

Marketing research methods

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Marketing research is defined as a systematic method of collecting, recoding and analyzing of data that is used to solve marketing problems. Marketing research is defined in various ways by various people.

"It is the function that links the consumer, consumer and public to the marketer through information used to identify and define marketing opportunities and problems; generate, refine and evaluate marketing actions, monitor marketing performance and improve understanding of marketing as a process" (**American Marketing Association**).

"Marketing research is the systematic and objective search for, and analysis of, information relevant to the identification and solution of any problem in the field of marketing" (Green and Tull).

Marketing research encompasses two words i.e., Marketing and Research.

Marketing: Activity of buying and selling products/ services.

Research: Scientific and systematic study of problems by experts.

Marketing is defined as the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large (**American Marketing Association**).

Research is the systematic inquiry into particular aspect. There are three types of research viz., exploratory, descriptive and causal research.

Exploratory research: It aims at understanding the phenomenon and indepth inquiry into variable identification and their relationships.

Descriptive research: It aims at describing the phenomenon in terms of the variable relationships.

Causal research: It aims at variable measurement, the extent of their inter relationships and explains their cause and effect sequence.

Based on data collected, the research is also classified into quantitative and qualitative research.

Quantitative research: The data used for the research is mainly in quantitative terms. Ex: Growth, demand and supply analysis

Qualitative research: The data used for research is mainly of qualitative terms. Ex: Scale, perception, attitudes and expectation studies.

The main aim of marketing research is on consumer centric research process towards increase consumer satisfaction, trust and loyalty on particular brand/ product. It is a systematic, defined procedure that used standard methods towards search of information. The marketing research is needed for

expanding the markets and meeting out the growing consumer expectations. The purpose of marketing research is to provide basis for identifying opportunities for using products and services, determining the availability of other existing products, preparing product descriptions and statements and drafting strategies and encourage competition.

Salient characteristics of marketing research

Marketing research has certain features to ensure better marketing decisions. There are,

- i. **Wide and comprehensive scope:** Used to solve marketing problems and take marketing decisions.
- ii. **Systematic and scientific:** Conducted in a step-by-step ordinary manner.
- iii. **Science and art:** Ensures knowledge and problem solving
- iv. **Data collection and analysis:** Collects data accurately and objectively and analyze in systematic and orderly manner.
- v. **Continuous and dynamic:** Collects up-to-date data for solving the marketing problems.
- vi. **Decision making tool:** Provides correct and up-to-date data to solve the marketing problems.
- vii. **Applied research:** used for solving marketing problems.
- viii. **Linked with Marketing Information System (MIS):** Marketing research and MIS are interrelated.
- ix. **Uses different methods:** Used various methods for data collection in a scientific way.
- x. **Few limitations too:** It doesn't give accurate results. It provides only suggestions and not solutions. It is a costly and time consuming process.

Major decision areas in marketing research

Information is the core activity of marketing research to earn high profits and for better consumer satisfaction. These information needs are generally pertained to five key decision areas viz., target market, product, price, distribution and promotion.

Key decision areas	Focus questions
TARGET MARKET	<ul style="list-style-type: none">• Type of target market• Scale of target market• Opinion , attitudes and preferences of consumers on target market• Level of consumer satisfaction for particular product in the target market
PRODUCT	<ul style="list-style-type: none">• Consumer desire on product features and benefits• Compare products with competitors• Nature of prices for similar brands by the competitors• Consumers willingness to substitute for the product
PRICE	<ul style="list-style-type: none">• Company's effort to produce premium brand from consumer view point.

- Consumers preference for particular distribution channel
- Checking the adequate margins for the actors in the channel
- Ability of provide service support for the product

DISTRIBUTION

- Product positioning and advertisement
- Effect of promotion on target market

PROMOTION

Marketing research includes two activities viz., marketing planning and marketing research. Market planning includes situation analysis, programme design, programme development and programme tracking. Marketing research includes opportunity assessment, demand analysis, logistics analysis, sales forecasting and marketing decision support systems. Marketing research has gained significant in recent years, due to increasing competition, change in consumer preference and tastes, change in technology which leads to product innovations.

Marketing research process

Marketing research process is the systematic approach in which the whole process is divided into various steps or phrases. The steps explaining the process varies subjectively. There are, problem definition, statement of objectives, choices of research design, data source identification, selecting data collection methods, sampling respondents, data preparation and Analysis and report preparation and presentation (Fig.1).

MARKETING PLANNING (MP) ACTIVITIES

MARKETING RESEARCH (MR) ACTIVITIES

A. Situation Analysis

Market analysis
Market segmentation
Competition analysis

Opportunity assessment
Descriptive studies
Importance – performace studies

B. Programme Design

Target marketing
Positioning
New product planning

Target market analysis
Positioning
Product testing

C. Programme Development

Product Portfolio designs

Consumer satisfaction studies
Service quality studies

Distribution decisions

Retailing research
Logistic assessment

Price decisions

Demand analysis
Sales forecasting

Integrated marketing

Attitudinal studies
Sales tracking

D. Programme Tracking

Programme control

Product analysis

Critical Information Analysis

Source: www.mheducation.co.uk

Environmental forecasting

Marketing decision support systems

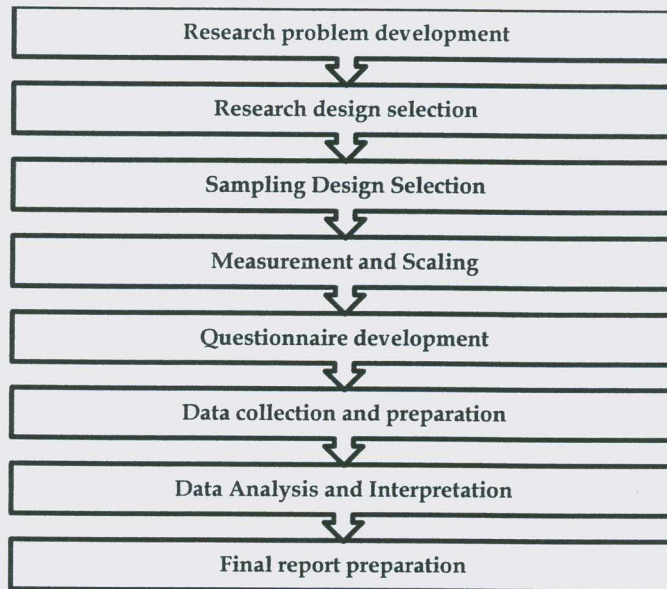


Fig. 1. Marketing research process

Research problem development: The first and foremost step in marketing research is identification and development of problem. The problem should be carefully designed for deriving meaning and pertinent information.

Research design selection: It is the activity of designing the research to solve the problems. Sources of information and research design should go hand in hand for effective marketing research.

Sampling design selection: The size, design and method of sampling should be mentioned clearly for good market research.

Measurement and scaling: The quantitative or qualitative method of collecting data is designed under this measurement and scaling. These determine the type of data collection to be used in the marketing research.

Questionnaire development: The questionnaire development is happened after determining the variables and methodologies used in the study.

Data collection and preparation: This includes the description of data collection process and strategy to be adopted. Based on this, either survey or case study method is used.

Data analysis and interpretation: It is the process of systematically applying statistical and/or logical techniques to describe and illustrate, condense and recap, and evaluate data.

Final report preparation: The final report is prepared using the result of analysis.

Marketing research is a continuous process of gathering product characteristics data, capability of suppliers and business practices and also analyzing the data acquisition to take decisions. Marketing research helps to improve the quality of decision making, trace problems, focus on maintaining the existing consumers, better understanding of market place and analyse market trends.