CHAPTER 3

Research Methodology

The American Marketing Association defined marketing research as “the function which links the consumer, customer and public to marketer through information – information used to identify and define marketing opportunities and problems; generate, refine, and evaluate marketing actions; monitor marketing performance; and improve understanding of marketing as a process” (as cited in Parasuraman et al., 2004, P. 8).

Research is a key tool for findings what customers want and how to satisfy their needs (Zikmund, 1997, P. 55) including understanding consumer expectations and perceptions of goods and services (Bateson, 1995, P. 558; Zeithaml et al., 2006, P. 142) and linking consumer to marketer in making marketing decisions (Burns & Bush, 2005, P. 8).

3.1. Research Methods

Research design is the plan to be followed to answer the problems or objectives of the research by selecting a basic research method (McDaniel & Gates, 2004). There are main three types of research designs: “Exploratory research” is informal research that does not have a formal set of objectives, sample plan, or questionnaire, to gain background of information, define terms and clarify problems, and help in designing the descriptive or causal research study; “Descriptive research” is used to describe answers to questions of who, what, where, when and how in order to measure a marketing phenomenon, for example use a survey method that is the most common research technique in gathering primary data from a sample of people through a questionnaire; “Causal research” is an understanding a phenomenon in terms of conditional statements, for example, use experiments to find out cause-and-effect relationships among variables (McDaniel & Gates, 2004).

A research design is chosen based on objectives of a research (McDaniel & Gates, 2004). There are three basic research methods: “Survey method” is often descriptive in nature by using an interviewer to interact with respondents to obtain facts, opinions, and attitudes;
“Observation method” is a descriptive research that monitors actions of respondents without direct interaction; “Experiments” use to measure causality by changing one or more variables and observe the effect of the changes (McDaniel & Gates, 2004). Table 3.1 shows the differences between a qualitative or quantitative research.

Table 3.1. Differences of the Research Methods

<table>
<thead>
<tr>
<th>Use this approach if:</th>
<th>Qualitative</th>
<th>Quantitative</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Researcher believes that:</td>
<td>There are multiple possible realities constructed by different individuals.</td>
<td>There is an objective reality that can be measured.</td>
</tr>
<tr>
<td>2. Audience is:</td>
<td>Familiar with/supportive of qualitative studies.</td>
<td>Familiar with/supportive of quantitative studies.</td>
</tr>
<tr>
<td>3. The research question is:</td>
<td>Exploratory, interpretive.</td>
<td>Confirmatory, prediction.</td>
</tr>
<tr>
<td>4. The available literature is:</td>
<td>Limited.</td>
<td>Relatively large.</td>
</tr>
<tr>
<td>5. The research focus:</td>
<td>Involves in-depth study.</td>
<td>Covers a lot of breadth.</td>
</tr>
<tr>
<td>7. Ability to work with people is:</td>
<td>High.</td>
<td>Medium to low.</td>
</tr>
<tr>
<td>8. Desire for structure is:</td>
<td>Low.</td>
<td>High.</td>
</tr>
<tr>
<td>9. Researcher has skills in:</td>
<td>Inductive reasoning and attention to detail.</td>
<td>Deductive reasoning and statistics.</td>
</tr>
<tr>
<td>10. Writing skills are strong in:</td>
<td>Literature, narrative writing.</td>
<td>Technical, scientific writing.</td>
</tr>
</tbody>
</table>

Source: Leedy & Ormrod (2005, P. 106)

In the research, there are two main paradigms of research approaches: qualitative research and quantitative research. Each research is different and each also consists of many approaches.
Qualitative research enables researchers to “gain insights people” and to reveal the nature of specific situation to develop new concepts, or discover the problems by using the method such as in-depth interviews and focus groups (Leedy & Ormrod, 2005). Qualitative research requires small sample sizes, but needs high preparation and planning, and highly trained interviewers to get necessary answer (Leedy & Ormrod, 2005).

Quantitative research has many methods such as observation and survey research that are descriptive methods to predict behavior, and allows researchers more easily to study a large group and the outcome can be assumed as generality (Jackson, 2008). Marketers normally use the quantitative research such as the survey techniques to evaluate customer satisfaction and perceptions on goods and services for developing the marketing strategy (McBurney & White, 2004; Czaja & Blair, 2005).

This study was based on Quantitative approach to gather primary data. There are many types of quantitative research; however, this study used the survey research via questionnaire to collect the data about attitudes of current customer at TOM N TOMS COFFEE SHOP in Phaya Thai.

3.2. Research design

3.2.1. Population

Population is defined as the group of people from whom a study is interest in getting information, and a sample is a part or a subgroup of the population (Parasuraman et al., 2004). The target population of this research are customers who prior experience with TOM N TOMS coffee shop. Jackson (2008) suggested that a researcher can use a simple random sampling technique for selecting a sample that has an equal chance to be selected. In this research, the population was based on a location resulted from a simple random sampling from TOM M TOMS coffee shop. As the result, from interviewing a shop manager of TOM N TOMS coffee shop, on average the customers of TOM N TOMS coffee shop at Central Town of Bangkok,
The restaurant have 6,000 people per month, or 200 people per day.

### 3.2.2. Sampling Technique

In determining the sampling, there are two main types of samples: probability sampling and nonprobability sampling for choosing samples (Jackson, 2008). Each type has a variety of methods. Figure 3.2.2. Show the basic types of sampling methods.

![Figure 3.2.2. Sampling Methods](image)


**Probability** sampling is a sampling technique in which each member of population has an equal chance of being selected (Jackson, 2008). There are several techniques; however, the main three types of probability sampling are: “simple random sampling” each member of the population has a known and equal probability to be chosen as part of the sample; “stratified random sampling” divides population into subsamples to ensure that the subgroups are representative of the population; “cluster sampling” often use when the population is too large for random sampling method (Jackson, 2008, P. 97-99).

**Nonprobability** sampling is a subjective procedure in which the individual members of the population is an unknown of being selected as part of the sample by generating samples whoever easily to obtain (Jackson, 2008). The three basic types are: “convenience sampling” is a basic for selecting a sample that is available and convenient; “judgment sampling” allows
researchers in selecting a sample that is appropriate for the study; “quota sampling” involves selecting each population segment based on the judgment of the researchers (Parasuraman et al., 2004).

This study was based on Nonprobability sampling. Target customers who visit EAT ME restaurant, the population in the Central Town of Bangkok. The measurement of customer’s perceptions of service quality towards TOM N TOMS coffee shops involves selecting a sample that is appropriate for the study and selecting each population segment based on the judgment of the researcher.

3.2.3. Sample size

Sample size is a group of elements subject to selection in the sample in the research (Zikmund, 1997). In determining the sample size, Naumann & Giel (1995) described an appropriate sample size regarding to population size shown in Appendix A. Leedy & Ormrod (2005) stated that “the larger the sample, the better” is not helpful in practical decision for a researcher in a particular situation such as costs and time limitation.

3.3. Survey design and development

After the research design and the sampling plan have been created, the next process is collecting data. There are many research techniques involves many methods of data gathering such as by personal and telephone interviewing, mail survey and self-administered questionnaire that filled out by respondents with no interviewer present (McDaniel & Gates, 2004)

The survey will be designed after specified the research problems and questions in the research, and designing and developing the survey must be related to the goals of the research (Czaja & Blair, 2005). Figure 3.3. shows the questionnaire design process: the first step begins with determine survey objectives, resources, and constraints; determine the data collection method; determine the question response format; decide on the question wording; establish questionnaire flow and layout; evaluate the questionnaire; obtain approval of all relevant parties; pretest and revise; prepare final copy; and implement the survey at the final stage.
The measurement process: measurement is the process of assigning number, objects or events that relate to specific rule for representing quantities or quality of attributes (McDaniel & Gates, 2004, P. 194). Table 3.3.1 shows the four basic levels of measurement: nominal scales, ordinal scales, interval scales, and ratio scales.
### Table 3.3.1 Four Basic Levels of Measurement

<table>
<thead>
<tr>
<th>Level</th>
<th>Description</th>
<th>Basic Empirical Operations</th>
<th>Typical Usage</th>
<th>Typical Descriptive Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nominal</td>
<td>Uses numerals to identify objects, individuals, events, or groups</td>
<td>Determination of equality/inequality</td>
<td>Classification (male/female)</td>
<td>Frequency counts, percentages/modes</td>
</tr>
<tr>
<td>Ordinal</td>
<td>In addition to identification, provides information about the relative amount of some characteristic possessed by an event, object, etc.</td>
<td>Determination of greater or lesser</td>
<td>Ranking/ratings (preferences for hotels, banks, etc., rating of food based on fat content, cholesterol)</td>
<td>Median (mean and variance metric)</td>
</tr>
<tr>
<td>Interval</td>
<td>Possesses all the properties of nominal and ordinal scales plus equal intervals between consecutive points</td>
<td>Determination of equality of intervals</td>
<td>Preferred measure of complex concepts/constructs (temperature scale, air pressure scale, level of knowledge about brands)</td>
<td>Mean/variance</td>
</tr>
</tbody>
</table>

### 3.4. Coding Structures

Coding is an assigning of numbers on various scales to responses on a set of the questions (Parasuraman et al., 2004). Also, the coding facilitates in data processing and analyzing stage, and then the data will be interpreted and analyzed to answer to the research questions (Zikmund, 1997).

### 3.4. Data Collection Methods

The research method used in this study was based on quantitative approach to gather primary data. There are many types of quantitative research; however, this study used the survey research via questionnaire to collect the data about attitudes of current customer at TOM N TOMS coffee shop.

### 3.4.1. Population

According to the purpose of this study, the target population of this research is customers who prior experience with TOM N TOMS coffee shop. Jackson (2008) suggested that a researcher can use a simple random sampling technique for selecting a sample that has an equal chance to be selected. In this research, the population was based on a location resulted from a simple random sampling from TOM N TOMS coffee shop at Phaya Thai. As the result, from interviewing a cafe manager of TOM N TOM coffee shop, on average the customers of TOM

<table>
<thead>
<tr>
<th>Ratio</th>
<th>Incorporates all the properties of nominal, ordinal, and interval scales plus an absolute zero point</th>
<th>Determination of equality of ratios</th>
<th>Preferred measure when precision instruments are available (sales, number of time arrivals, age)</th>
<th>Geometric mean/harmonic mean</th>
</tr>
</thead>
</table>

N TOMS at Central Town of Bangkok, The café has an estimated customers of 6,000 people per month, or 200 people per day.

3.5. Sampling Technique

To accomplish the research objectives and to answer the research questions, the purposive or judgment sampling is a procedure in which allows a researcher used their own judgment to select a sample that is most appropriate for purposes of a study (Parasuraman et al., 2004). The participants were chosen from the existing customers after they visited at TOM N TOMS, Central Town of Bangkok in November, 2015. The survey location is at the TOM N TOMS premises, in which people are busy with urgent business, and it would be very difficult to request the particular respondents that tend to be quite in a hurry to answer the questions during their coffee time at the café. As I have to wait after the customers has finish their snacks and coffee during time to make payment is the time I approach them with my questionnaire to fill out for me with a smile on my face and some show interest why the busy ones ask me to come next day. The convenience sampling is used for selecting a sample that is available and convenient for collecting the data (Parasuraman et al., 2004). Therefore, after the customers have had their coffee at TOM N TOMS café, the researcher chooses the respondents who are willing to answer the questionnaire.

3.6. Sample size

In determining the sample size at TOM N TOMS coffee shop, there are several methods; however, selecting sample size in this research was based on the guidance of Naumann & Giel (1995) that presents an appropriate sample size requirements regarding to population size shown in Appendix A. The sample size for this study was 285.

3.7. Sampling Instrument

For this study, the self-administrated questionnaire was used to gather the data. McDaniel & Gates (2004) suggested a researcher to conduct the pretest survey to check and make sure that
the survey questions are clear, so in this study the questionnaire items were pre-tested with 24 respondents in the survey area at TOM N TOMS Cafe, Central Town of Bangkok.

There are many ways to phrase questions; however, a questionnaire can be designed in a way that the respondents can answer all the questions as simple as possible, such as fixed alternative questions and closed-end questions that take less time and are easier for the respondent to answer including facilitates coding and interpreting the data (Zikmund, 1997, P. 369). In this research, the questionnaire instrument used the SERVQUAL dimensions to measure customers’ expectations and perceptions on service quality at TOM N TOMS coffee shop. The questionnaire was composed of four parts: Part 1 explores demographic of respondents; Part 2 determines a customer expectations with twenty-two questions regarding each dimensions of service quality; Part 3 evaluates the importance of each service dimension; and Part 4: determines a customer perceptions with twenty-two questions respecting to service quality at TOM N TOMS coffee shop. This research used a tool of Conbach’s Alpha-coefficient for assessing the reliability of questionnaire, \(0 \leq \alpha \leq 1\), 0.7 is a minimum requirement and \(\alpha\) close to 1 is high in reliability (as cited in Forman & Nyatanga, 2001). The result of pilot test in part of expectations (22 questions) is 0.9316, and part of perceptions (22 questions) is 0.9472.

There are many ways to phrase questions; however, a questionnaire can be designed in a way that the respondents can answer all the questions as simple as possible, such as fixed alternative questions and closed-end questions that take less time and are easier for the respondent to answer including facilitates coding and interpreting the data (Zikmund, 1997, P. 369). In this research, the questionnaire instrument used the SERVQUAL dimensions to measure customers’ expectations and perceptions on service quality at TOM N TOMS coffee shops. The questionnaire was composed of four parts: Part 1 explores demographic of respondents; Part 2 determines a customer expectations with twenty-two questions regarding each dimensions of service quality; Part 3 evaluates the importance of each service dimension; and Part 4: determines a customer perceptions with twenty-two questions respecting to service quality at TOM N TOMS coffee shops. Full details of the survey questions in Appendix B.
3.8. Coding

Participants were asked to rate the level of agreements based on a seven-point of Likert rating scale with providing the various statements regarding to service quality that respondents experienced at TOM N TOMS coffee shop.

The coding structures that will be used in the questionnaire of this research to measure customers’ expectations are as follows:

(5 = Not at all important; 4 = Not important; 3 = Neutral; 2 = Important; 1 = Very important)

The coding structures that will be used in the questionnaire of this research to measure customers’ perceptions are as follows:

(5 = Strongly disagree; 4 = Disagree; 3 = Neutral; 2 = Agree; 1 = Strongly agree)

To measure the levels of customer expectations and perceptions on service quality in this study, the method used compares between customer expectations and perceptions in services from each customer at the restaurant. The results from the customer expectations score will be subtracted with the results from the customer perceptions score in considering the importance of each dimension of service quality. The SPSS software is widely used as it is easy and appropriate in handling data (Gaur & Gaur, 2006:15); therefore, the SPSS program is used for computing the data in this study.

3.8.1. Reporting

The research finding will be concluded and reported at the final process. For this study, the data in quantitative research will be presented and established in the form that answers directly to the research questions. The research results will explore that the service quality at TOM N TOMS coffee shop meet or exceed its customer expectations or not.
3.9. **Conclusion**

This describes the steps of the research process as well as the research method used in this study including sampling design, and designing questionnaire to obtain primary data.