**Crunchy Nut Red Adds Color to Kellogg’s Sales**

Kellogg’s (www.kelloggs.com), marketing its products in more than 180 countries as of 2009, experienced a slump in the market and faced the challenge of reviving low cereal sales. Through problem-identification research, Kellogg’s was able to identify the problem and, through problem-solving research, develop several solutions to increase cereal sales. Kellogg’s performed several tasks to identify the problem. The researchers spoke to decision makers within the company, interviewed industry experts, conducted analysis of available data, performed some qualitative research, and surveyed consumers about their perceptions and preferences for cereals. Several important issues or problems were identified by this research. Current products were being targeted to kids, bagels and muffins were winning for favored breakfast foods, and high prices were turning consumers to generic brands. Some other information also came to light during the research. Adults wanted quick foods that required very little or no preparation. These issues helped Kellogg’s identify the problem. It was not being creative in introducing new products to meet the needs of the adult market. After defining the problem, Kellogg’s went to work on solutions. It developed and tested several new flavors of cereals using mall intercept interviews with adult consumers. Based on the results, Kellogg’s introduced new flavors that were more suited to the adult palate but were not the tasteless varieties of the past. For example, in 2008 it introduced Kellogg’s Nutri-Grain Cereal Bar Blackberry. This new cereal bar is filled with blackberries. The new cereal bar was supported by an ad campaign and major in-store promotions. Through creative problem-identification research followed by problem-solving research, Kellogg’s has not only seen an increase in sales, but also increased consumption of cereal at times other than just breakfast .

Marriott International, Inc. (www.marriott.com) is a leading worldwide hospitality company. Its heritage

can be traced to a root beer stand opened in Washington, D.C., in 1927 by J. Willard and Alice S. Marriott. As of 2009, Marriott International has nearly 3,000 lodging properties located in the United States and 69 other countries and territories. Its brands include Marriott, Renaissance, Courtyard, Residence Inn, Fairfield Inn, Towneplace Suites, Springhill Suites, and Ramada International. Marketing research at Marriott is done at the corporate level through the Corporate Marketing Services (CMS). Its goals include providing Marriott managers with the information that they need to better understand the market and the customer. CMS does many different types of research. It uses quantitative and qualitative research approaches such as telephone and mail surveys, focus groups, and customer intercepts to gain more information on market segmentation, product testing, price sensitivity of consumers, consumer satisfaction, and the like. The process of research at Marriott is a simple stepwise progression. The first steps are to better define the problem to be addressed and the objectives of the client unit and to develop an approach to the problem. The next step is to design the study by formulating a formal research design. CMS must decide whether to do its own research or to buy it from an outside organization, and in that case, decide whether to use multiple firms. Once a decision is made, the data are collected and analyzed. Then CMS presents the study findings to the client unit in a formal report. The final step in the research process is to conduct a constant dialogue between the client and CMS. During this stage, CMS may help explain the implications of the research findings, assist in decision making, or make suggestions for future research.