



NEW BOOKS IN REVIEW

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MARKET INTELLIGENCE: HOW AND WHY ORGANIZATIONS USE MARKET RESEARCH, Martin Callingham, London: Kogan Page Limited, 2004, 223 pages, \$32.50.

CONSUMER INSIGHT: HOW TO USE DATA AND MARKET RESEARCH TO GET CLOSER TO YOUR CUSTOMER, Merlin Stone, Alison Bond, and Bryan Foss, eds., London: Kogan Page Limited, 2004, 223 pages, \$32.50.

PERSPECTIVES ON MARKET KNOWLEDGE GENERATION AND APPLICATION

Market knowledge refers to an organization's justified set of beliefs about a marketplace (e.g., customers, competitors, external environment) that increase the productivity of its marketing actions (see Alavi and Leidner 2001). Broadly speaking, market knowledge generation within organizations can occur through two complementary processes: (1) an ad hoc research process in which studies are commissioned to address relevant knowledge gaps and (2) a continuous research process in which data from internal systems (e.g., customer database) are continually mined and analyzed to generate knowledge about prevailing market conditions (see Burns and Bush 2003).

This brief review considers two practitioner-oriented books that examine the generation and use of market knowledge within organizations. The first of these books, *Market Intelligence: How and Why Organizations Use Market Research*, provides a client's (i.e., a market knowledge user's) perspective on the ad hoc research process. In contrast, the second book, *Consumer Insight: How to Use Data and Market Research to Get Closer to Your Customer*, focuses on the application of market knowledge that is developed through an organization's continuous research process. The paragraphs that follow provide a brief, chapter-by-chapter synopsis of each book and an assessment of their relative strengths and weaknesses.

Market Intelligence: How and Why Organizations Use Market Research, by Martin Callingham, strives to provide readers with an "insiders" view or description of the ad hoc market research process within organizations. As such, its latent purpose is to enable "suppliers" of market research to develop a better understanding of the key issues client organizations face when commissioning both quantitative and qualitative ad hoc research studies. The book is divided

into 12 chapters. Chapters 1–3 are intended to lay the groundwork for the rest of the book and provide background information on (1) the different types of client organizations (e.g., profit versus nonprofit) that commission ad hoc research, (2) the knowledge management process, and (3) the dynamics of decision making within client organizations. Chapter 4 examines the purpose and organization of the market research function within client firms. Chapter 5 offers a brief overview of the relationship between client organizations and their providers of market research. Chapters 6 and 7 consider the scope and applicability of quantitative and qualitative research methods, respectively. In a discussion similar to those found in most undergraduate market research texts, Chapters 8–10 discuss the research process, research design, and approaches to managing the knowledge gleaned from ad hoc research studies. Chapter 11 discusses how an organization can use market knowledge to shape its future. Finally, Chapter 12 includes some concluding remarks and highlights market research "principles" and trends that emerged from the discussion in the text.

Although the book is positioned as a unique, "behind-the-scenes" examination of the market research process within client firms, it contributes little beyond what can be found in basic marketing research texts. In addition, the book suffers from several other limitations. First, the book's title is not entirely accurate: It suggests that the book will address "how and why organizations use market research." In reality, as the author states in the first page of the text, the book focuses on providing a description of "how market research occurs in client organizations." Second, the foundational chapters (Chapters 1–3 and Chapter 5) are overly simplistic, lack grounding in extant organizational research, and often fail to provide basic definitions. For example, Chapter 5, which considers buyer–supplier relationships, essentially overlooks the literature on organizational buying behavior. Likewise, Chapter 2, which discusses the role of knowledge within organizations, does not provide a clear definition of the "knowledge" concept. Third, the author claims to give quantitative and qualitative methods their "fair shake" in the text. Although both types of research methods occupy equal print space, the author unfairly downplays the importance of quantitative methods to knowledge generation and appears to have a bias in favor of qualitative techniques. Finally, the book's stated purpose is to provide a description of the market research process within client organizations. Unfortunately, the author transi-

tions indiscriminately between description and prescription throughout the text; this makes it difficult to ascertain whether the author is describing how things really work in client organizations or explaining how they should work under ideal conditions.

Despite its limitations, the book makes one compelling contribution: It considers the (often overlooked) role of power and politics in market research. In particular, throughout the text the author emphasizes how these “dark forces” can undermine the integrity of the research process, and he offers advice on to how their detrimental effects can be overcome. Because of its treatment of the politics and power involved in the commissioning and execution of market research, this easy-to-read book (which provides bulleted summary statements of key issues at the beginning of each chapter) is a worthwhile read for anyone who works as an internal or external purveyor of ad hoc market research.

Consumer Insight: How to Use Data and Market Research to Get Closer to Your Customer, edited by Merlin Stone, Alison Bond, and Bryan Foss, provides readers with a general overview of how market knowledge can be gleaned from internal customer databases and leveraged to achieve organizational performance objectives. The book is organized around 11 chapters. Chapter 1 provides a detailed description of database marketing and its foundations. Chapter 2 discusses the internal- and external-facing applications of customer databases. Chapter 3 outlines the role of market knowledge in database marketing and customer care. Building on the preceding chapters, Chapter 4 focuses on customer relationship management (CRM) and discusses its role within a data-intensive environment. Chapter 5 addresses the role of ad hoc market research in market knowledge generation. Chapter 6 offers an overview of the data analysis process that is necessary to extract market knowledge from customer databases. Chapter 7 considers the use of market knowledge to establish, maintain, and deepen (through cross-selling and up-selling) customer relationships. Chapter 8 discusses the sharing of market knowledge between partner organizations. Chapter 9 provides guidelines for customer selection and briefly discusses the social, political, and legal issues associated with the collection of customer data. Chapter 10 explores the role of information technology in market knowledge devel-

opment. Finally, Chapter 11 outlines different approaches for organizing the market knowledge function within organizations.

Although the book limits its focus to consumer markets (as opposed to consumer and business markets) and does not provide sufficient detail about the “nuts and bolts” of executing continuous research within organizations, it has several attractive features that make it a worthwhile read. First, it incorporates illustrative case studies throughout the text that serve to enhance the understanding of key topics. Second, it provides precise definitions of fundamental concepts (e.g., database marketing, CRM), which enables readers to focus on substantive issues rather than on the conceptual ambiguity that has plagued the field since its inception. Third, the book is balanced in its coverage; that is, it addresses both the benefits and the potential challenges that are associated with the organizational implementation of continuous research systems (for further details, see Zablah, Bellenger, and Johnston 2004). Finally, the chapters are well written, and the book is organized in a logical, easy-to-follow manner.

Because of the factors outlined in the preceding paragraph, people in search of a primer on the implementation of continuous research systems within organizations would be well advised to consider this work. In addition, the book would likely be appropriate as a supplementary text for a graduate-level database marketing or CRM course.

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