he/she pretends there is an opportunity to win the research contract and solicits proposals. Once those proposals are submitted, the manager then makes them available to the already selected researcher.

This problematic process saves the chosen researcher much time and money, and perhaps some of those savings are passed on to the research client, but it is a misuse of other research companies’ time and money. Ultimately, legitimate clients bear the costs of creating such proposals, which needlessly drive up overall research costs.

Here are ways to proceed with a proper proposal process:

- **Avoiding pseudo pilot studies.** It is unfair to imply an elaborate, multi-period study will be conducted—to secure a lower-cost bid—when you intend to fund only a one-shot study.

- **Keeping proprietary methods confidential.** You are obligated not to disclose or use the researcher’s proprietary models or techniques, as you are renting the researchers’ abilities and tools.

- **Cancelling research projects unfairly.** You should not cancel a project or refuse to pay without good cause (although such cause may exist). Because a researcher may have budgeted time and allocated overhead to a project that suddenly disappears, unjustified cancellation of a project unfairly jeopardizes the researcher’s financial well-being.

- **Supporting a political agenda.** Research should not be conducted solely to support prior conclusions. Marketing research is designed to help reduce uncertainty and to help you select the best option among viable alternative courses of action. If the course of action already is decided, then research is superfluous. Research as a political tool is wasteful. If you solicit research, then its conclusion and your actions should be undecided.

- **Conducting proper advocacy research.** Advocacy research is research conducted to support a legal claim. Think here about tobacco companies. They have an interest in using empirical studies to show the ads they ran did not induce people to begin smoking; rather, the ads only induced people to switch brands. Clearly, these companies have a
vested interest in research results supporting this position. Even for research meant to assist socially conscious tobacco companies (the ultimate oxymoron), researchers are honor-bound not to fudge their results.

**Remembering Clients’ Obligations to Respondents**

If you are the client, then your obligations to respondents are (1) not to convert them into sales prospects, and (2) to ensure you will act appropriately upon any dangerous or damaging results uncovered by research you bought. You should remember to:

- **Avoid creating prospect lists from respondent lists.** Do not use respondents’ attitudes and behaviors—as revealed by their questionnaire answers—to create a list of prospective customers. For example, if you ask a researcher to conduct a marketing study that requires identifying the names and addresses of people who are potential first-time buyers of a product, it is inappropriate for that researcher to supply that data to you for selling purposes.

- **Act on dangerous results.** You are obligated to act on dangerous results. For example, if you ask for a study on how people use one of your company’s products, and it is discovered product owners use it improperly and, as a result, occasionally are injured, then you are obligated to address that issue.

**Respondents Also Have Obligations**

We believe respondents have one obligation: if they opt to participate, assuming they have been fully informed about the study and can give proper consent, then they are obligated to be truthful.

Sadly, we have identified a group we call *mischievous respondents*. Such respondents sabotage studies by giving bogus answers to questions or responding in an atypical way to experimental tasks. Anyone trying to foul up experiments or surveys is costing the people involved needless time and energy. Mischievous respondents reduce the efficiency of the research process.

**About the Authors**

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Attesting to his writing compulsion are 80 academic journal articles, 45 conference papers (10 which won a ‘best paper’ award), four co-authored/co-edited books, 25 other academic contributions, and 30 non-academic works. He is known for his collection of Looney Tunes shirts, inability to chip a golf ball correctly, encyclopedic knowledge of classic Hollywood movies, overly neat office, and loyalty to the New York Yankees.

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