

Introduction to Marketing Research



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Session objectives

- § Overview
- § The Nature, Definition and Classification of Marketing Research
- § Marketing Research Process
- § Problem Definition and Research Objectives
- § Sources of Error in Research Design

2

Why Marketing Research

- § The suppliers of products and services need to have information about final consumer, to market their products and services effectively
- § As the company grows managers find themselves more separated from the final consumer of the products

3

The consumer separation

- § Geographical distance
- § Number of levels

What they Don't know

- § Stakeholders and environment
 - § Attitude
 - § Opinion
 - § Preferences

4

AMA definition of RM

The New Definition
Marketing research is the function which links the consumer, customer, and public to the marketer through **Information**

- used to identify and define market opportunities and problems
- generate, refine, and evaluate marketing performance
- monitor marketing performance
- improve understanding of marketing as a process

5

The ESOMAR definition

- § MR is a key element within the total field of marketing information. It links the consumer, customer and public to the marketer through information which is used to identify and define marketing opportunities and problems; to generate, refine and evaluate marketing actions; and to improve understanding of marketing as a process and of the ways in which specific marketing activities can be made more effective.
- § MR specifies the information required to address these issues; designs the method for collecting information; manages and implements the data collection process; analyses the results; and communicates the findings and their implications.

6

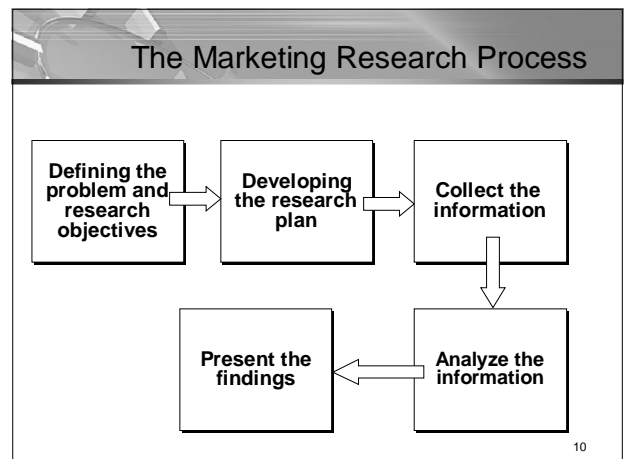


The Nature of Marketing Decisions

- § Recurring or routine decisions
- § Non recurring or less frequent decisions

Process of Decision Making

- § Need for taking decision
- § Define specific area of decision making
- § Identify alternative courses of action
- § Evolve criteria for decision making
- § Evaluate alternatives on the criteria
- § Select the most suitable Alternative
- § Implement



The Marketing Research Process

- § Diagnose the problem & specifying research objectives
 - § Client stated or presented problem
 - § Researcher diagnosed problem
 - § Underlying factors
 - § Relationships between problems
 - § Seriousness:
 - urgency
 - importance

The Marketing Research Process

- § Preparing a list of the needed information
 - § What information does the client already have?
 - § What further information does the client need?
 - § How will the information be related to the decisions the client has to take?
 - § What quality of information is required?
 - § When is it required by?
 - § What is the cost of making the 'wrong' decision?

The Marketing Research Process

- § Designing the data collection project
 - § Qualitative
 - § Quantitative
 - § Mixed approach
- § Selecting a sample type
- § Determining sample size
- § Produce a research brief
- § Draft a research proposal and get approval
- § Organising and carrying out the fieldwork
- § Analysing the collected data and reporting the findings

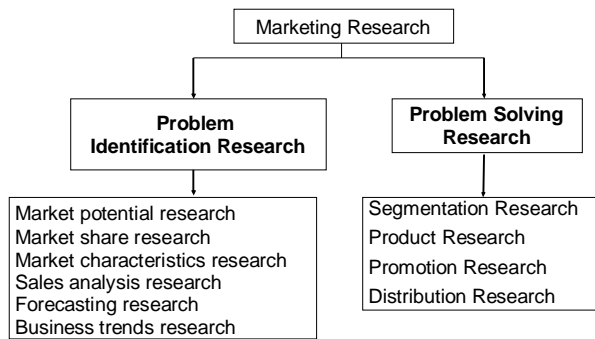
13

Role of Research in Marketing Decision Making

- § Improving the Understanding of marketing context
- § Improving the understanding of Nature of decision
- § Improving the Process of decision making

14

A Classification of Marketing Research



15

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

16

Problem Solving Research (cont.)

- § Pricing Research
 - § Importance of price in brand selection
 - § Pricing policies
 - § Product line pricing
 - § Price elasticity of demand
 - § Initiating and responding to price changes
- § Promotional Research
 - § Optimal promotional budget
 - § Sales promotion relationship
 - § Optimal promotional mix
 - § Copy decisions
 - § Media decisions
 - § Creative advertising testing
 - § Claim substantiation
 - § Evaluation of advertising effectiveness

17

Problem Solving Research (Cont.)

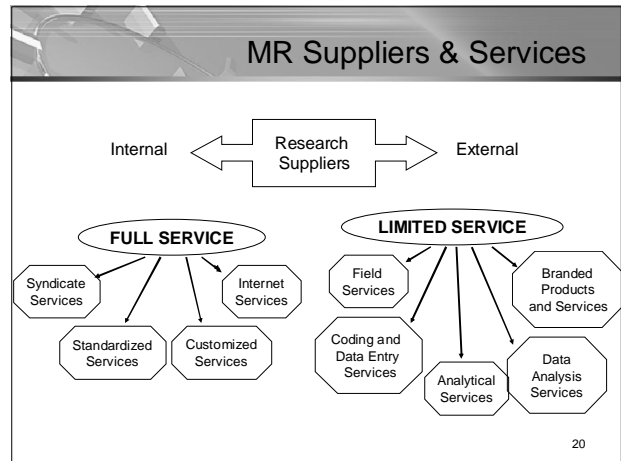
- § Distribution Research
 - § Types of distribution
 - § Attitudes of Channel members
 - § Intensity of wholesale & resale coverage
 - § Channel margins
 - § Location of retail and wholesale outlets

18

Difference between client based and academic research

<ul style="list-style-type: none"> § Solution-oriented § Not neutral § Interventionist § Client-led § Contractual § Confidential § Pragmatic § Time and cost constrained § Report-based 	<ul style="list-style-type: none"> § No client/no brief § Neutral § Non-interventionist § Knowledge-led § Findings published § Judged on scientific rigor § Key role played by theory § Scholarly perspective
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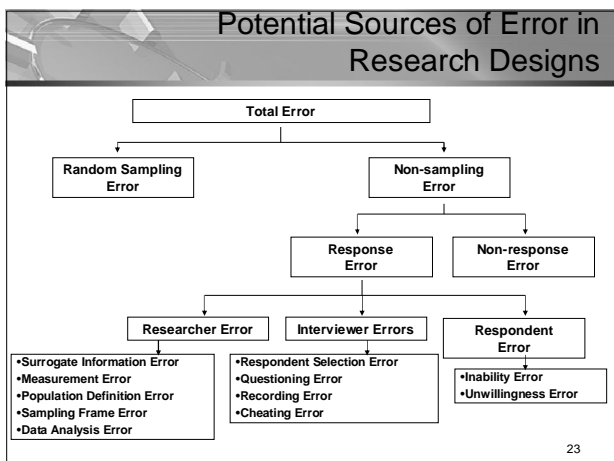
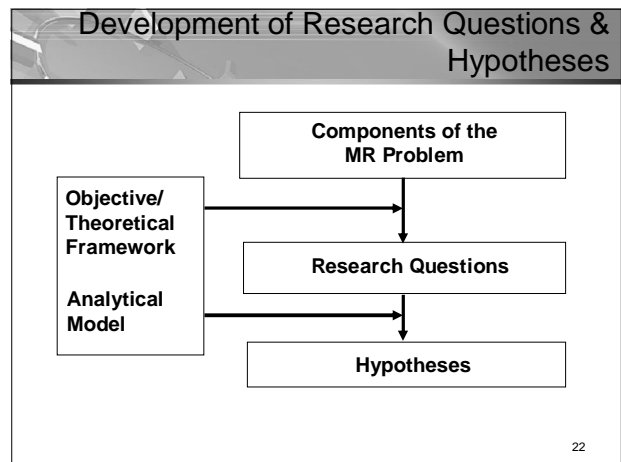
19



The Role of Theory in Applied MR

Research Task	Role of Theory
1. Conceptualizing and identifying key variables	Provides a conceptual foundation and understanding of the basic processes underlying the problem situation. These processes will suggest key dependent and independent variables.
2. Operationalizing key variables	Theoretical constructs (variables) can suggest independent and dependent variables naturally occurring in the real world.
3. Selecting a research design	Causal or associative relationships suggested by the theory may indicate whether a causal or descriptive design should be adopted.
4. Selecting a sample	The theoretical framework may be useful in defining the population and suggesting variables for qualifying respondents, imposing quotas, or stratifying the population.
5. Analyzing and interpreting data	The theoretical framework (and the models, research questions and hypotheses based on it) guide the selection of a data analysis strategy and the interpretation of results.
6. Integrating findings	The findings obtained in the research project can be interpreted in the light of previous research and integrated with the existing body of knowledge.

21



What Marketing Research can't do?

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

24

Marketing Research Associations Online

- § AAPOR : American Association for Public Opinion Research (www.aapor.org)
- § AMA : American Marketing Association (www.ama.org)
- § ARF : The Advertising Research Foundation (www.amic.com/arf)
- § CASRO : The Council of American Survey Research Organizations (www.casro.org)
- § MRA : Marketing Research Association (www.mra-net.org)
- § QRCA : Qualitative Research Consultants Association (www.qrca.org)
- § RIC : Research Industry Coalition (www.researchindustry.org)
- § ESOMAR : European Society for Opinion and Marketing Research (www.esomar.nl)
- § MRS : The Market Research Society (UK) (www.marketresearch.org.uk)
- § MRSA : The Market Research Society of Australia (www.mrsa.com.au)
- § PMRS : The Professional Marketing Research Society (Canada) (www.pmrs-aprm.com)

25

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26