

BTEC UNIT Seventeen: Marketing Intelligence

Unit Code: K/601/0955



Role and importance of marketing research



- * Market research is imperative for a company to know what type of products or services would be profitable to introduce in the market. Also with respect to its existing products in the market, good market research enables a company to know if it has been able to satisfy customer needs and whether any changes need to be made in the packaging, delivery or the product itself. This enables a company to formulate a viable marketing plan or measure the success of its existing plan

Market research methods



- * There are two methods of conducting market research: **primary research** and **secondary research**. The choice of the method depends on the research objectives. **Primary research** involves the collection of crucial data via interviews, surveys, or focus group sessions. It's time-consuming and expensive. However, it is suited for gathering specific data. Primary research can be further categorized into the qualitative and the quantitative type.

Quantitative Primary Research:

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This type of primary research involves the collection of numerical data via surveys. The most frequently used quantitative technique is the 'market research survey'. The numerical or quantitative information obtained is then statistically analyzed. Such surveys comprise questionnaires with closed-ended questions. In a closed-ended question, a respondent is needed to answer by ticking one of the options given. People generally agree to cooperate, when surveys are less time-consuming.

Qualitative Primary Research

- * This type of research involves gathering data via interviews or focus group sessions. In this type, open-ended questions are included. This means the questions cannot be answered with a yes or a no, they include in-depth interviews.

Secondary Research

- * In secondary research the analysis of information that has been collected for some other purpose is carried out. This means, that secondary research is carried out by gathering data from sources such as government publications, libraries, internet, magazines, chambers of commerce, etc. The data required may be in the form of demographic or statistical data, set of articles, or some studies

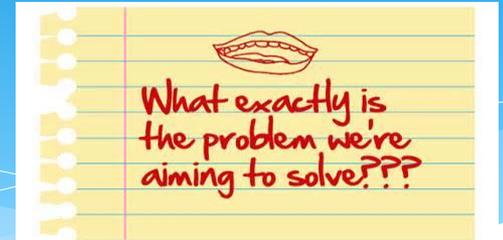
THE MARKET Research process



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Define objective and problem



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- * This stage involves a clear and precise understanding of the problem at hand. It is crucial that the research team identifies, understands and defines the problem in its entire capacity, as it affects all the subsequent activities involved in the research process.

DETERMINE RESEARCH DESIGN

- * Think of the “research design” as your detailed plan of attack. In this step you will first determine your market research method (will it be a survey, focus group, etc.?). You will also think through specifics about how you will identify and choose your sample (who are we going after? where will we find them? how will we incentivize them?, etc.). This is also the time to plan where you will conduct your research (telephone, in-person, mail, internet, etc.). Once again, remember to keep the end goal in mind—what will your final report look like? Based on that, you’ll be able to identify the types of data analysis you’ll be conducting (simple summaries, advanced regression analysis, etc.), which dictates the structure of questions you’ll be asking.

DESIGN AND PREPARE RESEARCH INSTRUMENT

- * This is the time to design your research tool. If a survey is the most appropriate tool (as determined in step 2), you'll begin by writing your questions and designing your questionnaire. If a focus group is your instrument of choice, you'll start preparing questions and materials for the moderator. You get the idea. This is the part of the process where you start executing your plan.

SAMPLING AND DATA COLLECTION

- * This is the substance of your project; this is the time when you are administering your survey, running your focus groups, conducting your interviews, implementing your field test, etc. The answers, choices, and observations are all being collected and recorded, usually in spreadsheet form or some other software design for this purpose.

ANALYZE DATA

- * At this stage you can run the summaries with the tools provided in your software package (typically [Excel](#), [SPSS](#), [Minitab](#), etc.), build tables and graphs, segment your results by groups that make sense (i.e. age, gender, etc.), and look for the major trends in your data. Start to formulate the story you will tell.

VISUALIZE AND COMMUNICATE RESULTS

- * A great way to present the data is to start with the research objectives and business problem that were identified in step 1. Restate those business questions, and then present your recommendations based on the data, to address those issues.
- * When it comes time to presenting your results, remember to Present *insights, answers* and recommendations, not just charts and tables. The results musty tell a story.

EXAMPLE OF A MARKET RESEARCH PROCESS

Define Objective

- How should we price this new widget?
 - Pricing model?
 - Price points?

Determine Research Design

- First, Exploratory Research to determine what competitors are doing (secondary research)
- Second, Descriptive Research (survey) to measure target customers' attitudes, expectations
 - Determine target population
 - Sampling strategy
 - Incentive and recruiting plan

Design and Prepare Survey

- Questionnaire Design – Let's do a choice-based conjoint analysis
- Test Survey

Sampling and Data Collection

- Launch Survey Online

Analyze Data

- Structure data
- Regression analysis

Prepare & Communicate Results

- Answer the original business problem – We recommend pricing to be a one-time fee and an appropriate price point based on this research is \$5.95.

THE OBJECTIVES OF MARKET RESEARCH



- * 1. To link the consumer with the company through information to know more about him.
- * 2. To investigate the real needs and requirements of customers.
- * 3. To search for and analyse information that can be used for evolving some marketing decision alternatives and finally arriving at the best alternative.
- * 4. To suggest necessary changes in the goods and services in order to meet the market demands.
- * 5. To find out reasons for slowly losing market share, and to identify ways and means for strengthening company's position in the market, within and outside the country.

THE OBJECTIVES OF MARKET RESEARCH



- * To identify opportunities and threats in the external environment of the company.
- * 7. To know about the reactions of the people in the market about the existing or newly introduced products of the company.
- * 8. To know in advance what kind of target markets exist in the economy where the company may launch its products as an innovation in the line

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- * **Market Research: Meaning, Definition and Objectives of Market Research** by Smriti Chand [Marketing Management](#)