

## Agenda

- 1) Overview
- 2) Definition of Marketing Research
- 3) A Classification of Marketing Research
- 4) Marketing Research Process
- 5) The Nature of Marketing Research
- 6) Marketing Research Suppliers and Services
- 7) The Role of Marketing Research in MIS
- 8) Marketing Research Associations Online
- 9) Definition of Online Research

## What is Marketing Research?

The American Marketing Association (AMA) defined Marketing Research as:

The function which links the consumer, the customer, and public to the marketer through **INFORMATION**

## Marketing Research

**Information**

Used to identify and define market opportunities and problems

Generate, refine, and evaluate potential marketing actions

Monitor marketing performance

Improve understanding of marketing as a process

## Definition of Marketing Research

Marketing research is the systematic and objective

- identification
- collection
- analysis
- dissemination
- and use of information

for the purpose of improving decision making related to the

- identification and
- solution of problems and opportunities in marketing.

## Market Research

- Specifies the information necessary to address these issues
- Manages and implements the data collection process
- Analyzes the results
- Communicates the findings and their implications

## Marketing Information System

- We have presented marketing research as if it were the only source of information. This is not the case

.....



- Decision makers have a number of sources of information available to them



- We can understand these different information sources by examining the components of the marketing information system.

## Marketing Information System

- ***Marketing Information System (MIS):* a structure consisting of people, equipment, and procedures to gather, sort, analyze, evaluate, and distribute needed, timely, and accurate information to marketing decision makers.**

## Marketing Information System

- .... However it sounds very much like marketing research – providing information to aid decision making.



- We can understand the distinction by understanding the components of an MIS

## Components of an MIS

- ➔ Internal Reports System
- ➔ Marketing Intelligence System
- ➔ Decision Support System
- ➔ Marketing Research

## Internal Reports System

- The internal reports gathers information generated by internal reports, wich includes orders, billings, receivables, investory levels, stockouts and so on.
- A good internal reports system can tell a manager a great deal of information about what has happened **within the firm** in the **past**.

## Internal Reports System

- This system produces:
  - Financial statments
    - Balance sheets
    - Income statements
  - Sofisticated internal reports
    - Historical information for a given product, product line, location or region, including:
      - Revenue
      - Product cost
      - Gross margin
      - Direct costs of sale, such as commitions to salespersons

## Marketing Intelligence System

- The Marketing Intelligence System is defined as a set of procedures and sources used by managers to obtain everyday information about pertinent developments in the environment.
- Example: scanning newspapers, magazines and trade publications

## Marketing Decision Support Systems

- A marketing decision support system is defined as collected data that may be accessed and analysed using tools and techniques that assist managers in decision making



Answer to 'what if' questions

## Marketing Research System

- The Marketing Research System provides information not available through the other systems.
- When a *specific problem* must be solved, marketing research is often needed.
- It is also “*project-based*” and is *not continuous* as are the other systems.

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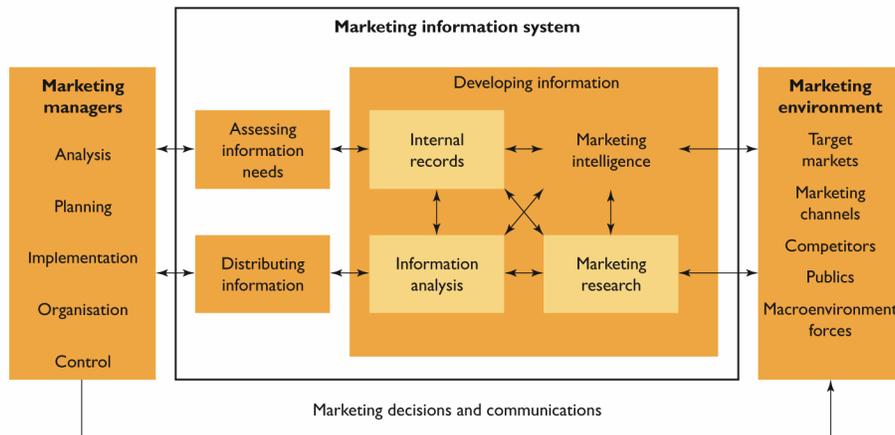


Figure 8.1 The marketing information system

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## Classification of Marketing Research

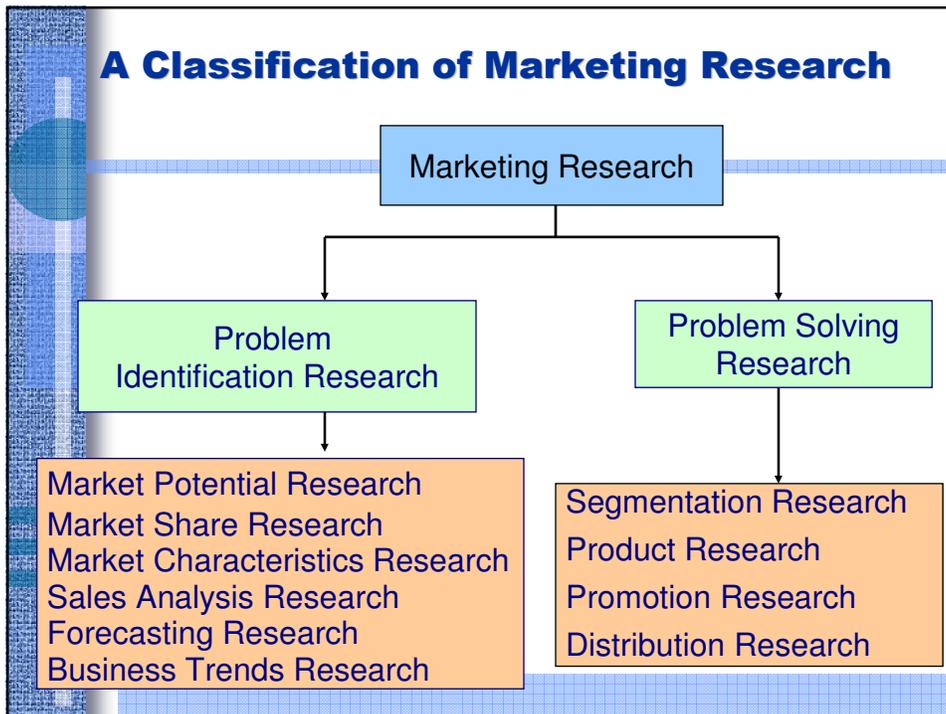
### Problem Identification Research

- Research undertaken to help identify problems which are not necessarily apparent on the surface and yet exist or are likely to arise in the future. Examples: market potential, market share, image, market characteristics, sales analysis, forecasting, and trends research.

### Problem Solving Research

- Research undertaken to help solve specific marketing problems. Examples: segmentation, product, pricing, promotion, and distribution research.

## A Classification of Marketing Research



## Problem Solving Research



### SEGMENTATION RESEARCH

- Determine the basis of segmentation
- Establish market potential and responsiveness for various segments
- Select target markets
- Create lifestyle profiles: demography, media, and product image characteristics

### PRODUCT RESEARCH

- Test concept
- Determine optimal product design
- Package tests
- Product modification
- Brand positioning and repositioning
- Test marketing
- Control score tests

## Problem Solving Research



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### PROMOTIONAL RESEARCH

- Optimal promotional budget
- Sales promotion relationship
- Optimal promotional mix
- Copy decisions
- Media decisions
- Creative advertising testing
- Evaluation of advertising effectiveness
- Claim substantiation

### PRICING RESEARCH

- Pricing policies
- Importance of price in brand selection
- Product line pricing
- Price elasticity of demand
- Initiating and responding to price changes

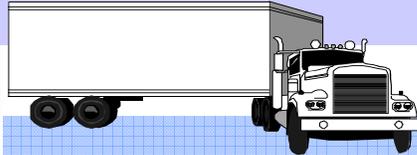
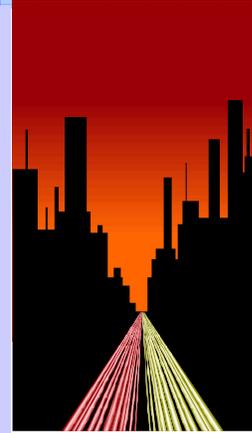


## Problem Solving Research

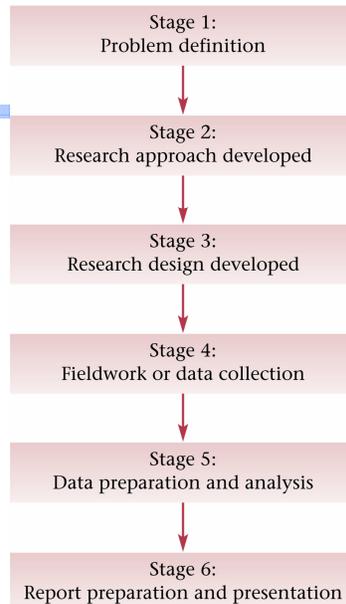
### DISTRIBUTION RESEARCH

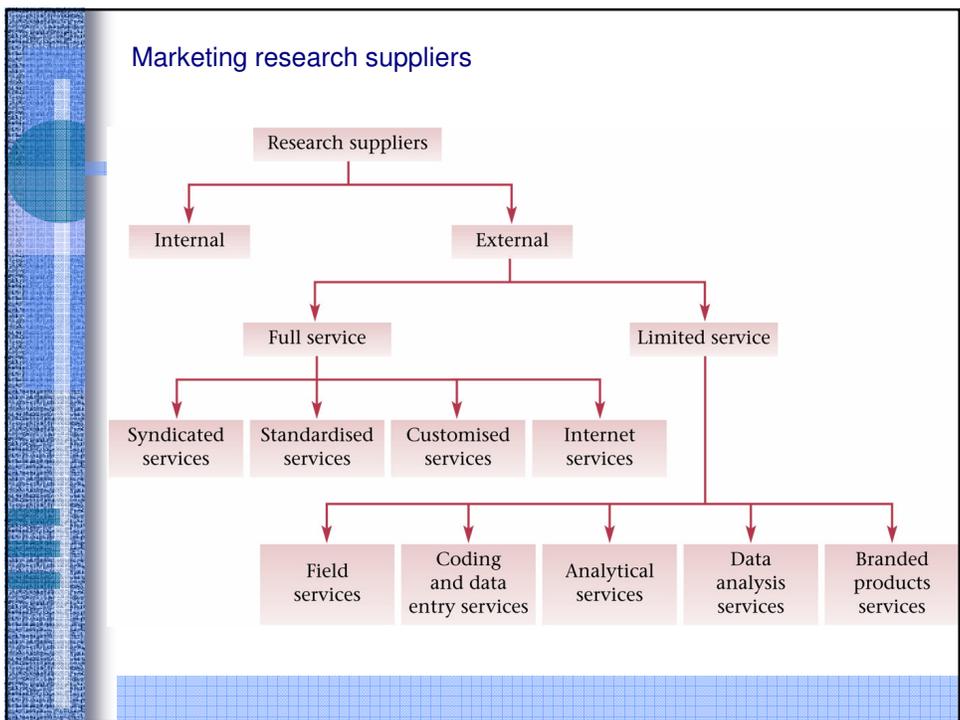
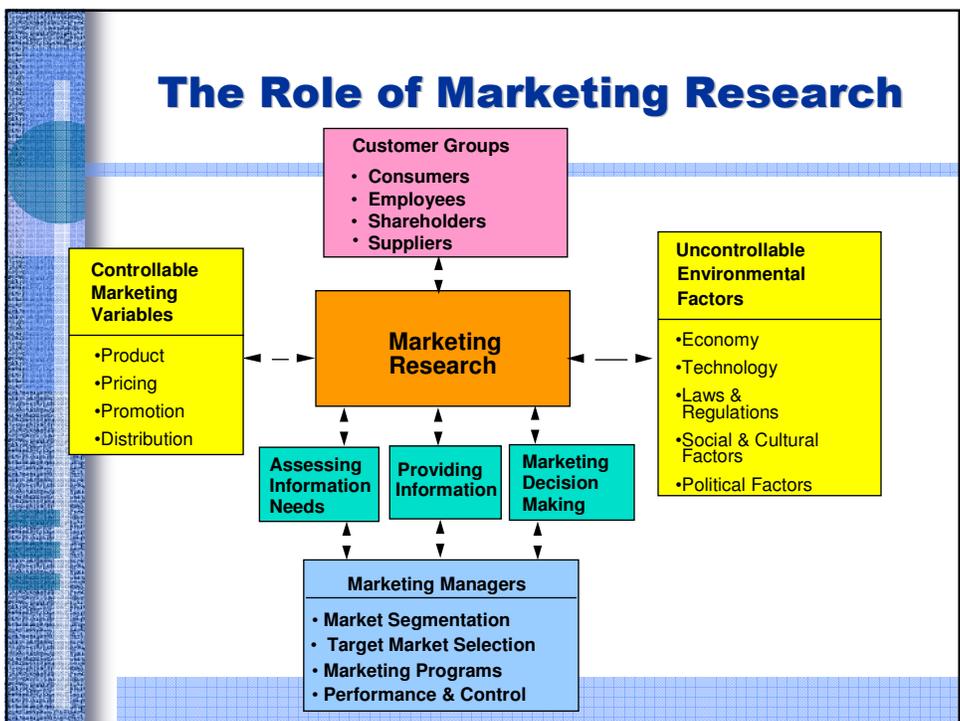
Determine...

- Types of distribution
- Attitudes of channel members
- Intensity of wholesale & resale coverage
- Channel margins
- Location of retail and wholesale outlets



### Simple linear description of the marketing research process



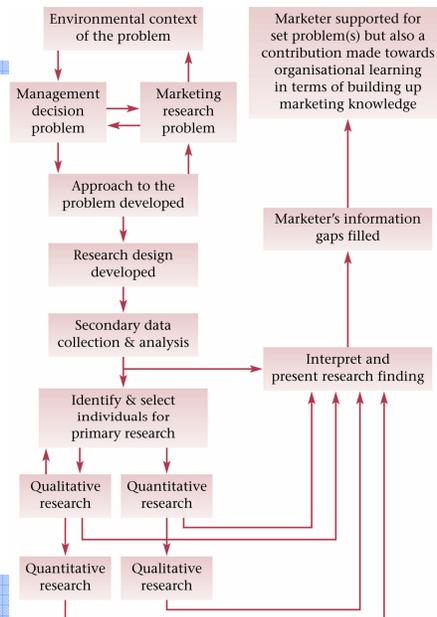


## Criteria for Selecting a Research Supplier

- What is the reputation of the supplier?
- Do they complete projects on schedule?
- Are they known for maintaining ethical standards?
- Are they flexible?
- Are their research projects of high quality?
- What kind and how much experience does the supplier have? Has the firm had experience with projects similar to this one?
- Do the supplier's personnel have both technical and non-technical expertise?
- Can they communicate well with the client?

Competitive bids should be obtained and compared on the basis of quality as well as price.

The marketing research process detailing iterations between stages



## Misconceptions of marketing research

- Marketing research does not make decisions
- Marketing research does not guarantee success

## Ethics in Marketing Research

- Marketing research has four stakeholders:
  - The marketing researcher
  - The client
  - The respondent
  - The public
- Ethical issues arise:
  - when the interests of these stakeholders are in conflict
  - When one or more of the stakeholders behaving honorably
- Codes of conduct are available

### Marketing Research Associations Online



AAPOR: American Association for Public Opinion Research  
([www.aapor.org](http://www.aapor.org))

AMA: American Marketing Association ([www.ama.org](http://www.ama.org))

ARF: The Advertising Research Foundation ([www.amic.com/arf](http://www.amic.com/arf))

CASRO: The Council of American Survey Research Organizations  
([www.casro.org](http://www.casro.org))

MRA: Marketing Research Association ([www.mra-net.org](http://www.mra-net.org))

QRCA: Qualitative Research Consultants Association  
([www.qrca.org](http://www.qrca.org))

RIC: Research Industry Coalition ([www.researchindustry.org](http://www.researchindustry.org))

### Marketing Research Associations Online

ESOMAR: European Society for Opinion and Marketing  
Research ([www.esomar.nl](http://www.esomar.nl))

MRS: The Market Research Society (UK)  
([www.marketresearch.org.uk](http://www.marketresearch.org.uk))

MRSA: The Market Research Society of Australia  
([www.mrsa.com.au](http://www.mrsa.com.au))

PMRS: The Professional Marketing Research Society (Canada)  
([www.pmr-s-aprm.com](http://www.pmr-s-aprm.com))



## What is online research?

- ***Online research:*** the use of computer networks, including the Internet, to assist in any phase of the marketing research process including development of the problem, research design, data gathering, analysis, and report writing and distribution

## What is online research?

- ***Web-based research:*** research that is conducted on Web applications; may use traditional methods as well as on-line research methods in conducting research on Web-based applications
- ***Online survey research:*** collection of data using computer networks