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Very little attention has been given to the corporate situations in which marketing managers make decisions based upon market research information. This study finds that managers in more decentralized and informal organizations are more likely to use research information than managers in more highly structured firms.

The Organizational Context of Market Research Use

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LARGELY as a function of developments in its environment, marketing is asking introspective questions about its own efficiency. At the beginning of the 1980s we have seen the rapid growth of the marketing function over the past two decades slowed under the impacts of inflation, raw material shortages, unemployment and recession. These economic changes necessitate a reassessment of strategies that had earlier proved successful. The drive now is to become leaner, more efficient in the use of available resources and more oriented toward the future (Wind 1980).

If we are to believe that the U.S. and other post-industrial economies are moving from an "Age of Product Technology" to a "Knowledge-based Society" (Bell 1976), we should be increasingly concerned with our ability to manage our corporate knowledge systems. The growth and even survival of today's business entities will depend on their strategies for handling and processing information. The

more current this information, the greater the ability of managers to make policy decisions based upon it. In turn, the effectiveness of those decisions will be measured in terms of market information.

The marketing function is somewhat unique in that the information gathering and analysis processes in firms have been institutionalized as marketing research departments or divisions. Although these specialized information processing units have existed for some time, very little examination has been given to the effectiveness of research in providing information at the right place for the right decision. Additionally, it is only very recently that any attention has been paid to the factors that affect the usefulness of marketing research.

The issue of examining marketing's R&D has not gone unnoticed. The critical costs of inadequate utilization of marketing tools and techniques have been mentioned recently by a special AMA/Marketing Science Institute joint commission (Myers, Massy and Greyser 1980). The commission's members were surprised at the relatively low rate of adoption at the line manager level of new marketing knowledge generated over a period encompassing the past 25 years. Their major recommendation was to develop better ways "to bridge the gaps between knowledge-generation and knowledge-utilization" (Myers, Greyser and Massy

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1979, p. 27). Both marketing practitioners and academics support these observations and agree that much problem oriented research is not used (Dyer and Shimp 1977, Ernst 1976, Kover 1976, Kunstler 1975). However, little formal research has been conducted in this area (Greenberg, Goldstucker and Belenger 1977; Krum 1978; Luck and Krum 1981). Most observations about the factors affecting use of marketing research have been limited to introspective, albeit careful, analyses of personal experiences (Hardin 1973, Kunstler 1975, Newman 1962).

The issue of inadequate utilization of available research information is not unique to marketing. Underuse occurs in all areas of applied research activity. Most recently it has received much empirical attention in the policy sciences and has led to the creation of the area of inquiry called Knowledge Utilization (Caplan, Morrison and Stambaugh 1975; Rich 1975; Weiss 1977; Weiss and Bucuvalas 1980). Developments in this area indicate that an understanding of the research use phenomenon lies in examining the organizational contexts in which policy decisions are made. The design of the decision making structures of organizations sometimes provides clues as to why some of them are more efficient at using research than others.

As Day and Wind (1980) have commented, senior management has come to believe that focusing only on a customer-oriented search for competitive advantage may be shortsighted. There is a need to widen the scope of empirical attention in marketing by looking at relationships beyond those of the company and its customers. One set of these relationships deals with managers *within* an organization. Unless the structure of work relationships in a firm has been designed to optimize managerial effectiveness, the company-customer transactions will suffer and, in turn, negatively impact on the firm's long-term profitability. Yet the influence of organizational structure on the marketing function has seldom been studied systematically (Bonoma, Zaltman and Johnston 1977; Silk and Kalwani 1980; Spekman and Stern 1979). This issue is particularly important in the knowledge utilization area since parallel findings in the policy sciences, as mentioned earlier, indicate the importance of organizational design in influencing research use. In the pursuit of marketing effectiveness it may be useful to examine what forms of marketing organization appear best suited to manage the marketing research process efficiently (Wind 1980). This paper looks at the issue by surveying marketing managers in major U.S. business firms.

This paper does not intend to develop or extend a paradigm in organizational theory but attempts to look at why some consumer product companies make more use of marketing research than others. In the

process, it is necessary to acquaint the reader with several organizational studies conducted in the past. Although these studies did not explicitly study marketing departments or market research-based decisions, it is possible to transfer the knowledge gained in those studies to the marketing area. This is the task of the following section.

Information Use in an Organizational Setting

Harold Wilensky, in his famous treatise on organizational intelligence, writes of barriers to the use of information in organizations: "Intelligence failures are rooted in structural problems that cannot be fully solved; they express universal dilemmas of organizational life that can, however, be resolved in various ways at varying costs. In all complex systems, hierarchy, specialization, and centralization are major sources of distortion and blockage of intelligence" (1967, p. 42). Why is this so? According to Wilensky, an organization that has a long hierarchical structure and emphasizes rank is likely to have much distortion occurring as information flows upward from junior through senior managerial levels. Due to the differential selective perception of information by different individuals, new knowledge takes on different shades of meaning as it passes from one person to the next. This distortion is further accentuated by the tendency of lower level managers to show themselves in the most favorable light to their superiors. In the case of the marketing organization, therefore, although senior marketing managers may wish to exert more effective control by centralizing information (and thereby its use), the knowledge with which they are provided may be a far cry from what was initially gathered by junior members of the marketing department.

Yet the attempt at resolving this problem by greatly decentralizing information collection and decision making activities may not serve the need either. What Wilensky refers to as the dilemma of centralization may occur ". . . if intelligence is lodged at the top, too few officials and experts with too little accurate and relevant information are too far out of touch and too overloaded to function effectively; on the other hand, if intelligence is scattered throughout many subordinate units, too many officials and experts with too much specialized information may . . . delay decisions while they warily consult each other. . . . More simply, plans are manageable only if we delegate; plans are coordinated in relation to organizational goals only if we centralize" (1967, p. 58).

It appears therefore that the structure of a marketing organization may impact on the use of research

information by its managers in one of two opposing ways. It is not entirely clear whether few rules and procedures and extensive decentralization of decision making authority will help or hinder the organization's use of information.

It is helpful at this point to look at some past studies in the sociology of organizations to see whether an empirical resolution can be found to Wilensky's dilemma. Two sociologists, Michael Moch and Edward Morse, recently studied the impact of organizational size and centralization on the adoption of innovations in 1,000 U.S. hospitals (Moch and Morse 1977). Their study found that in larger organizations a great deal of task specialization and role differentiation occurred. "Large organizations are in a better position to employ specialists and formally to differentiate responsibilities assigned to personnel in order to accommodate variation in input material. By employing specialists, the organization gains access to knowledge of new ideas, practices, and technical skill . . . [Also] formally differentiating task responsibilities to organizational personnel focuses their interests within specialized areas" (Moch and Morse 1977, p. 717). Additionally, these organizations tended to adopt innovations far more readily than those organizations that had less specialization of tasks and more centralization. This finding is supported by several other observers of social change in organizations (Hage and Aiken 1970; Pondy 1970; Zaltman, Duncan and Holbek 1973).

We can think of market research information that is new to a firm's marketing manager as an innovation for that organization. This is in keeping with the Rogers and Shoemaker (1971) conception of innovation as any set of ideas, practices or material artifacts perceived to be new by the relevant unit of adoption. According to Zaltman and Duncan (1977), people change their behavior when they define the situation as being different and requiring new or different behavior. If we then translate the above findings from organization theory into implications for marketing departments of firms, we can hypothesize that departments that are more structured will be less likely to adopt (or use) new research information than departments that are less structured.

However, a problem may exist. Looking once again at new research information as an innovation for the organization, awareness of the information is a function of the extent of work experience of the manager (Zaltman, Duncan and Holbek 1973). Presumably a marketing manager with several years of corporate experience behind him/her will be better able to judge the fit between new research information and its applicability to a specific decision making situation. Hence it is necessary to supplement any inquiry into the impact of structural arrangements on

research use with an assessment of managers' work experiences.

These observations bring us to a statement of several formal hypotheses tested in this study. Before these can be stated, a description of the variables and their operationalization is provided.

Variables

Organizational Structure

Although several different concepts have been discussed in the sociology of organizations in measuring organizational structure, this study employs the two dimensions of *formalization* and *centralization*. These dimensions have been studied extensively in the context of organizational adoption of innovations (which is relevant to our case, as discussed earlier), and measures have been developed for these dimensions that have been carefully validated and replicated across a wide variety of different organizations (public and private, large and small, both in the U.S. and in Europe).

Formalization, as defined in the work of Hall, Haas and Johnson (1967), is the degree to which rules define roles, authority relations, communications, norms and sanctions, and procedures. This dimension of organizational structure is an attempt to measure the flexibility that a manager enjoys when handling a particular task (such as the implementation of research recommendations). Centralization, as defined by Aiken and Hage (1968), looks at the delegation of decision making authority throughout an organization and the extent of participation by managers in decision making.

The above concepts have been studied using two methods. The first, espoused in the work of Blau and Schoenherr (1971), Hinings and Lee (1971), Child (1972), and others focuses on "institutional" measures that look at the span of control, worker/supervisor ratios, distribution of employees across functional areas, and other indicants of an organization chart (Payne and Pugh 1976, Pugh et al. 1968). The second method uses questionnaires, with respondents indicating the extent of their agreement or disagreement with a series of statements dealing with issues such as the flexibility allowed in the handling of organizational tasks, the requirement for conformity with rules and guidelines, the amount of decentralization of authority, and so on (Aiken and Hage 1968, Hall 1972). This method has been empirically validated across a series of studies on different firms in both the U.S. and Europe.

However, the two methods do not produce identical results. Using a multitrait-multimethod matrix, Pennings (1973) found a low degree of convergence

between institutional and questionnaire measures. He also discovered that although questionnaire measures of formalization and centralization were positively associated, the institutional measures produced negative correlations between the dimensions. These anomalies were criticized by several researchers on the grounds of instrument unreliability (Dewar, Whetten and Boje 1980; Pennings 1973; Seidler 1974). It is conceivable that some instrument bias can occur with self-report measures such as those used in the questionnaire method and also in the use of informants for the institutional method.

An alternative explanation has been suggested by Sathe (1978), who replicated Pennings' (1973) study with some modifications to increase internal validity and instrument reliability and suggested that the two methods were measuring different concepts. Since the institutional measure examines the structure of an organization in terms of the organization chart, the results reflect the structure as it was designed to operate. However, the questionnaire method, since it asks respondent managers to indicate their perceptions of participation in decisions, job flexibility, etc., taps the organizational structure as managers see it operating. "The questionnaire measures tend to reflect the degree of structure experienced by organizational members in work related activities on a day-to-day basis and to the extent that such information is not biased, describe the *emergent* structure" (Sathe 1978, p. 234). This latter method is more pertinent to this study, since we are less interested in how a marketing organization was designed to function than in how an individual manager perceives the organization influencing his or her job. Therefore the questionnaire measures of formalization and centralization were used in this study.

The two structural dimensions are themselves conceptual aggregates of certain independent constructs. Formalization, for instance, is composed of measures tapping the extent to which jobs are codified (Job Codification), the degree to which rules are observed (Rule Observation), and the extent to which the specifics of tasks are stated (Job Specificity). Centralization is composed of the subdimensions of Participation in Decision Making and Hierarchy of Authority (the extent to which authority to make decisions affecting the firm is confined to higher levels of the hierarchy). Each of these dimensions is represented by a series of questions measured on a four or five point scale. The questions are displayed in Figure 1.

Utilization of Research Information

Most of the work in defining and measuring what constitutes research use has been in nonmarketing areas, primarily political science and public administration. Robert Rich, in his study of federal policymaking

(1977), defines use as specific information coming to the desk of a decision maker, being read, and influencing the discussion of particular policies. In this sense the use of information is analogous to the use of a marketing research report being examined by a manager. Nathan Caplan and his co-workers have also looked largely at this instrumental type of information use in their study of 204 government officials (Caplan, Morrison and Stambaugh 1975). They define use in terms of familiarity of the officials with pertinent research and a consideration of an attempt to apply the research to some relevant policy areas. However, there is still much discussion as to how best to define research information use and the optimal way to measure it (Deshpande 1979, Larsen 1980, Weiss 1980). In this study, use of research information was defined and operationalized in terms of whether a decision could have been made without it or whether the decision, when made without research, would have been very different from the decision for which research information was considered. Two questions were asked to determine research use. The first asked respondents to agree or disagree (on a five point Likert scale) with the statement, "Without this research information, the decisions made would have been very different." And the second, using the same response format, stated, "No decision would have been made without this research information."

Admittedly, several alternative methods of operationalizing research use do exist. Some of the literature cited above indeed defines use in different ways. However, in this study we are most concerned with the *so what?* or *impact* dimension of market research. Has there been any change caused by the presence of new information? Has the research affected managers' decision making in any way? What would have happened to the decisions if the research did not exist? These are the types of issues that this definition of research use attempts to get at. Additionally, the questions on research use are relatively more indirect than operationalizations that ask, "Did you actually use the market research?" As will be seen when the means and standard deviations of variables are described, the tendency toward positive bias is limited by utilizing more inferential methods of measuring use.

Interrelationship Between Concepts

Now that the major concepts have been defined and their operationalizations described, we can proceed to show how they are interrelated. Research in organization behavior indicates that firms that are more decentralized and less formalized are likely to adopt innovations quicker than those that are more structured

FIGURE 1
Perceptions of Organizational Structure

Formalization Questions	Centralization Questions
Response Categories: 1 Definitely true 2 More true than false 3 More false than true 4 Definitely false 5 Not applicable	Response Categories: 1 Never 2 Seldom 3 Often 4 Always
Job Codification (1) First, I felt that I was my own boss in most matters relating to the project. (2) I could make my own decisions regarding the project without checking with anybody else. (3) How things were done around here was left pretty much up to me. (4) I was allowed to do almost as I pleased. (5) I made up my own rules on this job.	Participation in Decision Making (1) How frequently did you usually participate in decisions on the adoption of new products. (2) How frequently did you usually participate in decisions on the modification of existing products. (3) How frequently did you usually participate in decisions to delete existent products.
Rule Observation (6) I was constantly being checked on for rule violations. (7) I felt as though I was constantly being watched to see that I obeyed all the rules. (8) There was no specific rules manual relating to this project. (9) There is a complete written job description for going about this task.	Response Categories: 1 Definitely true 2 More true than false 3 More false than true 4 Definitely false 5 Not applicable
Job Specificity (10) Whatever situation arose, we had procedures to follow in dealing with it. (11) Everyone had a specific job to do. (12) Going through the proper channels in getting this job done was constantly stressed. (13) The organization kept a written record of everyone's performance. (14) We had to follow strict operating procedures at all times. (15) Whenever we had a problem we were supposed to go to the same person for an answer.	Hierarchy of Authority (1) There could be little action taken on this project until a superior approved a decision. (2) If I wished to make my own decisions, I would be quickly discouraged. (3) Even small matters on this job had to be referred to someone higher up for a final answer. (4) I had to ask my boss before I did almost anything. (5) Any decision I made had to have my boss' approval.

(Hage and Aiken 1970; Moch and Morse 1977; Zaltman, Duncan and Holbek 1973). Additionally, as mentioned earlier, new research information can be thought of as an innovation that a manager may or may not decide to use (Deshpande and Zaltman 1981). The following propositions, therefore, flow from these considerations:

- (1) The greater the Job Codification¹ perceived by managers, the lower the utilization of market research information.
- (2) The greater the Rule Observation perceived by managers, the lower the utilization of market research information.

- (3) The greater the Job Specificity perceived by managers, the lower the utilization of market research information.
- (4) The lower the Participation in Decision Making, the lower the utilization of market research.
- (5) The greater the Hierarchy of Authority, the lower the utilization of market research.

Additionally, looking once again at new research information as an innovation to the organization, awareness of the information is a function of the work experience of the manager (Radnor, Rubinstein and Tansik 1970; Zaltman, Duncan and Holbek 1973). If we consider the years of experience in a firm or an industry as surrogates for work experience, then two further propositions are:

¹Each of the organizational structure measures is briefly described at the end of the earlier section on Variables.

- (6) The greater the number of years of work experience in the firm, the greater the managers' perceived utilization of research.
- (7) The greater the number of years of work experience in the industry to which the firm belongs, the greater the managers' perceived utilization of research.

The questionnaire described below asked direct questions concerning number of years of work experience in the firm and the industry. The seven propositions were tested on the sample.

Sample and Research Methodology

Data used here come from a larger study of a sample of 92 managers who were questioned about marketing research projects in their companies (Deshpande and Zaltman 1982). The first stage of the study involved personal interviews conducted with 16 individuals in 7 firms (10 managers and 6 research suppliers). All 16 persons were selected on a convenience basis from large firms (all in the Fortune 500 sample) and from leading advertising and research agencies. The questionnaire used for the personal interviews was modified with structured queries for use, after a pilot test, in the mail survey that constituted the second stage of the data collection.

The sampling frame for managers was an *Advertising Age* listing of the 100 largest U.S. advertisers. Five hundred primarily product/brand and marketing managers in marketing divisions and firms (the universe of such managers in the frame) were selected. Firms dealing with industrial products or services were deleted, and out of 249 eligible respondents, 92 (37%) managers responded after one follow-up mailing. This rate of response, though good when compared with those in studies of similar organizations, required a detailed nonresponse analysis. A randomly selected subsample of 50 nonrespondents was contacted directly by telephone to ascertain their reasons for not returning questionnaires. The major reasons for nonresponse concerned the lack of time to fill out the rather lengthy questionnaire. No subject matter related reasons for nonresponse were stated by any of the individuals contacted. Thus the actual replies received can be assumed to represent the valid responses of the total original sample (since the randomly selected nonrespondent's sample is assumed to be representative of all nonrespondents). Eligible respondents did not differ from nonrespondents in terms of organizational demographics or the salience of issues being studied.

Rather than asking managers questions about their

general experiences with market research, it was felt necessary to get specific details on one such critical research experience per manager. In this manner it is possible to focus more precisely on the factors contributing to research use for that research project.

Accordingly, after preliminary questions regarding job title and work experience, the questionnaire asked respondents to focus on the *most recently completed* marketing research project with which they had been associated and for which a research report had already been presented.² The research incident preferred was to have contributed toward a consumer product (or service) strategy decision, i.e., the addition, modification or deletion of a product from the firm's line of offerings. In addition, the research for the scenario was to have been conducted by a research agency external to the marketing firm.³ The questions regarding the use of the research were posed toward the end of the questionnaire to limit contamination of earlier responses.

Analysis

In order to improve the face validity of the 23 statements dealing with perceptions of organizational structure, the questions were altered slightly to make them market research project specific. For example, the original statement, "How frequently do you usually participate in decisions on the adoption of new programs?" was modified to read, ". . . in decisions on the adoption of new products?" These modifications are in keeping with recent suggestions to improve instrument validity (Dewar, Whetten and Boje 1980). However, such alterations limit the comparability of these questions to nonmarketing uses of the organizational structure measures. In order to ascertain whether the measures still retained construct validity (i.e., measure what they are supposed to), a factor analysis was conducted. This resulted in five factors explaining 70% of the overall variance. Table 1 shows the variables loading on each of the five factors.

It may be seen that the analysis produces a clean factor structure with items loading on the appropriate factors. With only a few items being deleted because of low or incorrect loading, the measures of the three formalization constructs (Job Codification, Rule Ob-

²Clearly the one research project described by each manager may not be entirely representative of that firm's research experience. However, by having each manager describe the most recently completed research project, it is hoped that the sum of all such project experiences across the total sample would be representative for the sample of firms considered in this study.

³Since the study described here represents an initial exploration into the area of market research use by private firms, the investigation was not designed to include questions concerning internal marketing research departments or divisions.

TABLE 1
Factor Analysis of Perceptions of Organizational Structure

	Job Codification	Rule Observation	Job Specificity	Participation in Decision Making	Hierarchy of Authority
(1) My own boss	.67	.10	.24	.10	.18
(2) Make my own decisions	.76	.19	.08	.06	.17
(3) Doing things left up to me	.91	.05	.19	.01	.20
(4) Do almost as I pleased	.89	.08	.15	-.02	.15
(5) Made my own rules	.70	.18	.16	.03	.23
(6) Checked for rule violations	.24	.82	.25	-.06	.21
(7) Constantly being watched	.27	.91	.24	-.11	.14
(8) No rules manual*	.35	.11	.42	-.03	.07
(9) Complete job description*	.18	.31	.76	-.09	-.02
(10) Procedures for dealing with situations	.22	.10	.85	-.01	-.03
(11) Specific job to do	.14	-.09	.71	-.25	.07
(12) Going thru proper channels	.05	.08	.54	-.03	.30
(13) Written performance record	.15	.17	.69	.12	.18
(14) Strict operating procedures	.06	.07	.80	.06	.37
(15) Same person for problem referral	.15	.14	.56	.08	.33
(16) Adoption of new products	.11	.04	-.06	.61	.03
(17) Modification of existent products	.02	-.08	-.01	.83	.05
(18) Deletion of existent products	-.04	-.09	-.00	.81	.04
(19) Superior approves decision*	.16	.14	.08	.10	.25
(20) Discourage my own decision	.20	.07	.00	.04	.68
(21) Refer to superior for small matters	.19	.08	.36	.06	.63
(22) Had to ask boss	.22	.07	.25	-.03	.82
(23) Boss' approval required	.30	.19	.20	.12	.76

Cumulative variance explained by five factors: 70%

*Items deleted due to low item-factor correlations.

servation, Job Specificity) and the two centralization constructs (Participation in Decision Making, Hierarchy of Authority) show excellent validity. Additionally, internal reliability tests showed strong Cronbach alphas ranging from 0.73 through 0.92.

The next step, following the treatment suggested by developers of the measures, was to form cumulative, equally weighted indices for each of the five measures so as to develop scores for each case. As a further validity check, the sample was split randomly and Cronbach alphas were recalculated for the indices on each subsample. Alphas continued to be excellent with a range of 0.62 to 0.96.

In order to measure Research Utilization, a simple additive index was formed of the responses to the two questions on research use. (The mean response on each of the questions was 2.85 and 3.53 with standard deviations of 1.01 and 1.14, respectively. This indicates first, that managers generally agreed that decisions, if made, would have been very different without the research information, and second, that the tendency for positive bias on these questions was not a major problem.) This additive index of Research

Utilization was then utilized as the dependent variable in an ordinary least squares regression. The five dimensions of organizational structure (Job Codification, Rule Observation, Job Specificity, Participation and Hierarchy of Authority) and the measures of industry and firm work experience were the predictor variables. Results of the regression analysis are displayed in Table 2. As this Table shows, the overall regression equation explains 67.2% of the total variance, a result that is statistically significant at the 0.001 level. In order to test for internal validity of this result, the sample was split randomly into halves and the regression recomputed. Both standardized betas and the estimate of explained variance remained stable, suggesting the results reported here are not due to chance.

Now going beyond the summary R² statistic, a perusal of the contributions of individual independent variables produces interesting findings. First, it appears that the length of work experience of managers (in either the firm or the industry) is not a major determinant of the use of market research information. The standardized beta weights are small and statisti-

sponsibility, which puts a burden on the managers' shoulders, the burden of eventual accountability for the decisions they make. A decision to launch a million dollar product is not one taken easily. Consequently, it is conceivable that managers will want to get as much corroborative and supportive evidence as possible before making the decision. This evidence is readily available in the form of market research data. Hence, the more decentralized the marketing operation of a company, the more likely it is that its managers will seek out research support.

The logic of the above argument may seem intuitively appealing and also provide a rationale for why managers in decentralized and less formalized marketing firms tend to be greater users of research. But this result is not trivial since it is also possible to argue the opposite. Indeed this is what Wilensky (1967) has done, as mentioned earlier, in posing his "dilemma of centralization." Firms that are highly centralized and also have established more formally structured bureaucratic rules and procedures for handling marketing tasks are also likely to have centralized information systems. One would expect that in such a centralized system, research information goes directly to an individual at a senior level in the management hierarchy and, as such, is highly likely to be used in making strategic or policy decisions. However, when we consider the enormous amount of information that is likely to cross a decision maker's desk in such a centralized management system, we can see immediately the difficulties that will result. As Rich (1975) found in the public policy setting, to avoid information overload problems senior policy makers ask their aides to distill information so that only the most critical and urgent issues reach their offices. In the distillation process a great deal of (perhaps pertinent) information is lost. Additionally, advocacy positions of junior aides are reflected in the reports reaching their superiors. The end product report that arrives on the policy maker's desk is frequently a far cry from the research that was originally executed, and the recommendations bear only a mild resemblance to those originally proposed by researchers.

The above scenario can be contrasted effectively with one where individual line managers are given the flexibility to take products from the R&D laboratory to test market shelves. Along with this flexibility comes, as mentioned earlier, accountability in terms of maintaining profit expectations. The line manager, who also oversees and interacts with the firm's research function, authorizes the collection of data concerning the potential viability of the product in the marketplace. The resulting market research information will then be carefully examined before a decision (largely based upon the information) is pronounced.

Conclusion

Very little empirical attention in marketing has been given to designing organizations or task groups to enhance managerial efficiency. Yet it is clear that even before considering company market transactions, it is important to ensure that the internal marketing operation functions effectively. One area of much significance is that involving the use of marketing research information. Although annual research transactions of larger business firms in the U.S. comprise expenditures of millions of dollars, the management of the research function to increase research productivity has received little scrutiny.

The study reported here indicates that marketing managers making consumer product strategy decisions are more likely to use research information when they see themselves working in a decentralized organization with few formal rules or procedures that must be observed. With increasing sophistication of research operations and growing uncertainties of the economic environment, this study has clear implications for senior marketing management. In order to enhance the efficient use of market research, line marketing managers should be allowed to operate in reasonably flexible task environments. This flexibility would allow managers a generous amount of freedom to participate extensively in product strategy decisions, coupled with accountability for demonstrating desired returns on product investment. The responsibilities with which the managers are entrusted would include overseeing the collection and analysis of marketing research information on the product in their charge. This would permit line marketing managers to be strongly involved in the research process, ensuring that the research information produced would be highly relevant to decisions that need to be made. The final result of the managers' commitment to the marketing research activity would be a more effective utilization of research.

The interesting results this study has provided reflect the perceptions of marketing managers. To complement these perceptions, further investigation in this area might examine marketing researchers working on the same research projects as managers. It would then be enlightening to compare manager and researcher perspectives on factors affecting the utilization of research on the same project. However, the insights provided here are no less important or valid. In fact, from a marketing firm's viewpoint it can be argued that the crucial element in considering the design of its organization is the task reality as seen by its own managers. This reality for marketing research projects has been reflected in the responses of marketing managers in this study. Their insights should help both

managers in other companies and scientists and observers of the management of market research activity in an organization.

Future research in this area should replicate this study with an extension to industrial and services marketing firms. Additionally, since the domain of

inquiry here concerned product and marketing managers, future work could be directed at a sample of marketing vice presidents or marketing directors. It is not yet known whether the findings from such samples would be similar to those reported here.

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