

Sample External Proposal: Seagate Technology

Contract research requires a more formal proposal, such as this one prepared by Cooper Research Group for Seagate Technology.

Customer Satisfaction Measurement for Seagate Technology

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Table of Contents

- Background
- Objectives and Scope
- Design
- Timeline
- Team and Professional Fees

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Seagate seeks to develop and implement . . .

a successful improvement strategy obtained by a systematic understanding of their customers' satisfaction with their products and (sales & marketing) services

Through:

- an identification of aggregate and subgroup customer responses.
- an understanding of the elements necessary to create and execute a plan for enhanced customer perceptions.
- a program to achieve and sustain competitive advantage through successive identification and correction of customer issues.

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Table of Contents

- Background
- Objectives and Scope
- Design
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Cooper Research Group

Project Objectives

- to discover customers' perception of doing business with Seagate from a sales and marketing perspective
- to profile attributes and characteristics of customer satisfaction in order to develop a proactive plan for product/service enhancement and customer retention
- to assess how different customer segments perceive Seagate and provide information to decision makers assisting them in building effective action plans that leverage strengths and improve weaknesses
- to establish a research methodology that can be subsequently extended to other business functions and geographies (Europe and Asia-Pacific markets)

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To obtain accurate and actionable information

Team Objectives

Our primary concern is to meet Seagate's stated objectives to produce superior knowledge of customer expectations as measurable results leading corrective action and improved customer perceptions.

This task involves an application of marketing research and organizational development expertise. As outlined in this proposal, our goals are to use exploratory methods to thoroughly understand the customer sets, advanced statistical techniques to profile and confirm quantitative findings, and organizational change strategies to assist the Seagate team with the identification and implementation of action plans.

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Table of Contents

- Background
- Objectives and Scope
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Our approach includes thorough and collaborative planning, design, pilot testing and fieldwork, data analysis, and recommendations

Approach Summary

Step 1	Step 2	Step 3	Step 4	Step 5
Initiate Project/ Strategy Work Session	Study Design	Fieldwork	Data Analysis	Recommend
<ul style="list-style-type: none"> • Identify team members • Announce project • Develop work plan • Create team understanding of the priorities • Understand linkages and logistics for Seagate and the vendor • Formulate action plans to address study objectives 	<ul style="list-style-type: none"> • Conduct focus groups • Design sample from existing databases and supplemental sources • Collaboratively prepare interview schedule/ questionnaire • Design pretest • Prepare data analysis plan including database structure 	<ul style="list-style-type: none"> • Develop questionnaire with Seagate • Create and reproduce questionnaire • Pretest the questionnaire • Conduct telephone interviews 	<ul style="list-style-type: none"> • Assess instrument reliability and validity • Assess sample adequacy, error rates, outlier detection • Profile segments and key demographic variables • Evaluate statistical differences, attribute strengths & weaknesses • Identify key drivers of customer satisfaction 	<ul style="list-style-type: none"> • Provide guidelines for Seagate's marketing strategy and resource allocation • Develop a results-oriented program leading to increased customer satisfaction • Present findings for implementation • Reassess implementation success

Communication with client, partner, vendors

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Sample Design

- design the sampling frame based on Seagate requirements; use the sampling frame for selection of focus group members and survey participants
- identify subpopulations and subsets (resellers, distributors/desktop HD, server systems/managers, directors) in the proportions specified by project director and the RFP)
- acquire sample from Seagate databases and from other agreed upon sources
- select focus group participants using quota-based techniques
- secure (probability-based) representative samples controlling for segment, geography, enterprise size, etc. (A conventional stratified probability sample may used.)
- draw the probability sample

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Focus Group Design

- Two sessions of focus groups:
 - **Round 1, Problem Definition:** Identify the attributes, factors, and characteristics that are important to various customers, the way these factors interact and how they relate to satisfaction and loyalty. Include utility of key processes (how much and at what cost). Use neural network analysis if possible. We recommend at least two groups for this round.
 - **Round 2, Test Improvement Plans:** A focus group to test solutions to issues arising from surveys. Taking key improvements to be planned: define packages; create trade-off analyses. We recommend three focus groups for this round, the last of which is for the Seagate (implementation) team.
- Round 3: We would recommend a follow-on survey rather than a third focus group given the importance of corrective action to Seagate's decision making. This survey would contact approximately 150 individuals and would include questions common to the first survey (for pre-post comparisons) and trade-off analyses. Advantages would include wider representation and much greater statistical rigor.

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Fieldwork Highlights

- develop questionnaire between Cooper Research and XLM based upon focus group results and Seagate knowledge
- create questionnaire and program in CATI
- pretest the questionnaire for appropriateness
- revise CATI programming as necessary
- brief interviewers
- execute survey
- provide action cards as required
- weekly updates from the field
- code open ends on an ongoing basis
- data compilation
- generate electronic data files
- tabulate data

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Data Collection

- data gathering (based in Canada for cost effectiveness)
- develop initial coding scheme; code open ends
- CATI programmed
- pretest
- revise questionnaire as needed
- interviewing through June and early July
- provide action cards as situation warrants
- coding and error checking
- high-level data to Seagate
- data cleaned and initial tables developed
- data file delivered
- data tables and final data sets delivered

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Data Analysis

- perform outlier detection (multivariate statistics are sensitive to the presence of outliers)
- split data and cross-replicate to assess the stability of solutions (a missing data contingency)
- evaluate results by segments and key demographics
- seek additional input from Seagate team members to gain insight into statistical results
- profile segments in terms of characteristics of interest to Seagate
- develop a profile of key drivers of customer satisfaction: describe strengths and weakness
- prepare report on implementation targets based on study findings
- begin transition to implementation-solution testing
- repeat analysis process for mini survey (assessment of the success of implemented solutions)
- revise data strategies for continuation of a results-oriented program leading to increased customer satisfaction.

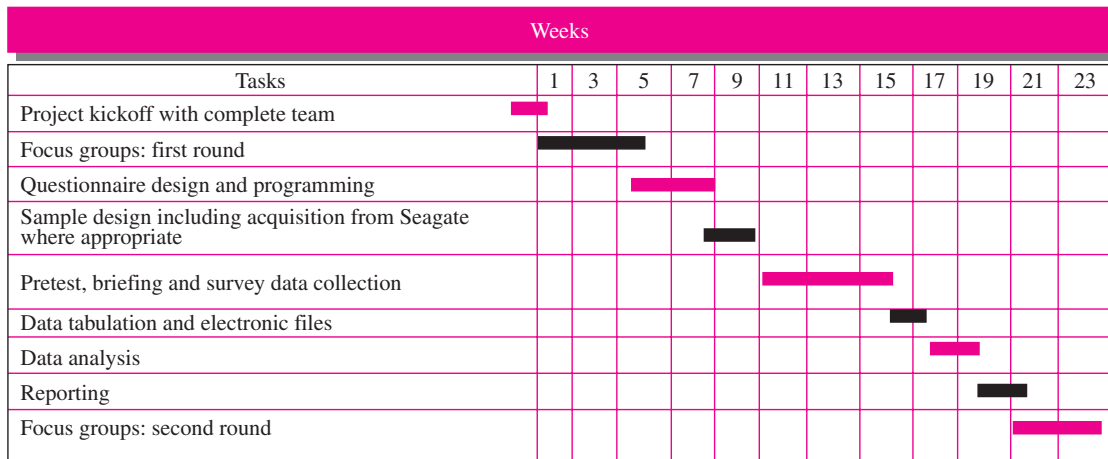
Cooper Research Group

Table of Contents

- Background
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Preliminary Project Schedule



Week 1, March 6 Week 15, June 4
 Week 5, April 2 Week 19, July 2
 Week 9, April 30 Week 23, July 30

Cooper Research Group

Table of Contents

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The teams will have specific responsibilities to successfully complete the project

Team Representations

Client Team Members

- demonstrate leadership and support for project objectives
- provide knowledge of Seagate organization
- schedule participants for workshops and interviews
- collaborate on questionnaire design and segment profiling decisions
- provide adequate on-site facilities for focus group sessions

Consulting Team Members

- apply research methodology experience
- execute the activities outlined in the approach
- develop actionable recommendations
- communicate regularly with sponsors
- transfer knowledge of research concepts and techniques to client team

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Cooper Research Group: Overview

Cooper Research Group, Inc., is a customer satisfaction and market research consultancy based in Boca Raton, Florida. We help companies understand their customers' satisfaction with products and services, their marketplace, and their competitors. With a concentration on high tech, our services speed critical information for decisions made in dynamic and changing environments.

CRG specializes in quick turnaround, thoughtful client education, and leading-edge measurement and statistical analysis. With a small staff of highly trained experts, we are many times more responsive than full-service houses. By selecting our projects carefully, we can dedicate considerable energy to early completion. The reduced lag between data collection and reporting accelerates early warning of opportunities and obstacles.

Services

Our services include research design, data analysis and reporting, expert consultancy, vendor evaluation, and education. Advanced statistical techniques such as Conjoint Analysis, Factor Analysis, Discriminant Analysis, Cluster Analysis, Multiple Regression, and Structural Equation Modeling are regularly employed for our clients with complex marketplace questions.

We design questionnaires and sampling frames to best meet your needs and budget. Reliability and validity studies, both as an integral part of

our own designs and as specialized studies, are typically conducted. We use exploratory data analysis to give you the big picture and confirmatory analysis to zero-in on your strategic options.

Projects

During the last ten years, CRG has completed projects several hundred satisfaction, loyalty, and competitive brand analysis projects for major I/T providers, working in Europe, Latin America, and the U.S. markets. Among these was the development of IBM's customer satisfaction program for European Community countries. The scope of this program required coordination with many vendors throughout the continent.

We are currently involved in research on service satisfaction with the repair of mobile computers. Our closed-loop feedback system provides weekly reports to managers alerting them to actual problems while anticipating trends. We have also provided sophisticated customer satisfaction market modeling (LISREL) for all Latin American country/ regional operations of a major I/T provider in a multi-year project. Other programs provide monthly measurements of satisfaction and repurchase intention. Our ongoing brand satisfaction research monitors progress in the market indexed to the Best of Class and targeted competitors.

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Strategic Partner: Overview

XLM Marketing Group (disguised for this example) is leading the way in developing successful, integrated Relationship Marketing applications that offer a unique breadth of abilities across an array of industries and disciplines.

Our professionals are strategic marketing experts backed by extensive marketing services, utilizing the latest technological advances in marketing. They can act locally or globally by tapping into a worldwide network to deliver a single service or to integrate a wide spectrum of marketing services for any business. At XLM, we use the strength of our experience, technology, research, and assessment tools to evaluate and design the right solutions to help you stay ahead of your competition.

Running ongoing relationship marketing programs for employees or channels takes a huge investment of time, capital, and technology. XLM offers solutions that simplify your research tasks, with a variety of cost-effective efficiencies built in.

XLM is wired for results today, with clients worldwide:

- Operating more than 180 support programs for Fortune 1000 clients.
- Employing full-time administrative pros worldwide.
- Developing customized solutions with minimal lead times.

We have the technology, systems, and resources to set up and manage the business processes that support your sales and marketing programs.

- Designing, testing and implementing customized research solutions.
- Providing complete coordination of survey data and processing support.
- Communicating program-specific feedback to clients.
- Converting survey data into meaningful marketing information.

Our leading-edge technology solutions can be matched to your individual requirements, with a process that's been fine-tuned and proven successful:

- Client-focused teams continuously manage, monitor, and measure results.
- Periodic benchmark measurements ensure the program is meeting your goals.
- XLM makes program adjustments as needed.
- Enhanced reporting helps you understand data that impacts your decisions.

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Relevant Industry Experience: XLM Marketing Group

The following is a list of studies XLM has conducted in the industry. Although the list is not exhaustive, it is provided as an example of the broad spectrum of studies conducted in this area.

Technology Industry:

Studies within the North American and European markets to measure customer satisfaction and corporate identity. Entailed a variety of methodological approaches including focus groups, depth interviews, and business to business interviews.

Pharmaceutical Industry:

A series of surveys have been conducted to determine competitive strengths, customer satisfaction, and segment awareness. Decisions concerning corporate direction are made based on the information gathered.

Telecommunications Industry:

Multiple surveys were conducted to understand both business-to-business customers and consumer customers. Linkages were created to a parallel employee survey to determine value chain impacts.

Retail Industry:

Store specific customer satisfaction linked to employee satisfaction and mystery shopping assessments to optimize service through optimal staffing and training.

Distribution of Consumer Products:

Value chain analysis of distribution, retail and consumer satisfaction of fast moving consumer goods. Information used to modify merchandising contracts, displays and value added information in the distribution chain.

Auto Parts Distribution Customer Satisfaction:

Customers satisfaction survey among customers for a major automotive parts organization.

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Project Costs

The cost for conducting the U.S. research is \$142,500. Reimbursable expenses for travel and living away from home will be billed at cost. Project contingencies typically will not exceed 10% of proposed fees.

Estimates for your anticipated international projects are based on 150 completed surveys in Europe and 150 in Asia-Pacific. The estimate does not include focus groups or other exploratory analysis. The range for Europe: \$35,000–\$45,000. Asia-Pacific: \$40,000–\$55,000.

Our standard payment terms are 1/3 at the commencement of work, 1/3 at midpoint, and 1/3 upon project completion, subject to negotiation.

CRG and XLM will devote their best efforts to the work performed on this engagement. The findings, recommendations, and written materials we provide will represent our best professional judgment based on the information made available to us.

We require a one-week period from signature of the Document of Understanding to appropriately staff the engagement before beginning work. During this time we will be available to meet with you. Our timeline schedule and subsequent project execution is based on early notification by Seagate.

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Notes

1. It is the policy of Cooper Research Group to present proposals with the understanding that their contents are copyrighted and that the ideas, conceptual approaches, and techniques expressed in them are the intellectual property of the Cooper Research Group, Inc. Nothing contained in this document may be divulged to any third party without the prior written permission of Cooper Research Group, Inc.
2. The concept specifications and costs will remain valid for a two-month period from the date of this proposal.
3. Pricing does not include travel and accommodation costs related to client meetings or focus groups. The cost for facilities and other focus group-related costs (other than professional fees) are also not included in the project costs.

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