

МИНИСТЕРСТВО ОБРАЗОВАНИЯ И НАУКИ
РОССИЙСКОЙ ФЕДЕРАЦИИ
Федеральное государственное автономное образовательное
учреждение
высшего образования
«Санкт-Петербургский политехнический университет Петра Великого»
Институт промышленного менеджмента, экономики и торговли
Дирекция образовательных программ

УДК 339

Научный руководитель, д.э.н., профессор

_____ А.В. Козлов

«___» _____ 2017 г.

МАГИСТЕРСКАЯ ДИССЕРТАЦИЯ

на тему:

Исследование факторов влияющих на применение маркетинговых исследований на B2B рынке.

Направление: 38.04.02 – Менеджмент

Магистерская программа: 38.04.02.30 – Развитие международного бизнеса

Выполнил студент гр. 237432/3005

С. Солтанабади Фарши

Руководитель

ученая степень, звание, должность

Д.А. Гаранин

Нормоконтролер

к.э.н., доцент, доцент

Н.С. Лукашевич

Санкт-Петербург
2017

MINISTRY OF EDUCATION AND SCIENCE
OF THE RUSSIAN FEDERATION

Federal State Autonomous Educational Institution of Higher Education
Peter the Great St. Petersburg Polytechnic University
Institute of Industrial Management, Economics and Trade
Directorate of educational programs

UDK 339

Academic Supervisor

Dr. Sc., Prof.

_____ A.V. Kozlov

« _____ » _____ 2017

MASTER THESIS

On the Subject:

Research of Factors Influencing on Applying of Marketing Research in
B2B Market

Field of study: 38.04.02 – Management

Master degree program: 38.04.02.36 – International Business Development

Submitted by the master

student of group 237432/3005

S. Soltanabadi Farshi

Supervisor PhD, Assoc. Prof.

D.A. Garanin

Normocontrol Ph. D., Assoc. Prof.

N.S. Lukashevich

St. Petersburg
2017

**STATE AUTONOMOUS EDUCATIONAL INSTITUTION
OF HIGHER PROFESSIONAL EDUCATION
«PETER THE GREAT SAINT PETERSBURG STATE
POLYTECHNICAL UNIVERSITY»**

Higher school of Marketing and Small Business

Assert
“23” March 2017
Academic Supervisor, Dr. Sc., Prof.
_____ A.V. Kozalov
« ____ » _____ 2017

TASK FOR MASTER'S THESIS

by student Sina Soltanabadi Farshi, group 237432/3005

1. Title of thesis: Research of Factors Influencing on Applying of Marketing Research in B2B Market
2. Deadline for the final thesis 5 May 2017
3. Data sources for thesis

Related Books

Related Articles

Online Sources

Data from observations and interviews

Expert views

Paid Statistical Analysis from marketresearch.com

4. Content and Explanatory Notes Introduction: Problem Definition; Goal of the Thesis; Organization of the Thesis 1. Review of the literature: 1.1 Market Research and Its Importance; 1.2 Market Research in B2B and B2C Sectors; 1.3 Challenges of Doing B2B Market Research; 1.4 Why Market is Research is Difficult to do; 1.5 Tips Making B2B Market Research Easier and More Effective?; 1.6 Market Research in Post-Soviet Countries; 1.7 Qualitative Research; 1.8 How to Conduct a Qualitative Research?; 1.9 qualitative market research: advantages and disadvantages; 1.10 Market Research Comparison between Russia and the USA 2. Research methods: 2.1 Research concept; 2.2 Data Collection and Participants. 2.3 Data collection procedure 2.4 Data analysis. 2.5 Validity and reliability of the research 3. Primary research analysis and results. 4. Suggestions based on

primary research analysis. Conclusion: Limitations of the Study; Suggestions for Further Research

5. The list of graphical material

a) Key B2B Market Research Locations within Russia

b) List of types of research done in Russia compared between two time periods

c) Number of Market Research Organizations in Russia by Year

d) Number of Market Research Organizations in the USA by Year

e) Division of Budget among Marketing Activities in Russia

f) Market Research Industry Revenue in Russia and the USA

g) List of the Participants

6. Consultants for project

7. Data of given task 18 January 2016

Thesis director Dr. D.A. Garanin

Student 10 February 2017 Sina Soltanabadi Farshi

(Data)

Notes

1. This task is attached to the finished project, and together with the draft submitted to the SJC.
2. In addition to setting the task student must obtain from the head the timetable of work for the entire period.

Timetable

Chapter 1: March, 1; chapter 2: March, 20; chapter 3: April, 15; final thesis: May, 5.

sina.s@teknolab.ru +79811405800

Student is informed the need to provide not less than 70% of the original text and not more than 10% from the same source citation

Student is also informed the need to provide a report on the practice **10 days** before the exam.

РЕФЕРАТ

62 с., 6 рис., 2 табл., 28 источников.

B2B рынок, маркетинговое исследование, качественное исследование, постсоветские страны, анализ

Основной целью данного исследования было выяснить причины, по которым компании в постсоветских странах на рынке B2B не проводят исследования, перед принятием решений. Для этого, как пример, было тщательно исследовано подробное интервью. Для выполнения требований этого качественного исследования, интервью были проанализированы, и причины, не позволяющие компаниям проведение маркетинговых исследований на рынке B2B, оказались в следующем:

Маркетинговые исследования - это дорого, проще положиться на сеть Интернет и ссылки проще, чем проводить исследования, изучение рынка времязатратно, нестабильность экономики, краткосрочная ориентация компаний, невидимость рынка исследовательских компаний, дефицит специалистов по маркетингу в маркетинговых отделах компаний, нестабильность на рынке телекоммуникационных услуг.

Таким образом, на основе анализа результатов проведенных интервью, даны следующие рекомендации и предложения по развитию исследований рынка среди B2B компаний:

Наем профессиональных исследователей рынка или аутсорсинговый персонал для анализ рынка, привлечение компаний, занимающихся маркетинговыми исследованиями, наем специалистов в отдел маркетинга своих компаний и найм консультантов.

Abstract

62 p., 6 fig., 2 tables., 28 bibliographic sources.

B2B Market, Market Research, Qualitative research, Post-Soviet Countries, Analysis

The general purpose of this study was to find out the reason why companies in post-soviet countries in B2B market don't conduct research before taking action. To do so, the sample was chosen for in-depth interview. To fulfill the requirements of this qualitative research, the interviews were analyzed and the reasons preventing companies from conducting market research in B2B market found became clear which are as follows:

Market research is expensive to conduct, trust on network and referencing more than doing research, market research is time taking, instability of the economy, short-term orientation of companies, invisibility of market research companies, lack of marketing specialists in marketing departments of the companies, instability of the telecom market

Afterwards, based on the analysis of the results from the conducted interviews, the following guidelines and suggestions for developing market research among B2B companies are given:

Employing professional market researchers or outsource market analysis, marketing research companies engage advertisement, employ professionals in marketing division of their company, and hiring consultants

TABLE OF CONTENTS

INTRODUCTION.....	11
1) REVIEW OF THE RELATED LITERATURE.....	13
1.1 Market Research and Its Importance	13
1.1.1 Identifying the problem and opportunities in the market.....	13
1.1.2 Formulating market strategies:	13
1.1.3 Determining consumer needs and wants:	13
1.1.4 For effective communication mix:.....	14
1.1.5 Improving selling activities:	14
1.1.6 For sales forecasting:	14
1.1.7 To revitalize brands	14
1.1.8 To facilitate smooth introduction of new products:	14
1.1.9 Determine export potentials:	14
1.1.10 Managerial decision-making:	15
1.2 Market Research in B2C and B2B Sectors.....	15
1.2.1 Mixed methodology studies are more common in B2B.	15
1.2.2 The tele-depth methodology is more common in qualitative B2B.	15
1.2.3 Focus groups are rarer in qualitative B2B studies.	15
1.2.4 Sample sizes are smaller in quantitative B2B studies.....	15
1.2.5 In B2B research Group decision is better than individual	16
1.2.6 B2B respondents are harder to reach	16
1.2.7 Relationships are leveraged and respected in B2B research.....	16
1.2.8 Expert B2B researchers are needed	16
1.2.9 B2B analysis reflects the 80/20 rule	16
1.2.10 Respondent anonymity is often waived in B2B.....	17
1.3 Challenges of Doing B2B Market Research.....	17
1.3.1 Tools Used for Market Research in B2B Market	17
1.4 Why Market is Research is Difficult to do?	18
1.4.1 Every business is different.....	18
1.4.2 Finding the right people.....	18
1.4.3 Group decision-making	18
1.4.5 Time is short	18
1.4.6 Willingness to share information.....	19
1.5 Tips Making B2B Market Research Easier and More Effective	19
1.5.1 Accessing the right people (it's NOT who you know)	19
1.5.2 Engaging experts in a meaningful conversation	19
1.5.3 Research and strategy are not separable	20
1.5.4 Embracing ambiguity (learn to love the response "It depends")	21

1.5.5 Be nimble and flexible (expect failure and plan for recovery).....	22
1.6 Market Research in Post-Soviet Countries.....	22
1.6.1 Geographical Distribution of B2B Marketing Research in Russia.....	24
1.6.2 Which Types Of B-to-B Studies Are Conducted?	24
1.6.3 Key Agencies Carrying Out Research in Russia.....	26
1.6.4 How Is Information Gathered?.....	27
1.6.5 What Can and Can't Be Asked?	28
1.6.6 Price of Market Research Studies in Russia.....	28
1.7 Qualitative Research:	28
1.7.1 What is Qualitative Research?	29
1.7.2 Methods of Qualitative Research	29
1.7.3 Why Qualitative Market Research Works and Its Applications.....	29
1.8 How to Conduct a Qualitative Research?	31
1.8.1 Determine Research Questions	31
1.8.1 Design the Study:.....	31
1.8.2 Collect Data	32
1.8.3 Analyze Data:.....	32
1.8.4 Generate Findings	32
1.8.5 Validate findings	32
1.8.6Report.....	32
1.9 qualitative market research: advantages and disadvantages.....	33
1.10Market Research Comparison between Russia and the USA.....	34
1.10.1 Cost of Market Research.....	38
2 METHODOLOGY	40
2.1 Research Concept.....	40
2.2 Data Collection and Participants	40
2.2.1 Short Information about the Companies	42
2.3 Data Collection Procedure	43
2.4 Data Analysis	43
2.5 Reliability and Validity of the Research	44
3 PRIMARY RESEARCH ANALYSIS AND RESULTS	45
3.1 Expensive process to conduct research	46
3.2 Lack of trust and networking/reference	46
3.3 Repercussive allocation of time	46
3.4 Unstable Economy	47
3.5 Short term orientation	47
3.6 Market research companies are not visible	48
3.7 Lack of marketing specialists.....	48

3.8 Telecom market is not stable	49
3.9 Summary of the Results.....	49
4 SUGGESTIONS BASED ON PRIMARY RESEARCH	50
4.1 Employing professional market researchers or outsource market analysis	51
4.2 MRC engage advertisement	51
4.3 Employ Professionals in marketing division of their company	52
4.4 Marketing Research is most important to work against threats and help predict market change.....	53
4.4.1 Political.....	53
4.4.2 Economic.....	53
4.4.3 Social	53
4.4.4 Technological	54
4.4.5 Legal.....	54
4.4.6 Environmental	54
4.4.7 Opportunities and Threats	54
4.5 Hiring Consultants.....	55
CONCLUSION	57
LIST OF REFERENCES	59
APPENDIX- INTERVIEW QUESTIONNAIRE.....	62

Introduction

The growth of marketing research as an important and vaster area in recent years has made many organizations to show more tendency towards doing market research before starting any new or adjusting any existing activity. Hence, many market research companies have been emerged during these years to provide the organizations with market research services. Research has shown that doing market research and following its results reduces the loos risk for the related organizations. But because of the market trends and characteristics, specially in Russia and post-soviet countries, mostly this research has been specified to B2C sector than B2B. However, in B2B market it is also important to do the market research before taking any activity to minimize the amount of the taken risk.

Problem Definition. Being engaged in the market as an active organization, companies need to know about the market trends and its related aspects before taking any action. This knowledge comes only with scientifically studying the market which can be done by the means of market research. In order to get this knowledge, the companies need to pay some other organizations called “Research Organizations” or hire professional human resource to get it done. Bunk of research has been done, specially related to B2C market, in order to prove that doing market research prevents companies from losses. Hence, it seems logical to spend some money in the beginning before taking actions on doing some research than losing a lot in the end without any knowledge. Supposing so, and due to the fact that the organization quantity in B2C sector is significantly higher than B2B, most of the research in the case of effectivity of market research has been devoted to this sector. However, due to the fact that these two markets are related to each other, it comes to be evident that market research should be important in B2B sector as well.

By asking the companies in Russia engaged in B2B market, it can be found out that most companies are not eager to do any market research before taking actions. In addition, while referring to the statistics of market research organizations, with regard to the distribution ratio, it can be found that the amount of research orders from B2C companies are significantly higher than B2B companies. However, research has not stated any difference between the effectiveness of market research between B2C and B2B sector.

Goal of the Thesis. Based on the above-mentioned information, plus the reinforcing effect of the reviewing literature, the importance of market research can be vivid. As mentioned before, bulk of research has been done in market research area in B2C market, however, the absence of this kind of research in B2B market is clear in country with great economy

like Russia. Based on this fact, the researcher has used this research gap as an aim to focus on. Therefore, the main aim of this research is to focus on the points which dissuade the organizations from doing market research in B2B market in Russia, and thereafter, providing guidelines in order to enhance market research in B2B sector. In other words, the current research has tried to find the reasons for the organizations in B2B market not doing market research before taking actions. Afterwards, it has tried to give guidelines how to make the intended organizations to do this kind of research which is beneficial under most circumstances.

Another fact which adds to the importance of the current research is that persuading organizations to do market research can reduce the amount of risk of loss for them and from the other side, it can make more business for research companies, which are also considered as a part of economy in the country. Therefore, these two parties can benefit the most from this research and apply the results to make their business more effective than before.

Taking all the mentioned points into consideration, the current research has tried to answer the following questions:

- 1) what are the reasons making Russian organizations in B2B sector not to do market research before taking actions?
- 2) What are the solutions and guidelines to make Russian organizations to make market research before taking actions?

Organization of the Thesis. The current thesis consists of four chapters. The first chapter, which starts after introduction, includes the literature review which engages with the theoretical and some practical views related to the topic. The second chapter discusses the methodology used to carry out this research such as, participants, research methodology, reliability and validity, and so on. The third chapter gives information to the readers about data analysis and primary results based on the in-depth interviews conducted. And finally, the last chapter, suggestions, talks about the solutions given to solve the existing problem based on the analysis and result gotten. And finally, comes conclusion, which talks about the research in general and its finding, plus limitations of the study and suggestions for the further studies.

1) Review of the Related Literature

In this chapter, the researcher will try to get the reader engaged with the concurrent research which has been done in the area of market research and its effectiveness. The chapter will start with general topic of market research and then gradually it will be more specific towards market research in B2B sector and its importance and trends.

1.1 Market Research and Its Importance

Market research, according to Investopedia, is the process of assessing the viability of a new good or service through research conducted directly with the consumer which allows a company to discover the target market and record opinions and other input from consumers regarding interest in the product. Market research may be conducted by the company itself or by a third-party company that specializes in the market research field. Test subjects are usually compensated with product samples and/or paid a small stipend for their time.

The most important task of a marketer is to get the right product at the right place with the right price to the right person (Myers, 2013). Besides, it was also necessary to go back and find whether consumer is getting optimum satisfaction, so that consumer remains loyal. These aspects made it imperative for the marketers to conduct marketing research.

According to Chand (2011), the following points explain the need for and importance of marketing research:

1.1.1 Identifying the problem and opportunities in the market

It helps in identifying new market opportunities for existing and new products. It provides information on market share, nature of competition, customer satisfaction levels, sales performances and channel of distribution. This helps the firms in solving problems.

1.1.2 Formulating market strategies:

Today, markets are no more local. They have become global. Manufacturers find it difficult to contact customers and control distribution channels. Competition is equally severe. The consumer needs are difficult to predict. Market segmentation is a complicated task in such wide markets. The marketing intelligence provided through marketing research not only helps in framing but also in implementing the market strategies.

1.1.3 Determining consumer needs and wants:

Marketing has become customer-centric. However, large-scale production needs intermediaries for mass distribution. Due to prevalence of multi channels of distribution, there is an information gap. According to Kotler and Koler (2009), marketing research helps in collecting information on consumers from structured distribution research and helps in making

marketing customer oriented. As they add, it can be beneficial in the following ways:

1.1.4 For effective communication mix:

In an era of micro- rather than mass-marketing, communication plays a vital role. Marketing research uses promotional research to study media mix, advertising effectiveness and integrated communication tools. Research on such aspects will help in promoting effectively a company's product in the market.

1.1.5 Improving selling activities:

Marketing research is used to analyze and evaluate performances of a company within a market. It also studies effectiveness of a sales force. It helps in identifying sales territories. Such information helps the companies in identifying areas of shortcoming in sales. It also examines alternative methods for distribution of goods.

1.1.6 For sales forecasting:

The most challenging task for any production manager is to keep optimum levels of inventory. However, production is undertaken in anticipation of demand. Therefore, scientific forecast of sales is required. Marketing research helps in sales forecasting by using market share method, sales force estimate method and jury method. This can also help in fixing sales quotas and marketing plans.

1.1.7 To revitalize brands:

Marketing research is used to study and find out the existing brand position. It finds out the recall value of brands. It explores the possibilities of brand extension or prospects of changing existing brand names. The main purpose of marketing is to create brand loyalty. Marketing research helps in developing techniques to popularize and retain brand loyalty.

1.1.8 To facilitate smooth introduction of new products:

Marketing research helps in testing the new products in one or two markets on a small scale. This helps in finding out consumer response to new product and develop a suitable marketing mix. It reveals the problems of the customers regarding new products. Thus, it controls the risk involved in introducing a new product.

1.1.9 Determine export potentials:

The development in transport and communication has helped in globalization and digitalization of world trade. This has helped in boosting the growth of international markets. Marketing research helps in conducting market survey for export. It collects information on marketing environment prevailing in a country. By collecting data on consumers from different countries, it indicates export potentials.

1.1.10 Managerial decision-making:

Marketing research plays a vital role in the decision-making processes by supplying relevant, up-to-date and accurate data to the decision-makers. Managers need up-to-date information to access customer needs and wants, market situation, technological change and extent of competition

1.2 Market Research in B2C and B2B Sectors

According to Willan (2013) there are 10 major differences between market research in B2C and B2B markets, which can be categorized as follows:

1.2.1 Mixed methodology studies are more common in B2B.

Consumer researchers (and agencies) often label themselves as 'qualitative' or 'quantitative'. Some even go so far as to label themselves with a particular methodology, e.g. an 'ethnographic' researcher. The complexity of B2B markets though means that multiple research methods often need to be used in conjunction. The findings garnered from desk research can help to frame a good qualitative interview and a thorough focus group can help provide relevant answer options for a quantitative survey. That's why most B2B research agencies are 'methodology neutral' and skilled in many

1.2.2 The tele-depth methodology is more common in qualitative B2B.

Business decision makers conduct a lot of their transactions by phone. Furthermore, meeting with people takes up limited meeting rooms and consumes time beyond the meeting itself (e.g. organising a venue, meeting and greeting). This means that tele-depth interviews are often the preference of B2B respondents and can gain a better quality of information than face-to-face interviews (the opposite is true in consumer research)

1.2.3 Focus groups are rarer in qualitative B2B studies.

The target audience of interest in B2B studies often comprises senior, time poor decision makers. Furthermore, these individuals are often geographically dispersed and operate in competition to each other. This means that focus groups are often simply not a realistic option in B2B studies

1.2.4 Sample sizes are smaller in quantitative B2B studies.

The limited number of buyers in B2B markets means that fewer interviews are practical and indeed necessary. For example, as a rule of thumb a minimum of 50 quantitative interviews are needed to provide a

reasonable degree of reliability in B2B research, but in consumer research this would be far too low (several hundred would be more appropriate given the population size)

1.2.5 In B2B research Group decision is better than individual

Multiple people are usually involved in B2B purchase decisions. This means that any research should explore all views and do so in a way which allows different ‘types’ to be analyzed in isolation, e.g. users of the product, financial decision makers

1.2.6 B2B respondents are harder to reach

B2B decision makers are busy – they’re at work and they’re inundated with requests for their time from colleagues, suppliers, clients and...market researchers. This means that they need to be carefully persuaded to support any research exercise. And before you even have the opportunity to persuade them you need to get past any ‘gate keeper’ such as a secretary or PA

1.2.7 Relationships are leveraged and respected in B2B research

B2B buyers often have an individual within the supplier organization that they regularly deal with, e.g. an Account Manager. The support of this individual is invaluable in getting past gatekeepers and persuading respondents to support the research.

It’s also critical to keep them informed as they ‘own’ the relationship and will need to act on the research findings

1.2.8 Expert B2B researchers are needed

In B2B markets products tend to be complex and respondents are often expert in their field. This means that the research team needs to have a good working knowledge of the product area and industry. This allows them to design smart surveys which look beyond the superficial, hold intelligent conversations and interpret the results in a meaningful way.

1.2.9 B2B analysis reflects the 80/20 rule

As B2B markets tend to have a small number of disproportionately important customers in them, B2B research should reflect this. For example, quantitative studies might over-weight the views of large customers over smaller ones.

1.2.10 Respondent anonymity is often waived in B2B

In consumer studies it's rare for survey responses to be attributed back to a named individual. In B2B research though it can be a valuable relationship building tool. Confidentiality is promised to those sharing their opinion, but they're asked if they would like a direct follow up because that's often what they want, e.g. for an issue to be reported to and actioned by their Account Manager.

1.3 Challenges of Doing B2B Market Research

According to Movahhed (2016), Companies in the manufacturing and wholesale distribution space have some unique challenges when it comes to doing the kind of B2B market research necessary to inform their business strategies. In B2C, market research methodologies typically fall into two basic categories: quantitative and qualitative:

Quantitative research, as he adds, is research that is performed with the intention of measurement. You are looking at numbers that describe the size of a market or segment, market share for a brand, how often consumers purchase certain types of products, etc. Quantitative research requires large sample sizes in order to provide statistically significant information.

Qualitative research, as he further mentions, on the other hand, is more interested in trying to gain a more nuanced understanding of how or why people do what they do. Statistically significant samples are less important, but you still need enough information to draw reasonable conclusions.

In B2B, finding large sample sizes is often challenging, due to the difficulty of finding a large enough number of the right kinds of people (whether they are in certain industries and/or roles in their companies, for instance) who are willing to share information. This makes true quantitative analysis difficult. Qualitative research is therefore more common, yet it can be difficult as well.

1.3.1 Tools Used for Market Research in B2B Market

According to Movahhed (2016), some of the tools that B2B companies can use to conduct market research include:

- **Search tools:** Google is not the be-all, end-all of research by any means, but it is a great place to start whenever you need information. Google Analytics' keyword tool is great for keyword research, which can tell you a lot about the kinds of things people in your market are searching for. Google Trends can also give you insight on what is happening in your market. You might even get lucky with Google search and find published results of qualitative research that has already been done relevant to your business.

- **Stakeholder or influencer interviews:** These are a tried and true method of conducting B2B market research across a wide variety of industries, and are great for providing in-depth, detailed information that other tools simply can't match. However, the risk is that sometimes this information can be more anecdotal in nature.

- **Email survey:** If you do email marketing, surveying your lists can sometimes provide valuable market information depending on the size of your database and the types of questions you plan to ask. Your survey can be simple or complex, and can even be put together in a simple online tool such as SurveyMonkey, depending on your needs.

1.4 Why Market is Research is Difficult to do?

Why is B2B market research so difficult? As Movahhed (2016) declares, here is a short list of challenges B2B companies may face when doing market research:

1.4.1 Every business is different

Businesses are unique, and the decisions they make depend on a variety of factors, like location, industry, company size/structure, and more. Any attempt to lump them together into large groups can provide meaningless results.

1.4.2 Finding the right people

B2B market research may require you to find specific individuals within particular types of businesses, whether they're decision-makers at a particular level in the company hierarchy, or in a particular department like sales or marketing.

1.4.3 Group decision-making

On the other hand, one of the hallmarks of B2B is that decisions are not typically made by a single individual, but rather, by groups of people who may each have different objectives. Therefore, you may have to survey people across a wide range of departments.

1.4.5 Time is short

The right people to ask about high-level strategic questions are typically executives or business owners, who are extremely busy. In other words, you'll have to deal with busy professionals who may or may not have time to answer your questions with the level of detail you need.

1.4.6 Willingness to share information

Assuming you do find the right people to ask, getting them to actually share meaningful information can also be difficult, particularly if the information could be classified as competitive in any way. But even when a research subject's reticence isn't due to fears of losing their competitive advantage, there's an even more basic question: why should they talk to you at all?

1.5 Tips Making B2B Market Research Easier and More

Effective

Due to deal with above mentioned challenges, Towery (2015), mentions the following 5 hints as the keys to successful B2B/industrial market research:

1.5.1 Accessing the right people (it's NOT who you know)

The more industrial the project's focus, the less likely you are to find a panel or even a directory of qualified targets. The experts possessing the knowledge and insights you seek must be found through creative and arduous investigation. And there may be only a few of them worldwide, so you have only a few opportunities to connect. If and when you do connect, you have to convince each to share his/her time. No amount of pre-existing relationships will aid this process; it takes old-fashioned gumption, creativity and tenacity.

As he adds further, we may have completed a dozen projects in a single industry segment and have hundreds of warm contacts but still not be able to use the same respondents for Project Number 13. Every project is a custom business case. The key is knowing how to identify decision-makers and access them with or without prior relationships.

Furthermore, the right respondent could be a tier-two automotive engineer who is the final authority on the mold block material used for injection-molded parts; or a maintenance supervisor who selects control valves for his pulp and paper plant; or an electrical contractor who works exclusively in oil and gas refineries. Accessing the right people is not about who you know; the key is in-depth knowledge of innumerable industries and knowledge of which trigger will induce a qualified respondent to participate in the process of market exploration.

1.5.2 Engaging experts in a meaningful conversation

Congratulations when you are able to find a hard-to-reach decision maker. Now you have to get them to talk to you. Perhaps surprisingly, we do not offer incentives in the majority of our B2B studies. In most cases, you simply cannot compensate a busy professional or expert for the time

they are sharing with you. So, you have to trade on their goodwill and perhaps their belief in the karma of casting their grains of insights on the sandy beaches of industry knowledge to improve the products and services available to them in the future. But mostly, you have to connect with them and that means understanding their job, their company and their industry. Almost everyone is proud of what they do and happy to share their knowledge with someone who can understand it and appears empathetic.

Doing your homework not only aids recruitment, it allows you to hold an intelligent conversation with them about thermocompressors, or bioremediation, or control valves, or paper machines, or insurance services, or mold block material, or data-as-a-service, or welding helmets, or pressure vessels, or magnesium sand castings or flight navigation. There is no substitute for being knowledgeable about the topic du jour. Knowledge supports the innate ability to think on your feet and the acquired skill to probe appropriately and tease out unmet needs that may not be voiced when respondents interact with less-experienced interviewers.

To be clear, moderating a discussion about a complex business model or a technical or industrial application does not mean you have to be an expert in the subject matter. In fact, being an expert is usually a liability because you cannot view insights objectively. But it does mean your expertise cannot be limited to research methodologies. For better or worse, the only way to have amassed the vast breadth of knowledge necessary to conduct effective B2B/industrial research is to have several years of experience and accumulated wisdom; then do your project-specific homework. The obvious implication of this reality is that B2B researchers are generally senior consultants. As a result, they do not come cheap. You can't slay an elephant with a popgun; it requires larger-caliber artillery.

1.5.3 Research and strategy are not separable

Hand-in-hand with the ability to moderate a complex or technical interview is the ability to see how the little pieces form the big picture. Customer insights without competitive intelligence and industry analysis will only take you so far. The B2B/industrial market researcher must be able to analyze the entire competitive landscape and complete complex business case analyses. Market sizing, market attractiveness, channel strategies, strategic positioning and a go-to-market strategy that addresses the reality of competitive dynamics must all be part of the equation. If you are not a business strategist, you are probably not a real B2B market researcher.

In the world of B2B, clients may seek tactical insights but are more likely to seek a strategy to position their company for growth. Research for

the sake of research has zero utility. It is ultimately all about the business outcome.

A market-sizing exercise illustrates the difficulty and complexity of getting B2B right. Market sizing is not a matter of counting widgets; it is about building a model that is populated by primary insights, secondary data and sound business judgment. Typically, market sizing requires both a top-down and a bottom-up approach – an examination of both supply and demand. From the top, we look at market trends and competitor output and conduct macro analysis. From the bottom, we (for example) may research the number of products per specific application, the number of applications per plant, the number of like-plants for a given industry and geography. The researcher may need to factor in new plant construction and expansion as well as MRO and retrofits. You must also conduct sensitivity tests of regulatory and environmental factors.

The B2B market researcher needs to understand more than how to determine derived importance, calculate a Net Promoter Score and elicit both articulated and unarticulated needs. The B2B market researcher must understand their client’s business model, the competitive forces of the industry, effective value chain strategies and be able to recommend the best overall strategic positioning of the company. Sometimes this means delivering a well-documented analysis indicating that the opportunity does not justify the investment required, or that it is time to sell the company. In short, you must conduct detailed and specific business case analysis and scenario modeling.

1.5.4 Embracing ambiguity (learn to love the response “It depends”)

B2B market insights rarely come as singular conclusive findings. Most large-dollar B2B purchases are complex, with many factors to be considered by many different decision-makers. The relative influence of different decision-makers often varies from company to company. The rationale for decisions most offered by respondents is “It depends.” The B2B market researcher must navigate this complexity and ambiguity and, by understanding the business context and analyzing the same factor multiple ways, come to a conclusive recommendation.

This challenge is not for all. The more industrial the focus, the more one could erroneously believe it takes an engineer to conduct industrial market research. Nothing could be further from the truth.

Engineers are literal and binary and do not function well in a state of ambiguity. The B2B path to purchase is often a very winding and muddy road. Real B2B market researchers must thrive in such ambiguity. They must also be excellent at synthesizing vast amounts of complex data,

analyzing it and then communicating the essence of it in clear, simple terms. We have found from experimenting with interns that pre-med students and English majors perform surprisingly well at B2B research because of these very skills. Analytically-minded former business executives also seem to fit. Whatever the background, you must be able to think in parallel patterns, synthesize volumes of information, combine intuition and analysis and question absolutely everything until nothing is left standing but the obvious path forward.

1.5.5 Be nimble and flexible (expect failure and plan for recovery)

Be wary of the B2B researcher with a singular methodology. Forget about routine and repeatable studies. Every B2B/industrial market research project is an exploratory voyage of discovery as epic as the building of the pyramids or the race to the moon; and requiring, by the way, the same amount of heavy lifting.

B2B market research projects demand that you leverage a flexible tool kit of methodologies and may require you to invent one along the way. In fact, a global B2B/industrial market research project has many moving technical pieces and may require you to push your capabilities beyond your current technologies. To be effective, you must first embrace the idea that there is no road map. You have to find your way over, under or through obstacles and your most carefully chosen work plan may require revision.

The moon shot occurred with 64K of computer memory; the pyramids were built without compasses. Yet the lunar landing was a showcase of mathematical precision and the pyramids are in perfect alignment with true north. The key is to focus on the business objective and tailor the methodologies to the task at hand. Always remember: You never know where you will end up when you embark on the journey. Columbus was looking for Indonesia and only missed it by a hemisphere but in doing so he discovered an entire new world. Seek opportunities, not completed surveys.

1.6 Market Research in Post-Soviet Countries

According to PMR research center, which is a Polish research organization with branches in almost every post-soviet country, as would be expected from the world's ninth-largest country by size of population and the eleventh-largest in terms of GDP, Russia offers a wealth of investment opportunities in a wide variety of sectors, both in its domestic market and in the markets of the Commonwealth of Independent States (CIS). It is seen as an attractive country for the location of production and services centres, and

research and development labs for foreign companies. Despite some of the attractive features of the Russian market and economy, investors accustomed to the western way of business will find Russia to be different to what they have previously experienced. Although in many ways the Soviet era is now a distant memory, the country's economy is still largely controlled by the state or through companies that are dependent on privileges assigned by the state. At the same time, sensitive sectors, such as the arms industry or mineral mining, are either completely inaccessible to non-Russian investors or permit foreign investors to hold only minority shares.

Furthermore, according to Klimenko and Harrison (2013), The Russian market research industry dates back to the early 1990s, when large multinational companies such as P&G, Unilever and Coca-Cola began a large-scale expansion into the Russian market. These major FMCG players introduced a culture of marketing and market research to Russia, at a time when the country was experiencing a transition from a planned to a market economy. It could be said that as well as profiting from the increasingly deregulated market, these companies actually accelerated the transition.

Unlike another key developing market, China, business-to-business research played an important part in the very early development of the market. This was mainly driven by European and North American companies, who were beginning to see Russia as an important market and who were keen to establish manufacturing operations in the country. Hence, most research in these early days consisted of market entry and other market assessment studies, looking at issues such as routes to market, value chain analysis, market needs and entry strategies.

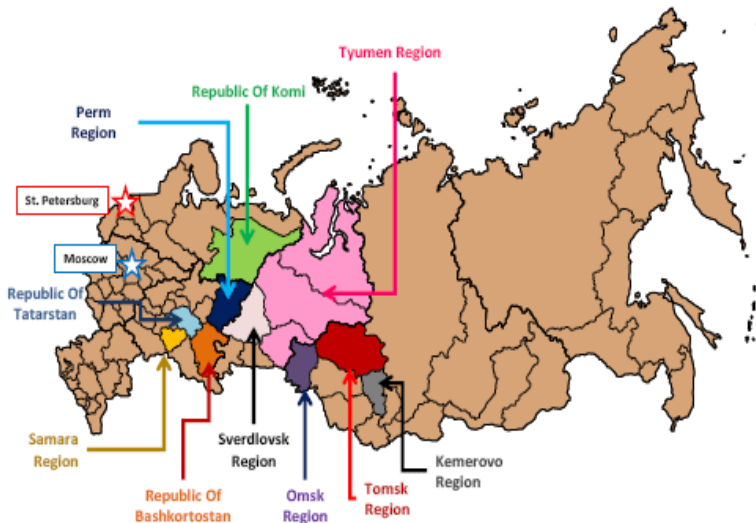
As there were no real market research agencies or qualified researchers, no culture of market research and few international language skills in the domestic market, most early b-to-b studies were carried out by consulting companies such as Ernst & Young and Price Waterhouse, as well as through universities and state sociological institutions.

Over time, Western client companies entered the Russian market and a requirement for comprehensive, independent research into Russian consumers and businesses developed. This led to the arrival of large international research firms such as ACNielsen, Macro International, MMRB and GfK. This in turn led to the establishment of 'indigenous' market research agencies. Russian Market Research Company (RMRC) was set up by Greg Thain, F-Squared was established by Michael Fodor and Shane Farrell, and Russian sociologists such as Elena Coneva (Comcon) and Elena Bashkirova (Romir) entered the social research arena.

1.6.1 Geographical Distribution of B2B Marketing Research in Russia

According to Klimenko and Harrison (2013), B2B market research is being done in Russia only in specific regions, mostly in Moscow, St. Petersburg, Ekaterinburg, and big cities like that. However, attention should be paid to other regions as well. Russia is a great market with high potentials in every region. For example, Kamchatka region which is full of resources and very rich industries, does not have any share in Russia's B2B market research. The Figure adapted from Klimenko and Harrison (2013), shows the B2B market research in Russia by region more clearly:

Figure 1.1 Key B2B Market Research Locations within Russia



1.6.2 Which Types Of B-to-B Studies Are Conducted?

1.6.2.1 Study Types

The projects conducted early in the life of the Russian market research industry were largely based around market access, market sizing and routes to market. This reflected the fact that buyers were foreign

companies with little knowledge of the Russian market, and little or no presence in the market.

As the table below, which is adapted from Klimenko and Harrison (2013) shows, this situation changed dramatically within the space of a decade. All major types of b-to-b research are now conducted in Russia, including research aimed at enabling differentiation in relatively mature markets (such as branding and segmentation studies). As a result, studies now tend to be more detail-focused, requiring more high-level staff and specialist staff (such as statisticians) than ever before.

Figure 1.2 Types of Studies Conducted in Russia

Types of studies	Mid 90-s	Mid 00-s
General market overview	✓	✓
Market size evaluation	✓	✓
Routes to market & dealership studies	✓	✓
Use & attitude	✓	✓
Segmentation		✓
New product concept testing		✓
Advertising studies		✓
Branding and image studies		✓
Pricing studies		✓

Car clinics		✓
Customer satisfaction		✓
Mystery shopping		✓

However, as they add, more than 90 percent of this research is done by the foreign companies who wanted to enter Russian market after Soviet Union. That is, post-soviet countries are not very interested in doing marketing research; and compared to developed countries, the amount of market research done in CIS countries is significantly lower. As added further, mystery shopping has suddenly become fashionable among Russian clients, including b-to-b companies, over the past 2 years. One reason why this type of research is viewed as so important is the need to increase service levels in Russia in most industries. This is seen as a particular problem amongst Russian companies, rather than multinationals. Unfortunately, the objectives, opportunities and limitations of this type of study are often misunderstood and the projects perceived more as a tool for identifying and admonishing underperforming staff, rather than controlling and improving service standards.

Specialized pricing studies and customer satisfaction are still quite rare, and are initiated mainly by foreign clients from abroad as part of their multi-country surveys. More often these themes are studied in a limited scope within the framework of use & attitude, segmentation, or concept testing studies.

1.6.3 Key Agencies Carrying Out Research in Russia

Foreign firms are still dominant when it comes to commissioning b-to-b market research studies in Russia, accounting for around 80% of market revenue. However, whilst in the early 1990s the majority of clients were located abroad, now about half of the studies are initiated by their local offices or by domestic companies.

Russian clients have developed a particular interest in b-to-b studies in the telecommunications industry (e.g. MTS, Beeline, Megafon), financial and banking services (Alfa-bank, Uralsib and others), the automotive industry (among them GAZ plant and OAO “Promtractor”), metal manufacturing (RGMC, Evraz Group and others). Construction

market research (for example for MIEL, MIAN) is also common. Foreign companies are also interested in these sectors, as well as the traditional industrial sector, where routes to market and avoiding competing on price are key issues for them.

Around two-thirds of all commercial market research studies in Russia – and 80% of all b-to-b projects – are executed by 9-10 major agencies, many of these international agencies. Major players include ACNielsen, GfK, TNS, IPSOS, Comcon (Research International) and Armi-Marketing (Millward Brown). B2B Vector is one of very few agencies in Russia specializing in business-to-business market research, with the remainder of b-to-b studies conducted by smaller players with mixed b-to-b and b-to-c offerings.

1.6.4 How Is Information Gathered?

The most effective interviewing method in Russia remains face-to-face interviews. This methodology allows interviewees to see exactly who they are speaking to. This is an important factor in an environment where concerns about industrial espionage and surreptitious visits from regulators are common. In a face-to-face meeting, Russian respondents may well be willing to spend around an hour speaking about their business and their views on a range of issues. A financial or other gift is usually provided to the respondent as a thank you for his or her participation.

Telephone interviewing is therefore far less common than in Western markets, for the above reasons and also because there is a cultural reticence to spend long periods of time discussing issues in this way. Whereas in Western markets telephone interviews of 30 minutes plus are quite common, 15 minutes is the usual maximum in Russia, meaning that questionnaires have to be more focused and shorter in length. This is a key challenge in a country as vast as Russia, as telephone interviews are often the only viable option when respondents are scattered across distant regions.

Cultural concerns over confidentiality, as well as an unfamiliarity with the egalitarian dynamic of group discussions, have also hindered the development of face-to-face focus groups, which are very uncommon in Russia. As is the case in China, 'mini groups' of up to 4 people are often the maximum focus group size achievable.

Desk research is an invaluable source of data within Russia, with the myriad of associations and Government agencies offering good quality macroeconomic and industry-specific information. Most of this information is available in Russian language only, albeit English data is increasingly available. Because of the language issue, good quality desk research almost always requires a Russian-speaking consultant.

Online data collection techniques (notably web surveys and online focus groups) are currently in their infancy in Russia, hindered by limited bandwidth, limited access to Internet connections by respondents (especially in outlying regions), and limited acceptability of online data collection amongst all but a few respondent groups (notably IT professionals and those aged under 30). These barriers are particularly strong away from key centers such as Moscow and Saint Petersburg. However, they are also diminishing over time and online techniques are predicted to grow substantially over the coming 3-5 years.

1.6.5 What Can and Can't Be Asked?

The Russian business environment is less open than is the case in Western markets, meaning that certain types of information are difficult to obtain. Most difficult of all is company financial information – even basic information such as revenue and profit – which in many Western companies would appear on the company website. This makes competitive studies and market sizing projects quite a challenge.

In general, the less established market research culture, and the relatively hierarchical structure within companies, means that respondents are not familiar with answering projective questions or exploring idea generation. The most effective questionnaires are those which focus on facts and opinions on clearly defined subjects, rather than exploratory or projective questioning.

1.6.6 Price of Market Research Studies in Russia

Russia is a vast country, and it is well-known that Moscow is one of the most expensive cities on earth. Agencies within Russia recognize the value to their clients of good quality intelligence relating to this important market. For these reasons, market research within and outside the capital is significantly more expensive than any of the other BRIC countries, and comparably priced to research in Western countries. Clients are therefore increasingly diligent when weighing up the ROI of research in Russia, but increasingly arrive at the conclusion that obtaining an informed view of this unique market is worth the investment.

1.7 Qualitative Research:

Since the nature of the current research is qualitative, and as discussed above about qualitative and quantitative research methods, this

part is devoted and more focused to qualitative research. In this subsection, the definition, characteristics, usages, and methods of doing qualitative research will be discussed.

1.7.1 What is Qualitative Research?

According to B2B international, Qualitative research is about finding out what people think and why they think it. It takes its roots in the social sciences and is used to help us explore and understand the meanings attached to people's beliefs, attitudes and actions. It utilizes research methods which are less structured giving freedom to the research respondents to express their views and explain their thinking and behaviors. Essentially, it answers the "why" questions; it puts the issues on the table and helps us understand what is going on.

Putting in other words, Qualitative research is designed to reveal a target audience's range of behavior and the perceptions that drive it with reference to specific topics or issues. It uses in-depth studies of small groups of people to guide and support the construction of hypotheses. The results of qualitative research are descriptive rather than predictive.

1.7.2 Methods of Qualitative Research

According to Kotler and Koller (2009), Qualitative research methods originate in the social and behavioral sciences: sociology, anthropology and psychology. However, nowadays, qualitative methods in the field of marketing research include in-depth interviews with individuals (Which is used in the current research), group discussions (from two to ten participants is typical); diary and journal exercises; and in-context observations. Sessions may be conducted in person, by telephone, via videoconferencing and via the Internet.

Added by B2B International, more specifically, in market research, typical research methods include in-depth interviews, focus groups (face to face and online) and observation. The skill of the researcher, both in collecting the data – interviewing, observing, moderating focus group discussions, and in the analysis of the data is critical to getting meaningful, actionable insights for the business. Content analysis, identifying categories, themes and frameworks is carried out on the data.

Sample sizes are typically small as the objective is to identify the issues rather than measure their frequency. Sample size is identified by looking at the different groups of respondents whose views are required, ensuring that both regular and unique viewpoints are captured.

1.7.3 Why Qualitative Market Research Works and Its Applications

Due to B2B International, several unique aspects of qualitative research contribute to rich, insightful results, which are as follows:

- Synergy among respondents, as they build on each other's comments and ideas.
- The dynamic nature of the interview or group discussion process, which engages respondents more actively than is possible in more structured survey.
- The opportunity to probe ("Help me understand why you feel that way") enabling the researcher to reach beyond initial responses and rationales.
- The opportunity to observe, record and interpret non-verbal communication (i.e., body language, voice intonation) as part of a respondent's feedback, which is valuable during interviews or discussions, and during analysis.
- The opportunity to engage respondents in "play" such as projective techniques and exercises, overcoming the self-consciousness that can inhibit spontaneous reactions and comments.

Qualitative approaches can be used in a variety of applications for B2B markets. The most common applications are:

- Understanding customer needs and behaviors
- Uncovering processes e.g. business decision making, supply chain
- Developing and testing new products, concepts and propositions
- Exploration of brand perceptions
- Evaluation of promotional materials (on and offline)
- Thought leadership

Qualitative methods can be used stand alone or dovetailed with quantitative methods, either at the front end of a study to identify issues to be measured, or after a survey to explore key issues which have been identified. Coupling the two approaches increases both reliability and validity of any market research study. (Adapted from B2B International).

Apart from these, qualitative market research can focus on many point, despite of the fact that many managers limit market research to pricing, positioning, and branding, and more important, to their own behavior; however, they don't study customer behavior, which is a very important factor. According to Kotler and Koller (2009), a qualitative market research can give us the following information:

- What customers or prospects think and feel about your product or service
- How customers choose between different products or suppliers; what motivates them
- How branding, design and packaging influence customers and in what way

- What sort of marketing messages have the most impact and what turns customers off completely
- How price affects their decision-making
- Whether there is demand for a new product or service

1.8 How to Conduct a Qualitative Research?

Here are seven steps to help structure your next qualitative research effort. These have been adapted from Johnson and Christensen (2012), to focus on the type of qualitative research more typical in User Experience such as usability tests or contextual inquiries (where an interface is usually involved).

However, according to them, we don't need to follow these steps linearly, or even include them all in our research, but having these steps should both help structure our research better.

1.8.1 Determine Research Questions

Focused questions are at the heart of actionable qualitative research. In fact, they are at the heart of good quantitative research as well and play a key role in Lean UX thinking. Are users not using the mobile app because of usability, security concerns or something else? How do users make decisions about how to invest: do they ask a friend, use a financial advisor, or research on their own?

1.8.1 Design the Study:

Getting input from users instead of just internal discussions is an essential first step. With research questions defined, the "What" of the study has been established. Now think Who, When, Where and How. There are logistical advantages and challenges to collecting the data you need. It's a matter of trading them off.

Who: For in-person sessions, figure out who will be attending: both the type of participant and the facilitators. All the usual guidelines for recruiting participants apply here. It's often valuable to have a product stakeholder participate along with the facilitators. Back when I worked at Intuit, we'd have both a UX researcher and a product manager attend in-home sessions with users. It was the PM who would ultimately decide what goes into products, so having them see and hear users first hand was impactful

Where: Determine if you will collect data at participants' homes, in a coffee shop, in a company conference room, or in a usability lab.

When: Will this occur during one week or over different seasons, buying periods, or product releases? Is it during working hours, weekends, or after work? Days and times impact both the types of participants, their attitudes and potentially your findings.

How: Work out the details of what the participants will do, if anything, and what you need to have ready to collect data. When attending a remote location, we come equipped with a notepad and portable usability lab (basically a laptop, webcam and software).

1.8.2 Collect Data

After knowing the reason and basics of the study, it is the time to gather the data needed. The qualitative researcher should assume the role of an unobtrusive observer and have little impact on the settings being observed—whether it be watching participants use existing products at home or in a more controlled lab environment. Qualitative is often used synonymously with small samples, but one can take a qualitative approach to larger sample sizes (more than 50 participants) just as one can take a quantitative approach to small sample sizes (less than 10).

1.8.3 Analyze Data:

Most qualitative research studies generate a lot of data. Creating a system for coding actions and notable quotes helps speed through the process of turning utterances into actionable insights.

1.8.4 Generate Findings

What was learned from engaging users? This step involves synthesizing the copious amount of notes, videos and artifacts. As many of the responses from participants will be open-ended, there will be a need to identify patterns. For example, when we were interviewing users about why they didn't pay their credit card bill on their mobile phone, we didn't ask users if they had security concerns. Instead, many of them voiced the concern in their own words and stories.

1.8.5 Validate findings

One of the best ways to validate findings is to triangulate using other methods, including surveys or additional sources. One weakness of qualitative research is that it is hard to establish external validity, that is, to provide corroborating evidence that the findings aren't just the opinion of the researcher. Every researcher, of course, does bring with her biases on the problems with a product or what deserves emphasis in the interview. One approach to minimize this researcher bias is to include a section on the interviewer or principal investigator's background and how it might influence their conclusions. Having recordings of sessions and detailed notes helps other interested parties come to their own conclusions and can help validate findings. Including verbatims along with the interpretation also helps others see how the conclusions were drawn.

1.8.6 Report

We usually deliver a power point with backup notes or an appendix with more detailed findings and verbatims. While information

comes in sequentially from each participant, we find reporting the data in an inverted pyramid by issue works best. We start with the most important findings, and then note the number of participants that supported these findings and some good quotes to support what we concluded. We also provide confidence intervals around the issue and insight frequency so readers have some idea about the prevalence of an issue in the larger user population.

1.9 qualitative market research: advantages and disadvantages

Every method has its own advantages and disadvantages. According to jansoncampbell organization report, some advantages of qualitative market research is as follows:

- Issues and subjects covered can be evaluated in depth and in detail.
- Interviews are not limited to particular questions and can be redirected or guided by researchers in real time.
- The direction and framework of research can be revised quickly as soon as fresh information and findings emerge.
- The data in qualitative research depends on human experience and this is more compelling and powerful than data gathered through quantitative research.
- Complexities and subtleties about the subjects of the research or the topic covered is usually missed by many positivistic inquiries.
- Data is usually gathered from few individuals or cases therefore findings and outcomes cannot be spread to larger populations. However, findings can be transferred to another setting.
- With this type of research, the researcher has a clear vision on what to expect. They collect data in a genuine effort of plugging data to bigger picture.

However, it has its limitations and disadvantages as well. As jansoncampbell adds, about the disadvantages, we can refer to:

- The quality of research is heavily dependent on the skills of the researcher and can be easily influenced by personal idiosyncrasies and biases of researchers.
- Rigidity is more difficult to assess, demonstrate and maintain.
- The quantity of data makes interpretation and analysis time-consuming.
- Qualitative research is sometimes not accepted and understood especially within scientific communities.
- The presence of researcher in the process of data gathering is unavoidable and can therefore affect or influence the responses of subjects.

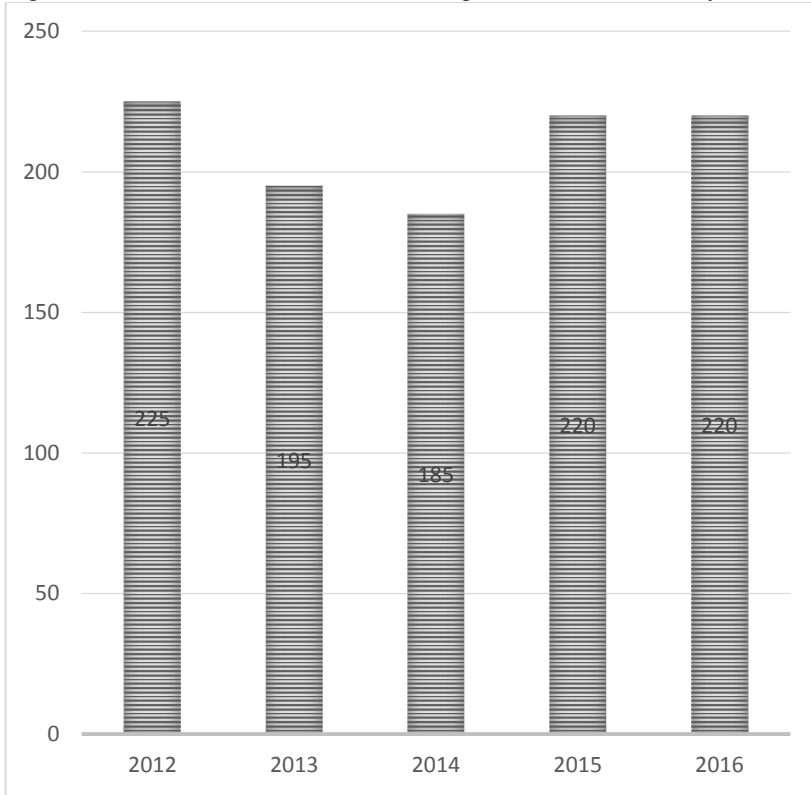
- Issues on confidentiality and anonymity can pose problems during presentation of findings.
- Findings can be time consuming and difficult to present in visual ways.

1.10 Market Research Comparison between Russia and the USA

According to Matyushina (2007), Every so often American entrepreneurs and managers express the view that “there is no full-fledged marketing and, as a result, no competent and reliable market research in Russia.” It is true that marketing came to Russia only in 1991; however, this new industry has really taken root. For almost 10 years, the development of marketing and market research industry in Russia has been rather marginal, advanced mainly through the efforts of large foreign companies entering Russia's consumer market. In 1996, for instance, the share of custom-tailored research services purchased by multinational corporations in Russia accounted for 85 percent of the total research sector sales, and the total value of the sector was approximately only \$20 million. Only five years ago, there was virtually almost no demand for market research services from Russian companies and only a few cases existed where modern marketing tools were applied successfully. Still less than ideal, marketing and research capabilities and practices are rapidly improving. Marketing texts, albeit not always of good quality, crowd the shelves of Russian bookstores. Every year, over 1,500 students graduate from Russian universities with undergraduate degrees and another 600 with MBAs in marketing. Not only large, but also medium and small-sized Russian companies today establish internal marketing services or departments. More than 10 professional marketing journals are currently in circulation in Russia.

In other words, although market research industry is growing in Russia, the pace is very slow compared to other developed countries like the USA. In the following figure, the number of market research companies in Russia during past 5 years is shown:

Figure 1.3 Number of Market Research Organizations in Russia by Year

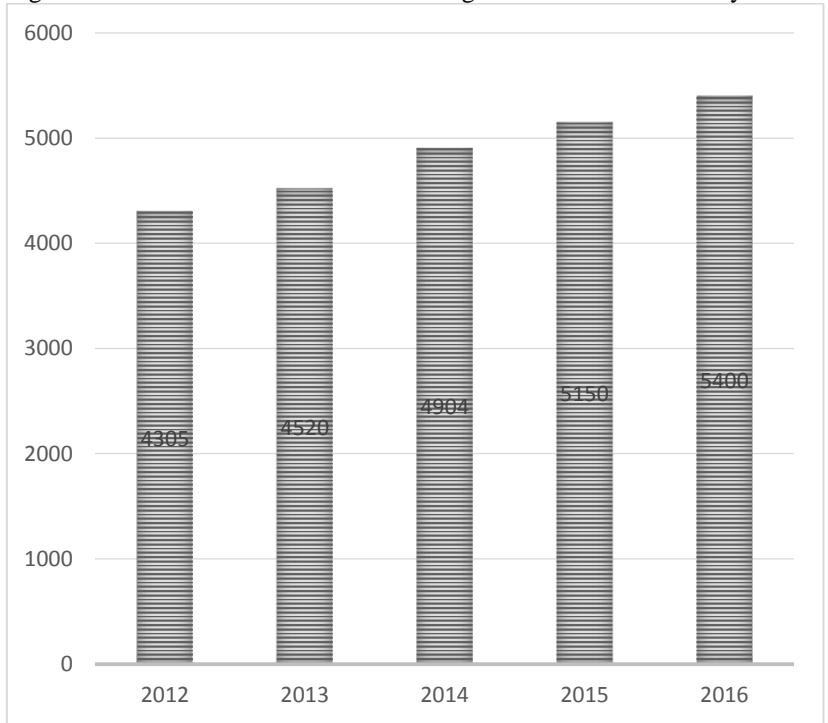


According to Matyushina (2007), from 2013 to 2015, the number of companies that conducted market research in Russia steadily declined - mainly due to the failure of many of the small regional companies that could not secure clients. As it can be seen, as the market research segment in Russia is showing decrease from 2012 to 2014, only after that, for one year, few entries can be seen, but again for 2015 and 2016, there is no growth in the intended field, as for both years, the number of the organizations is the same (225).

However, while analyzing the same data in the case of USA, we shall see the difference existing between these two countries in the case of

marketing research. Figure 1.2, which is adapted from marketresearch.com shows the number of market research companies existing in the USA during past five years:

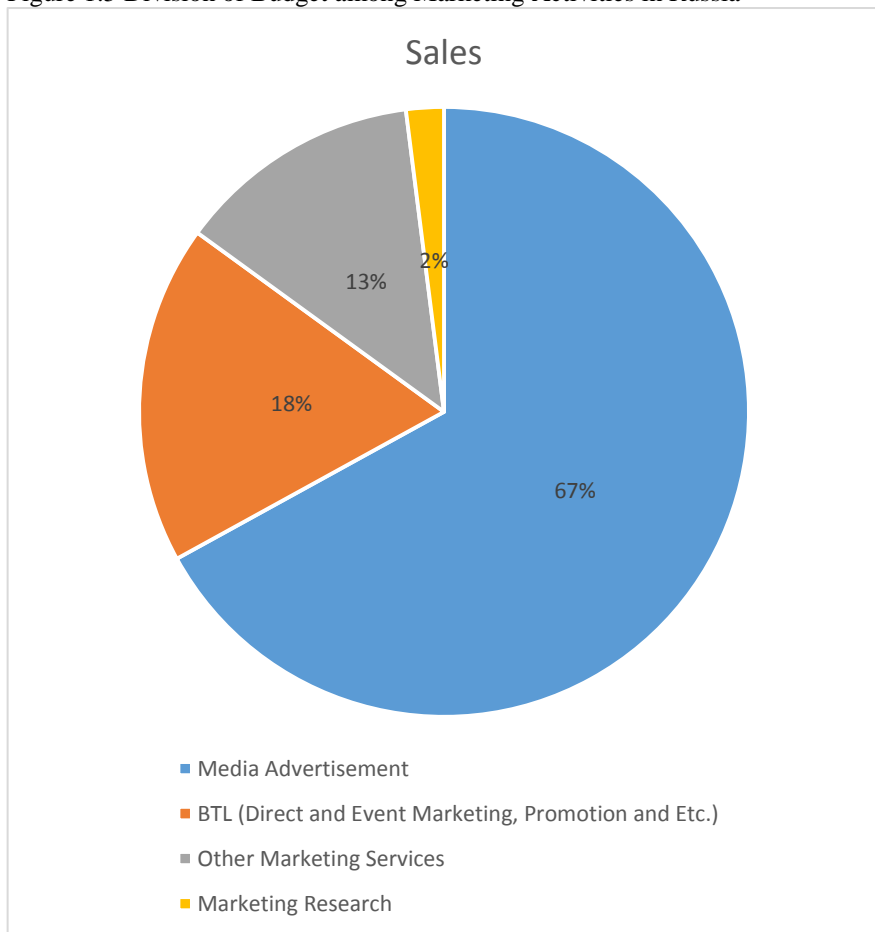
Figure 1.4 Number of Market Research Organizations in the USA by Year



Comparing the two figures, we can understand that the number of the companies doing market research in the USA is almost 27 times more than the number of marketing research companies in Russia. That is, Russia has to grow this industry in a very high pace to have a better and more successful economy which is not mostly based on oil and gas. Moreover, this point validates the gap of this study which states that marketing research is not as popular as other countries and it has to be improved.

Moreover, as statistics show, the different steps of marketing such as advertisement, direct and event marketing are far more popular and funded than market research. However, according to Kotler and Koler (2009), in order to have successful results in the end, we need to have knowledge of the market in which we are doing activity. The following figure is extracted from Matyushina (2007) which is showing the current fund specified to each step:

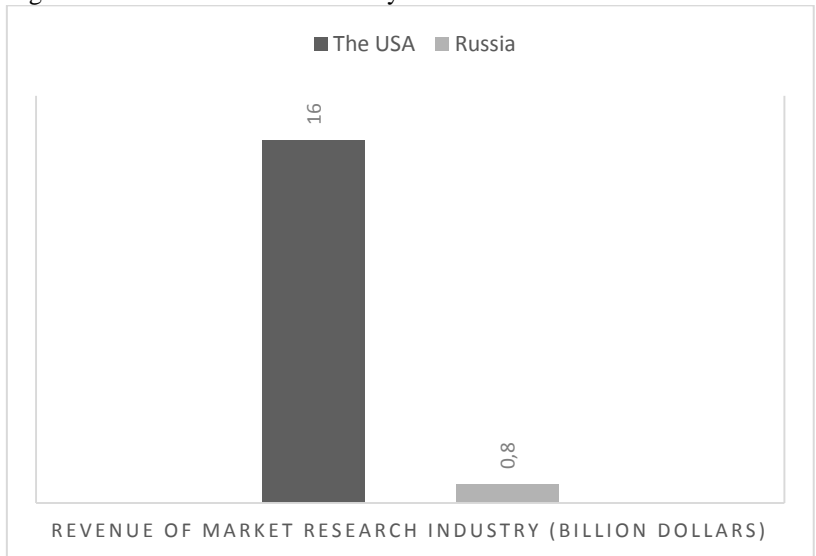
Figure 1.5 Division of Budget among Marketing Activities in Russia



Supporting the above mentioned, as it can be seen in the figure, clearly very less attention is being paid to marketing research in Russia than it should be. Media advertisement get 67 percent of the budget, while market research gets only 2 percent. However, before doing research and knowing the threats, strengths and weaknesses, competitors, pricing information, values, cultural effects, and many other things in start-ups or new entries, the risk of failure will grow to a significant rate.

In another statistical analysis, the revenue of market research is chosen by the researcher to be compared between Russia and the USA. According to marketresearch.com, the biggest American market research association, in 2016 the combined revenue of market research industry in the United States of America was approximately \$16 billion. However, the same industry in Russia in 2016 has given only \$80 million. The difference in statistics is significant with 20 times. The statistics are shown in the following figure more clearly:

Figure 1.6 Market Research Industry Revenue in Russia and the USA



1.10.1 Cost of Market Research

As Matyushina (2007) states, research pricing in Russia 10 years ago was substantially lower than in the EU or the United States. The prices for market research would vary considerably depending on the research

methods (desk research was an is usually 2-3 times cheaper than field research), number of field research participants (respondents) and their accessibility, research geography and time-frame, the proficiency of a research company's senior experts, and its brand awareness, etc. However, approximate rates do exist. For example, a city survey of 600-800 easy-accessible respondents with a questionnaire including 40-50 questions costs was \$7,000-10,000 for a Moscow company with high brand awareness and about \$5,000 for a regional company in year 2006. One standard focus group will cost about \$1,200-1,600. But from the year 2012 market research in Russia has become as expensive as in the European Union and the USA. Now, the prices mentioned above are multiplied by 4 or 5 in some cases. That is the reason why some Russian companies are not keen on doing market research. The reason comes from the annual revenue. American or European companies doing market research, according to Matyushina (2016), have much higher annual revenues than Russian companies in the same industries. Therefore, the Russian companies can not specify this budget for doing market research.

2 Methodology

In this chapter, the research methodology is discussed. Firstly, the concept of the research, the method used to deploy the current research is explained. Secondly, the research participants, means the specialists who participated in the research are described. Next, the process of data collection is talked about. Finally, the data analysis method and procedure is discussed.

2.1 Research Concept

As mentioned in introduction chapter, the aim of this research is to find out the results of why companies in B2B market in Russia don't invest in market research before taking actions. The qualitative research was chosen to study a research problem in an explorative manner, obtain insights and understanding of a complex phenomenon.

According to Denzin and Lincoln (2000, p.3), “qualitative research involves an interpretive, naturalistic approach to the world. This means that qualitative researchers study things in their natural settings, attempting to make sense of or interpret phenomena in terms of the meanings people bring to them”. Aiming to explore, the impact of sanctions and exchange rate fluctuations in depth, the qualitative studies offer better tools for understanding of the subject and its context by emphasizing a quality of processes and meanings without being experimentally measured. “They seek answers to questions that stress how social experience is created and given meaning.

In contrast, quantitative studies emphasize the measurement and analysis of causal relationships between variables, not processes” (Denzin and Lincoln 2000, p.8). The qualitative research has different uses such as contextual, exploratory, evaluative, and generative. The contextual function explores the nature of something that already exists. The explanatory function describes reasons for those existing things. The evaluative function examines the effectiveness of what exists. And the generative function supports the development of actions and strategies (Ritchie and Lewis 2003). The thesis focuses on finding out the reasons of why Russian companies in B2B market don't invest in market research before taking actions and giving guidelines of how to make them to do market research. The qualitative research study subject is in-depth and it is recommended to use it when a particular topic is novel and there is not so much previous research done. Researchers typically ask what, how, why and when (Myers 2013).

2.2 Data Collection and Participants

In order to fulfill the main goal of this thesis, in-depth interviews were conducted. “Interviews reveal evidence of the nature of the phenomena under investigation, including the contexts and situations in which it emerges” (Silverman et al. 2011, p. 131). The importance of an interview as data gathering techniques in business and a management was highlighted also by Myers (2013). According to Ritchie and Lewis (2003) the in-depth interview provides chance to a detail investigation of an interviewee’s personal perspective, context and decisions.

The in-depth interview uses pre-formulated questions but there is not strict adherence to them (Myers 2013). It enables to follow a certain structure of a research while remaining flexible in the case of the additional topic which emerged during the interview and as well at the same time let interviewees to develop their own view on topics (Arksey and Knight 1999). The purposive sample was used in order to collect a relevant data for the research. The companies and interview participants were carefully selected to fulfill given criteria and provide a heterogeneous sample for the research. The CEOs, head of sales, and key account managers responsible for Russian and some other CIS countries such as Armenia and Moldova which are main telecommunication companies were addressed. So, all managers participated were Russian natives but able to speak English. All in all, seven in-depth interviews were conducted with six companies which are totally engaged in B2B sector. More information about the participants is provided in table below:

Company	Participant	Position
Teknolab Holding	Evginiy Sherbakov	CEO
Teknolab Holding	Anna Overchuk	Head of Sales
Capital City	Vladimir Robicov	Head of Sales
ODXP Telecom	Yulia Kupachian	Head of Sales
Smartelcom	Arpine yurivian	CEO
Speedflow	Nataliya Igniyatuk	CEO
Lexico	Alexander Kolobaev	Head of Sales

2.2.1 Short Information about the Companies

Teknolab Holding: Teknolab is a Russian local operator engaged in transiting calls since 2006. The company is registered in the UK, headquarter in St. Petersburg, Russia, and other branches in the UK, Spain, and Estonia. However, the company holders are Russians and their market is Russia mostly. Moreover, it is considered as the biggest local telecom company in Russia. The company is DID operator in Russia, with billions of minutes of generation and transition yearly. The companies employees are around one hundred.

Capital City: Capital City is a big local telecom company based and registered in Moldova, which transits billions of minutes yearly with big revenue and more than 100 employees.

ODXP Telecom: This Company is the biggest local operator in Kiev, Ukraine, with more than 70 employees and transiting billions of minutes every year. They are one of the subsidiary companies of KievStar, the biggest Ukrainian landline and mobile operator.

Smartelcom: Is a transiting company in Yerevan, Armenia, subsidiary of Vivacel, the Armenian biggest operator, transiting more than

one billion international call minutes yearly. The company has around 50 employees.

SpeedFlow: Is the biggest local operator in Sofia, Bulgaria, with more than 150 employees and transiting and generating billions of minutes every year, with big revenue.

Lexico: Lexico is a Russian company based in Moscow, Russia, which is a local operator working under MTS, the biggest Russian operator. They have more than 200 employees with nine billion minutes call generation and transmission.

2.3 Data Collection Procedure

The relative data for this research was collected through skype interviews with five of the above mentioned participants. Two participants were in Saint Petersburg and they were in access, therefore, the interview took place in person. Since the researcher is working in one of the telecom companies in Saint Petersburg (Teknolab Holding), he had access to the related people (Evginiy Sherbakov and Anna Overchuk). After scheduling the skype meeting with each participant, the researcher made in-depth interview in two days according to the participants comfort and convenience. The interviews took place on 18th and 19th of May, 2017.

In the beginning of each interview, the interviewee was thanked for his/her participation, then the topic of research and whether they do market research before taking actions or not was opened. Then if the answer was no, that in all cases it was so, the reason of taking actions without doing market research before was asked. Following that, the question of under what circumstance the interviewee will be ready to do market research before taking any action was asked. The full guide can be found in Appendix. Since the researcher was not allowed to record the conversations, he took note of every point mentioned by each interviewee for the data analysis process.

2.4 Data Analysis

The qualitative content analysis helped to derive the meaning from interviews by using categories that could be later interpreted effectively. The data were retrieved from notes taken during interviews. The gathered data from the participants were put into systematic order according to the number of the questions. In other words, the answer of each participant for each question was put specifically to be compared to the other participants' responses to the same question. Then the data was analyzed by the means of frequency. That is, the notes taken based on participant responses were analyzed based on discourse to see if participants give same or similar responses to the same question or not. Since the researcher is a Corpus

Linguist, he had enough knowledge to analyze the responses based on discourse.

2.5 Reliability and Validity of the Research

The reliability and validity of primary research could be enhanced by the research triangulation which means to look on the research problem from various points of view. Collis and Hussey (2009) recognize three types of triangulation:

- data triangulation can be achieved by collecting data from different sources, people or within a different timeframe but regarding the same research problem;

- researcher triangulation can be ensured by participating of numerous researchers that collect data about the same research problem but independently in order to compare the result later;

- method triangulation uses different methods for collecting and analyzing the data.

The reliability and validity of this thesis was strengthened by addressing different experts, representatives of various companies from side of top managers in top telecommunication companies in Russia and other post-soviet countries to gain a bigger spectrum of relevant data. To avoid any misinterpretations, all the interviews heard attentively and related notes were taken immediately not for any point to be forgotten. First of all, the statements from interviews were stated and later on interpreted to avoid any confusion in the analytical part. The whole research process was clearly stated and described to avoid misunderstanding.

3 Primary research analysis and results

Several interviews were conducted with different company official of top level management the questions and designation of the officials are as follows:

1. Please introduce yourself, your company, and your position in the company.
2. Does your company do Marketing Research before taking any actions? If no, why?
3. Under what conditions will you do marketing research before taking actions?

Table 3.1 – designations of officials

Company	Participant	Position
Teknolab Holding	Evginiy Sherbakov	CEO
Teknolab Holding	Anna Overchuk	Head of Sales
Capital City	Vladimir Robicov	Head of Sales
ODXP Telecom	Yulia Kupachian	Head of Sales
Smartelecom	Arpine yurivian	CEO
Speedflow	Nataliya Igniyatuk	CEO
Lexico	Alexander Kolobaev	Head of Sales

The following observation were made as a result of the analysis of the interview. During the interview, notes were taken immediately since the researcher was not allowed to record any voice or video from the participants because of the security issues existing inside the participants' companies.

3.1 Expensive process to conduct research

The interview conducted from CEO of smartelcom it was evident that the company barely any resources or money to conduct research on market because it just costed a lot of time and money. Their budget didn't allow them to make a profitable research to conduct and implement any type of research based on the company norms. This fact can be proved by the points mentioned in chapter one of the current research where it is mentioned that the cost of market research in Russia, nowadays, is equal to the USA and Europe, whereas the annual turnover of the companies is lower than the mentioned locations.

3.2 Lack of trust and networking/reference

The interview with the CEO of Teknolab that they were mostly counting on their business network and partners to start business and enter market rather than doing formal and institutional research. That is, when they want to take any new action such as entering a new market, they ask their existing partners to see whether it is beneficial to enter that market or not. Or after entering the market, they select partners based on their existing partners' suggestions. Hence, they don't conduct any market research.

As a result, they lacked the personnel to conduct the research in the first place. Because, when they trust their costumers' words to take actions, they don't need any professional marketing research specialist to conduct any market research. However, he himself confessed that in some situations the company has seen loses because of this kind of decision.

3.3 Repercussive allocation of time

The interview with the head of sales from capital city provided a very generalized view point of the company or corporate culture where there was very less investment time or very reluctant to spend time not that it meant they had no time, the time deemed to anticipate the results were very mundane and they just didn't want to do wait for results, they just

wanted the results immediately and didn't invest any time on returns from the research.

3.4 Unstable Economy

From the interview conducted with the head of sales from Teknolab showed that the Russian market was really not stable due to the recent international standardization.

The market fluctuates on a regular basis and most or any market research conducted earlier was invalid and cannot be used to have a long term avoidance.

From the research data compiled from Hofstede's cultural analysis it is proven that Russia seemed to have low uncertainty avoidance.

This could also mean that Russian market expert lack the ability to work on a future oriented basis as it is, although, the fluctuating market seemed to contribute to the reluctance to conduct research.

This fact can be proved by the recent law approved by the Russian government On 15 February 2017, the State Duma passed in the first reading a draft of the Federal Law "On Amending Chapter 23 of the Russian Tax Code", in particular the section on determining the tax base on interest income earned on the marketable bonds of Russian organisations. Draft Law No. 46023-7 was introduced by the Russian Government. According to the proposed amendments, income in the form of interest (coupons) received on marketable bonds of Russian organisations that were issued in 2017-2020 and denominated in roubles would become exempt from personal income tax (the "PIT") starting from 2018, provided that the amount of the interest (coupon) payment does not exceed the amount of interest assessed under the current refinancing rate of +5%. If the bond yields exceed the threshold, the excess will be taxable for Russian tax residents at 35%. Additionally, the draft proposes to exempt income received in the form of discounts upon redeeming such bonds. Such sudden changes bring instability to the economy.

3.5 Short term orientation

The interview conducted from ODXP telecom with the head of sales showed that there is low orientation amongst employees to conduct research which was not process oriented.

In recent months, the courts have issued a number of decisions on the abuse of double tax treaties (DTT), some in favour of the tax authorities and others in favour of taxpayers. In this report, we will examine two court cases on the question of applying the reduced tax rate under the Russia-Cyprus DTT and, in particular, on the question of identifying the beneficial owner of income. The first case concerns a dividend payment of RUB 300m on which the taxpayer was assessed an additional tax of RUB 30m as well as penalties and fines in the amount of about RUB 5,5m and RUB 750,000 respectively, because a Cypriot company involved in the deal was not deemed a beneficial owner of the income. In the second case, the court examined the assessment of the 5% reduced rate on dividend income under the Russia-Cyprus DTT, but the dispute was different.

3.6 Market research companies are not visible

According to Vladimir Robicov, head of sales department in Capital City, the market research companies are not visible, and without noticing them, few people will think about doing market research. As he added, the company would have done market research if the market research companies have showed them more openly.

To support this idea, as mentioned in chapter one, the number of research organizations in Russia is lower than the developed countries like the USA. As it can be seen in the comparison made in chapter one, for the year 2016, the number of market research companies in the USA was 5400, while in Russia it was just 220. This can be one reason of invisibility of these organizations.

The second factor can be the revenue of the research organizations in Russia. As discussed in chapter one, for the year 2016, the general annual revenue of market research industry in the USA was \$16 billion, while in Russia it was just \$80 million. The difference is significant with the ratio of 20. Hence market research companies in Russia themselves might not have enough fund to show their existence by different means like advertisement. Therefore, practically, they remain unknown and unnoticed.

3.7 Lack of marketing specialists

The interview conducted with head of sales from Lexico showed that showed that there is a shortage in personnel which knew how to conduct market research in the later stages and also where they could

perform advanced marketing analysis which was a great decline in the working of market and how the trends were reformed due to fluctuation

3.8 Telecom market is not stable

The interview conducted from the CEO of Tehknolab it was understood that due to outsourcing of Telecom Company function for cheaper prices every day the Telecom market itself was very unstable.

3.9 Summary of the Results

The following were the analysis of the results gotten based on the interviews conducted by the researcher and records and notes gotten during their speeches. The primary results, as it is evident, are in line with the empirical literature available in chapter one of the dissertation, which states that local companies in post-soviet countries are not conducting marketing research before taking actions. Hence, the findings of the current research is in line with findings of Klimenko and Harrison (2013), who claimed that B2B companies in the intended geographical area is not popular.

This chapter more or less tried to show the factors preventing companies in post- soviet, and specially Russian B2B market from conducting market research before taking actions. If we want to summarize the results and analysis shortly, we can put them in the following words:

- A) Market Research is expensive to conduct
- B) Trust on network and referencing more than doing research
- C) Market research is time taking
- D) Instability of the market
- E) Short-term orientation of companies
- F) Invisibility of market research companies
- G) Lack of Marketing specialists in marketing departments of the companies
- H) Instability of the telecom market

4 Suggestions Based on Primary Research

Market research is affected by factors and the prime driver in acquiring markets is to the purpose of researching a market is to figure out how you can best attract those who are likely to buy your company's products or services. But what if the target market even isn't interested in, and has no need for the types of offerings that your company provides in the first place? This would be a waste of time for your marketing efforts. So consider this as the first of market research factors to research. As such, it is critical that you carefully consider whether the market segment that you intend to research has a reasonable level of interest in or use for what you plan on selling them.

It is extremely difficult to develop and provide a high-quality product or service without conducting at least some basic market research. Some people have a strong aversion to the word "research" because they believe that the word implies a highly sophisticated set of techniques that only highly trained people can use. Some people also believe that, too often, research generates lots of useless data that is in lots of written reports that rarely are ever read, much less used in the real world. This is a major misunderstanding.

Odds are that you have already conducted at least some basic forms of market research. For example, you have listened (a research technique) to others complain about not having enough of something -- that should suggest providing what they need in the form of a product or service.

Market research has a variety of purposes and a variety of data collection methods might be used for each purpose. The particular data collection method that you use during your market research depends very much on the particular information that you are seeking to understand.

Verify and understand the unmet needs of a certain group (or market) of customers. What do they say that they want? What do they say that they need? Some useful data collection methods might be, for example, conducting focus groups, interviewing customers and investors, reading the newspaper and other key library publications, and listening to what clients say and observing what they do. Later on, you might even develop a preliminary version of your product that you pilot, or test market, to verify if the product would sell or not.

Considering all above mentioned points, the current chapter will give guidelines and suggestions to how to make companies in B2B market to make market research before taking actions. The suggestions are based on the reasons top managers, who were the participants of the study, gave during the interview as reasons for not doing market research.

4.1 Employing professional market researchers or outsource market analysis

Far too often, we think we know what our customers think and want because -- well, we just know, that's all. Wrong! Businesses can't be successful if they don't continue to meet the needs of their customers. Period. There should be few activities as important as finding out what your customers want for products and services and finding out what they think of yours. Fortunately, there are a variety of practical methods that businesses can use to feedback from customers.

The methods you choose and how you use them depend on what the type of feedback that you want from customers, for example, to find out their needs in products and services, what they think about your products and services, etc.

You should be able to find most of the information for free in this example. You can get the number and size of businesses in your delivery area from the national statistics. Your accountant should be able to give you the useful life of a desk (but you should know it since it is your market!). You can compare the desk prices of other furniture stores in your area. As a side note here: it is always a good idea to ask your competitors for market data (just don't say you are going to compete with them).

That was the bottom up approach, now let's look into the top down approach.

The top down approach consist in starting with a global number and reducing it pro-rata.

4.2 MRC engage advertisement

This section is very important as it is where you show your potential investor that you have an intimate knowledge of your market. You know why they buy!

Here you need to get into the details of the drivers of demand for your product or services. One way to look at what a driver is, is to look at takeaway coffee. One of the drivers for coffee is consistency. The coffee one buys in a chain is not necessarily better than the one from the independent coffee shop next door. But if you are not from the area then you don't know what the independent coffee shop's coffee is worth. Whereas you know that the coffee from the chain will taste just like in every other shop of this chain. Hence most people on the move buy coffee from chains rather than independent coffee shops.

From a tactical point of view, this section is also where you need to place your competitive edge without mentioning it explicitly. In the

following sections of your business plan you are going to talk about your competition and their strengths, weaknesses and market positioning before reaching the Strategy section in which you'll explain your own market positioning. What you want to do is prepare the reader to embrace your positioning and invest in your company.

To do so you need to highlight in this section some of the drivers that your competition has not been focusing on. A quick example for an independent coffee shop surrounded by coffee chains would be to say that on top of consistency, which is relevant for people on the move, another driver for coffee shop demand is the place itself as what coffee shops sell before most is a place for people to meet. You would then present your competition. And in the Strategy section explain that you will focus on locals looking for a place to meet rather than takeaway coffee and that your differentiating factor will be the authenticity and atmosphere of your local shop.

4.3 Employ Professionals in marketing division of their company

This section is all about answering two questions from your investors:

1. what prevents someone from opening a shop in front of yours and take 50% of your business?
2. having answered the previous question what makes you think you will be successful in trying to enter this market? (start-up only)

As you would have guess barriers to entry are great. Investors love them and there is one reason for this: it protects your business from new competition!

Here are a few examples of barriers to entry:

- Investment (project that require a substantial investment)
- Technology (sophisticated technology a website is not one, knowing how to process uranium is)
- Brand (the huge marketing costs required to get to a certain level of recognition)
- Regulation (licences and concessions in particular)
- Access to resources (exclusivity with suppliers, proprietary resources)
- Access to distribution channels (exclusivity with distributors, proprietary network)
- Location (a shop on Regent's Street)

The answer to the questions above will be highly dependent on your type of business, your management team and any relations it might have. Therefore it is hard to give any general tips about it.

4.4 Marketing Research is most important to work against threats and help predict market change

1. Efficient ways to induce potential customers to be interested in the students' selected items based on their comparative advantages over competitive items in the target market;

2. Factors to be considered when attracting potential customers to the (assumed to be selected) items in the exporting market, compared with the factors to be considered in the domestic market where students' (assumed) companies are well recognized by the customers;

3. Functions and importance of established international business networks, based on mutual reliance in conducting international trade particularly with newly developed items;

4. Strategies for the cultivation of new markets abroad, with an item which is newly developed and not yet commercialized in the domestic market compared with the case of existing products which have been successfully commercialized in the domestic market;

- Reduce business risks
- Spot current and upcoming problems in the current market
- Identify sales opportunities
- Develop plans of action

According to Kotler and Keller (2009), marketing research helps companies to find out more about the following factors which are necessary to know about for business holders:

4.4.1 Political

Political factors refer to governmental actions or policies that have an impact on your business and its ability to trade. For example, restrictions on the import or export of certain goods might limit your market or hamper your ability to obtain raw materials. At a local level, restrictions on the types of businesses permitted in certain districts or the kinds of services available might impact your ability to run your business in these areas.

4.4.2 Economic

Economic factors include all the various taxes and duties you are obliged to pay, as well as wider fiscal decisions on things like central bank interest rates and international exchange rate volatility. A thorough analysis of each of the economic factors that impact on your business will help you plan the financial strategy for your business.

4.4.3 Social

The way society changes and adapts over time, and the differences in communities across the country and the world, are all important considerations when planning your business. Aspects to consider and

explore include religion, lifestyle expectations, housing standards and population demographics such as age, gender and ethnic origin.

4.4.4 Technological

Technological change has wiped out old businesses and created new businesses over the years. Understanding the impact of the next technological advances could give you a market advantage over your competitors if you are better placed to exploit the opportunities they present. Look at how communications are changing, and try to find a way in which you can take advantage of any emerging channels to reach new or more customers. Don't forget to explore how your business could be more efficient and productive by using new technologies in production or distribution, for example.

4.4.5 Legal

Every business operates within a strictly controlled legal environment. Identify, and be aware of the impact of, all legislation relating to your business. These might include regulatory obligations, environmental restrictions, import/export limitations and basic health and safety laws.

4.4.6 Environmental

Economies across the world are increasingly aware of the environmental factors of their operations. Even as a small business owner, you should consider the environmental aspects relating to your activities, such as its impact on the local and wider environment. Be aware that attitudes to themes such as ecology and renewable energy can affect consumer behavior. Some believe global warming is changing weather patterns, affecting tourism and farming. Showing that you are a "green" business might attract new customers.

4.4.7 Opportunities and Threats

Your PESTLE analysis should provide you with a useful tool to establish the major opportunities and threats facing your business as you plan for its future growth. When taken together with an internal review of your business' strengths and weaknesses, you should be in a strong position to develop a robust strategy and business plan based on well-balanced research.

It is important to note that all exhibitions are not the same and may not be relevant to a firm's products. For example, there might be a massive and globally recognized expo in Dubai on green technology and technological advancement, but if you are an exporter of sportswear, it is doubtful that you should be spending your time attending this particular expo because of a lack of potential interest. Another precursor to attending an exhibition is for a firm to determine its purpose in participating, whether it is to find potential buyers, to strengthen relationships with existing

buyers, to undertake market research, to collect information, or to assess the response from consumers. The target market should also be determined after understanding features of the firm's own products and researching market conditions to find the most profitable transactions. A target market determination will consist of multiple considerations, such as quality of the products, ability to pay for products, desire for products, political situation, trends, and fads. After the target market is determined, proper transportation methods and means need to be considered. There are two main methods of transporting the display items to the exhibition: The first method is to pay the exhibition host or moving company to transport them for an exporter. The second method is for the exporter to transport the items personally. For the proper transportation of the exhibition items, it is generally required to prepare a carnet document, which is a specific customs document that allows exhibition items to be transported across borders for display 2.2 Overseas Exhibitions 29 at any sort of exhibition. The carnet document generally exempts the transportation tariff of items from normal import and export regulations imposed by governments. The items can then be sold during or after the exhibition, or imported back to their initial country free of import duties and approval. For the most part, the carnet currently in use for facilitating importing and exporting is termed "ATA Carnet." The ATA Carnet is an international handbook issued for exemption from import duties and provide a rapid process of customs clearance for the temporary import or bonded transportation of working tools like movie cameras, sample items, and advertisement items, in accordance with the "tariff convention about extortion of temporary import clearance of goods" of the Customs Cooperation Council. If ATA Carnet holders try to clear items for temporary import to countries affiliated to the convention, the items are exempt from tariffs but must be taken out within a certain period of time.

4.5 Hiring Consultants

As it was distinguished during the interviews, the companies were not interested in doing market research because they didn't have enough knowledge about the benefits of market research in their marketing department, since they are not specialists in marketing. For example, Teknolab Holding, company in which the researcher is employed, has hired many employees with technical and engineering educational background in marketing department.

Therefore, it can be a good idea for the top managers to hire some consultants to educate the marketing department employees and make them know that marketing research is useful and it is not just waste of money and

time, as the researcher heard from one of the managers in marketing department.

Conclusion

All in all, the current research was an attempt to find out the reasons to why B2B marketing research is not being done before taking actions in the companies in CIS countries. According the points mentioned in chapter one of the research (Literature review), marketing research is beneficial tool to make more benefit for companies and avoid loss to a significant degree. To answer the first research question, which is “why companies in B2B sector in CIS countries don’t do market research before taking actions”, in-depth interviews were conducted with top manager of some companies based in CIS countries. Base on the interpretation from the in-depth interviews, the sources of the problem can be summarized as follows:

- Market Research is expensive to conduct
- Trust on network and referencing more than doing research
- Market research is time taking
- Instability of the market
- Short-term orientation of companies
- Invisibility of market research companies
- Lack of Marketing specialists in marketing departments of the companies
- Instability of the telecom market

After distinguishing the sources of the problem, the research tried to make suggestions based on the analysis and interpretation of the primary results. Hence, the answer to the second research question (What can be done to make companies in B2B market in post-soviet countries to do market research before taking actions) was derived based on the interpretation from the interviews conducted with the participants, can be summarized as follows. That is, the following suggestions are made to make companies in B2B market to do marketing research:

- Employing professional market researchers or outsource market analysis
- Marketing Research Companies engage advertisement
- Employ Professionals in marketing division of their company
- Hiring Consultants

It is worth mentioning that each of the above mentioned causes and suggestions are discussed in details in chapters three and four of the dissertation.

Limitations of the Study

It should be noted that the current research has its limitations.

Firstly, the research was done only in telecommunication companies. Hence, when generalizing the results to other industries, the users of the research should take the step with caution.

Additionally, the research was conducted using seven participants from six companies because of the facilities and time reachable. So, it would be better to do the research using more participants from vaster number of companies.

Moreover, the more general shortcoming of this research is that it was focused on B2B market, without considering B2C market.

Furthermore, the focused area in this research was post-soviet and CIS countries. Hence, while using the results for other regions of the world, the steps should be taken carefully.

Suggestions for Further Study

According to the above mentioned limitations, further research is suggested in this branch in different industries hence this research was only focused on telecommunication industry. Moreover, fruitful research also can be done in the area of B2C market for the same topic. Furthermore, other countries and regions of the world also can be focused in future research. Using different methodologies with adding other demographic factors such as country of origin, company age, company budget, is also recommended for further research.

List of References

1. 1. Abbas, J.A. Economic Sanctions: A Menace to National Competitiveness // *Competitiveness Review: An International Business Journal*. - 2012. - Vol. 22(3), 22-29.
2. 2. Arksey, H. and Knight P.T. *Interviewing for Social Scientists*. London: Sage. – 1999.
3. 3. Chand, S. (2011) The International Mobility of Talent: Types, Causes, and Development Impact. *Economic Records* 87, 169-174
4. 4. Collis, J. and Hussey, R. *Business Research: A Practical Guide for Undergraduate and Postgraduate Students*. - Basingstoke: Palgrave Macmillan. – 2009.
5. 5. Cousins, Paul D. A Conceptual Model for Managing Long-term Inter-organisational Relationships // *European Journal of Purchasing & Supply Management*. 2002. - 8(2), 71-82.
6. 6. Denzin, N.K. and Lincoln, Y.S. *Handbook of Qualitative Research*. - Thousand Oaks, CA: Sage. – 2000.
7. 7. Elo, Satu and Kyngäs, H. The Qualitative Content Analysis Process // *Journal of Advanced Nursing*. 2008. – 62(1), 107-115.
8. 8. Eun, C.S. and Resnick B.G. *International Financial Management*. - New York: McGraw Hill/Irwin. – 2009.
9. 9. Grath, Anders. *The Handbook of International Trade and Finance*. - UK: Kogan Page. – 2012.
10. 10. Han, S.L., D.T. Wilson and S.P. Dant. Buyer-Supplier Relationships Today // *Industrial Marketing Management*. – 1993. - Vol. 22. - P. 331-38.
11. 11. Klimenko, T. Harrison, M (2013) *Business-to-Business Market Research in Russia*. URL: <https://www.b2binternational.com/publications/russian-market-research/>
12. 12. Kotler, Ph. and Armstrong, G. *Principles of Marketing*. - New Jersey: Pearson Prentice Hall, 2012.
13. 13. Kumar, S. and Bergstrom, T. An Exploratory Study of the Relations between the U.S. Manufacturers and their

- Local Distributors in Developing Markets // Information Knowledge Systems Management. 2008, 7, 301-34.
14. 14. Marketing Research, definition URL: <http://www.investopedia.com/terms/m/market-research.asp>
15. 15. Matyushina, T. Market Research in Russia // Russia Business Watch. 200. – 62(1), 107-115.
16. 16. Maurice, L.D. International Finance. - London: Routledge, 2005.
17. 17. Movahhed, M (2016) 5 B2B Market Research Challenges & How to Overcome Them URL: <https://www.handshake.com/blog/b2b-market-research/>
18. 18. Mudambi, S. and Aggarwal, R.. Industrial Distributors: Can They Survive in the New Economy? // Industrial Marketing Management. – 2003. - Vol. 32. No.4. - P. 317-25.
19. 19. Official Website «B2B International» URL: <https://www.b2binternational.com/research/methods/qualitative-research/>
20. 20. Official Website «jansoncampbell» URL: <https://www.businessoffashion.com/articles/author/jason-campbell>
21. 21. Official Website «MarketResearch» URL: <https://marketresearch.com>
22. 22. Official website of «PWC» URL: <http://www.pwc.ru/en/tax-consulting-services/tax-legislation-flash-reports.html>
23. 23. Palmer, Adrian. Co-operation and Collusion: Making the Distinction in Marketing Relationships // Journal of Marketing Management. – 2001, 17, 761-84.
24. 24. Ritchie, J. and Lewis, J. Qualitative Research Practice: A Guide for Social Science Students and Researchers. London: Sage. – 2003.
25. 25. Silverman, D. et al. Qualitative Research. - London: SAGE Publications. – 2011.
26. 26. Skyler J., Heinrich, Tobias, Collis, Jill and Hussey, R. Business Research: A Practical Guide for Undergraduate and Postgraduate Students. - Basingstoke: Palgrave Macmillan, 2009.

27. 26. Towery, M (2015) Why B2B market research is different – and what to do about it. URL: <https://www.quirks.com/articles/why-b2b-market-research-is-different-and-what-to-do-about-it>
28. 27. Willian, D. B2B & B2C Research: Spot the Difference URL: https://www.circle-research.com/wp-content/uploads/B2B-versus-B2C_Spot-the-Difference.pdf

Appendix- Interview Questionnaire

1. Please introduce yourself, your company, and your position in the company.
2. Does your company do Marketing Research before taking any actions? If no, why?
3. Under what conditions will you do marketing research before taking actions?