Potential of Using Experimental Methods in Marketing Research

Abstract
Well-functioning marketing research is undoubtedly a necessary condition for the high and stable performance of the enterprise in the 21st century. There are many ways of finding out what type of new product would the consumers appreciate, or how is their opinion on its design or price. Unfortunately, most of these research techniques hardly generate some really reliable data. The participants in such research studies have no motivation to think the issue about seriously and their responses are therefore not the unbiased reflection of their real behavior. It means that the company should not rely on one research only, but it should use wider variety of research techniques. There is even technique, which is robust against the discussed criticism — marketing experiments. This research technique can use the methodology of experimental economics, which successfully solved the data reliability problem about forty years ago. The key part of the solution consisted of the implementation of so called induced value theory, which was invented by Vernon L. Smith. Most of the already realized marketing experiments do not use the induced value approach, though. Nevertheless, this approach can be successfully reflected in the experimental auctions. Although his tool has not been used for marketing purposes very much so far, some early birds have lately appeared and there is definitely potential for the future development of this method, too. Concept of the new marketing research technique based on the principle of the experimental auction is discussed in the last part of the article.

Key words
experimental auctions, external validity, hypercompetition, marketing research

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