



Near East University

MARKETING RESEARCH

MARK 401

Preliminary Understanding of Marketing Research

SESSION 1

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Source: Malhotra and Birks, et al. Chp 1

Dr. Eric Shiu lecture notes

Chapter outline

- 1) What does marketing research encompass?
- 2) Definition of marketing research
- 3) The marketing research process
- 4) A classification of marketing research
- 5) The global marketing research industry
- 6) The limitations of marketing research
- 7) Internet and computer applications

WHAT MARKETING RESEARCHER PEOPLE DO?

Marketing researchers support decision-makers by;collecting, analysing and interpreting **INFORMATION** needed to identify and solve marketing problems.

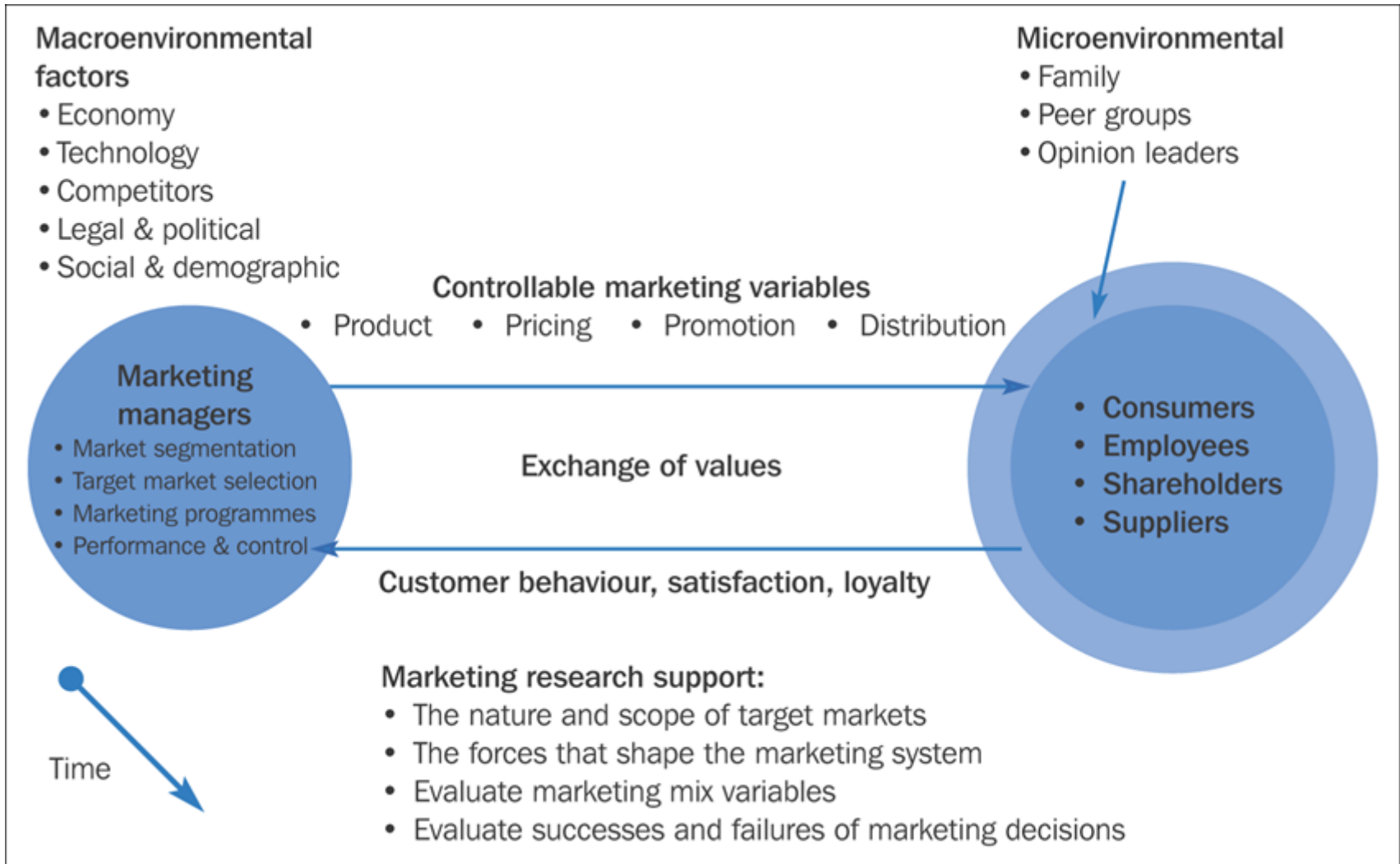
Two broad categories of research

1. Basic research: To extend knowledge
2. Applied research: To solve a specific problem/grasp a specific opportunity

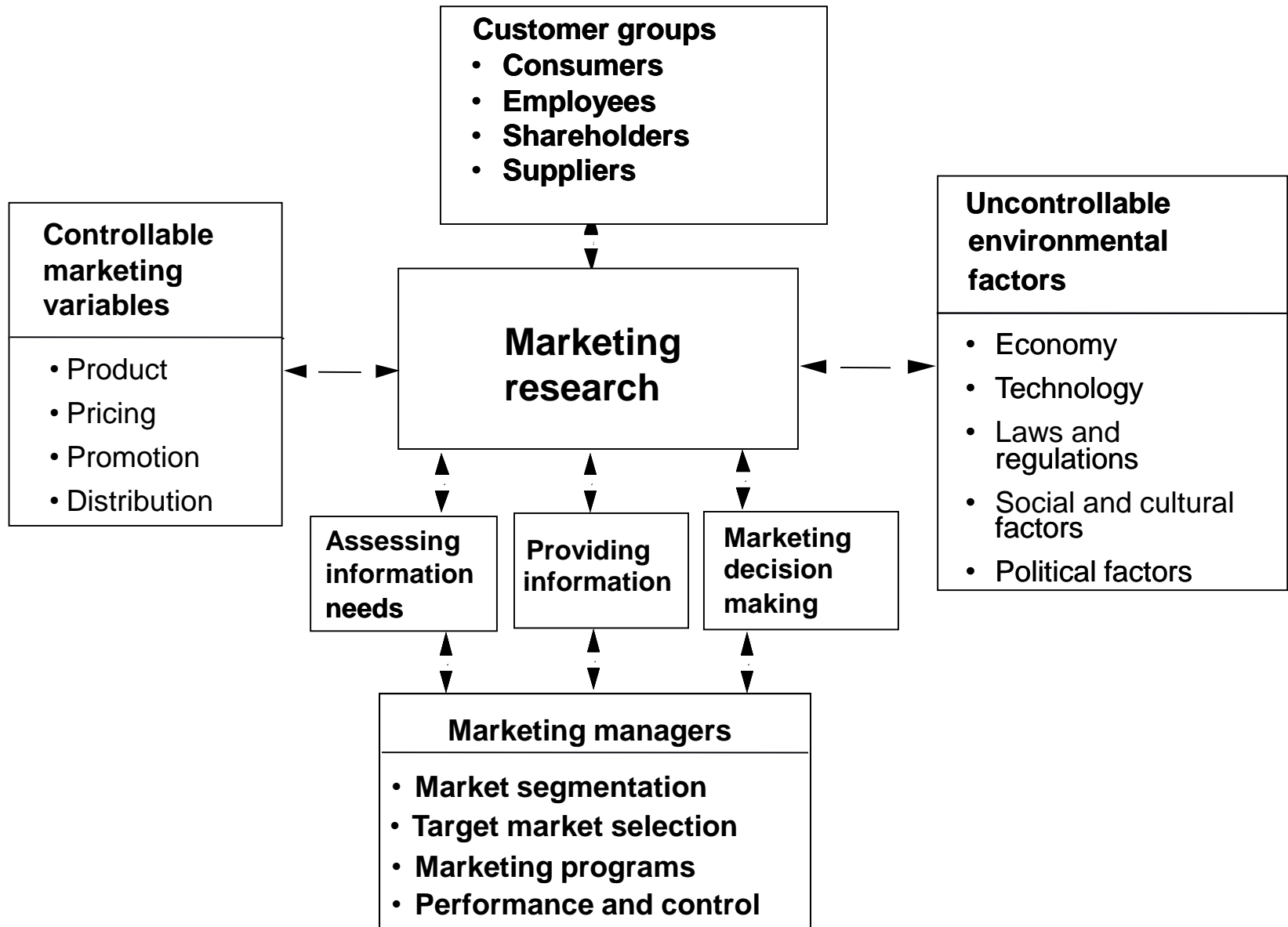
Time to clarify some terms...

- Product vs. Service
- Customer vs. Consumer
- Marketing research vs. Market research

Figure 1.1 The role of marketing research within the marketing system



The role of marketing research



LETS SUM UP WHAT WE HAVE DONE SO FAR...

‘Marketing research 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; generate, refine and evaluate marketing actions; and improve understanding of marketing as a process and of the ways in which specific marketing activities can be made more effective’

WHY INFORMATION IS SO IMPORTANT?

- **INFORMATION** is the lifeblood of marketing
- To manage a business well, you need to manage its future,
- To manage the future, you need to manage information
- **INFORMATION** is not just an input to make good decisions but provides a competitive advantage.

Table 1.2 Top 20 countries with highest MR spend per capita, 2004

Country	Turnover (€m)	Population (million)	Spend per capita (€ per capita)
1 UK	1,901	59.07	32.18
2 Sweden	248	8.87	27.96
3 France	1,478	59.84	24.70
4 Switzerland	147	7.17	20.50
5 Germany	1677	82.41	20.35
6 USA	5,892	291.04	20.24
7 Finland	103	5.20	19.81
8 Denmark	101	5.35	18.88
9 Australia	367	19.54	18.78
10 Norway	78	4.51	17.29
11 New Zealand	65	3.85	16.88
12 Netherlands	271	16.07	16.86
13 Ireland	63	3.91	16.11
14 Canada	430	31.27	13.75
15 Belgium	131	10.30	12.72
16 Austria	87	8.16	10.65
17 Italy	540	57.48	9.39
18 Spain	382	41.16	9.28
19 Singapore	36	4.18	8.61
20 Japan	1,042	127.48	8.17

Classification of marketing research

Problem identification research

- Research undertaken to help identify problems that 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.

Example 1

- A marketing research study has been conducted on Europe's developing beer market, which gives signals that the market is in danger of an increasing oversupply of brands. As a result, consumers are likely to turn back to brands that they have tried and liked before.

SO what kind of research does this particular study belong to?

EXAMPLE 2

- Kellogg's was originally popular during 1990's as a breakfast cereal. However, it began to lose market share in the 2000's. this forced the management to conduct marketing research for reversing the trend.

SO AGAIN what kind of research does this particular study belong to?

PLEASE give some recommendations about how the management can improve lost?

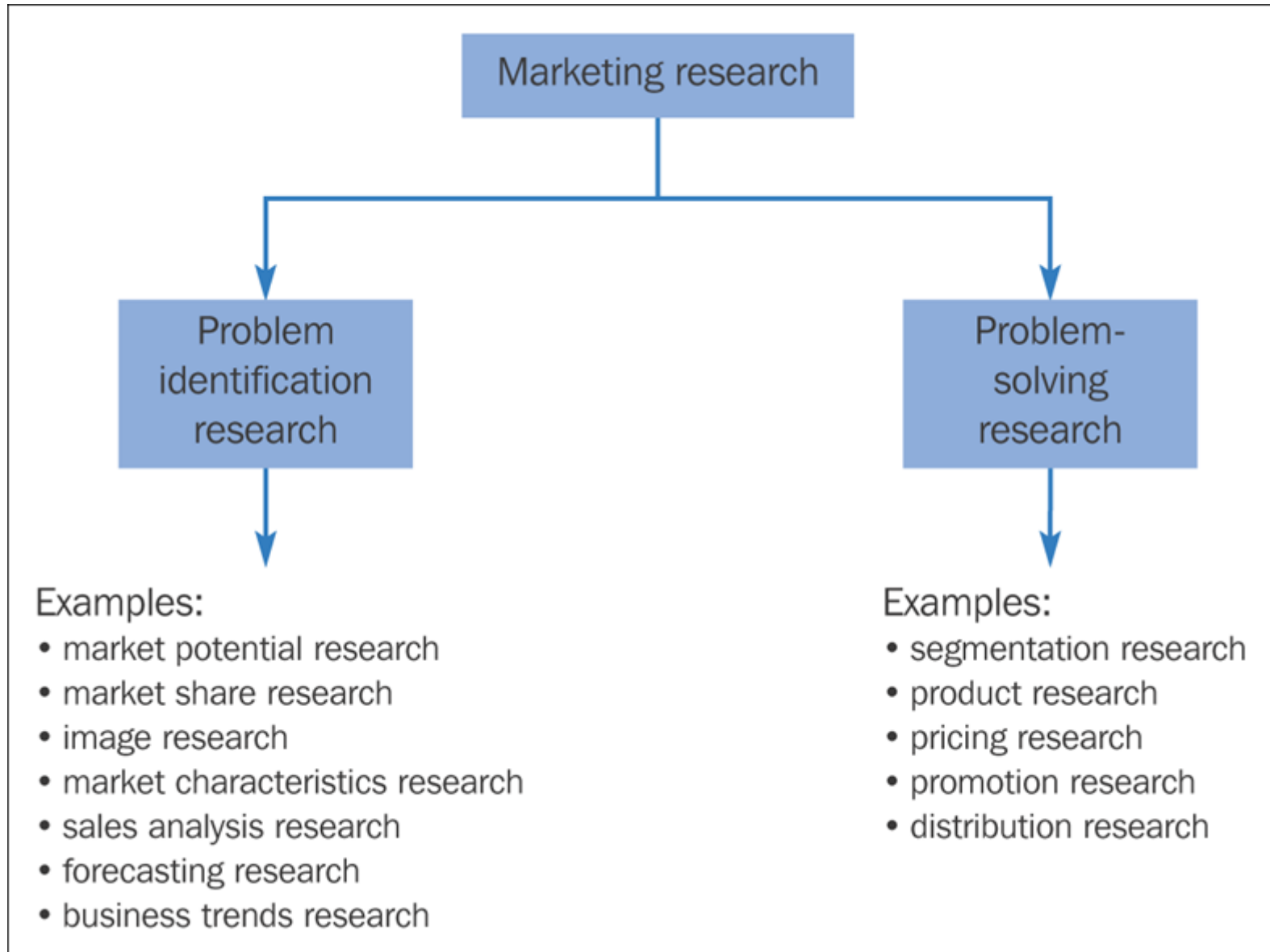
Figure 1.4 A classification of marketing research

Table 1.1 Examples of problem-solving research

Segmentation research	<p>Determine basis of segmentation</p> <p>Establish market potential and responsiveness for various segments</p> <p>Select target markets and create lifestyle profiles: demography, media, and product image characteristics</p>
Product research	<p>Test concept</p> <p>Determine optimal product design</p> <p>Package tests</p> <p>Product modification</p> <p>Brand positioning and repositioning</p> <p>Test marketing</p>
Pricing research	<p>Importance of price in brand selection</p> <p>Pricing policies</p> <p>Product line pricing</p> <p>Price elasticity of demand</p> <p>Initiating and responding to price changes</p>
Promotions research	<p>Optimal promotional budget</p> <p>Optimal promotion mix</p> <p>Copy decisions</p> <p>Creative advertising testing</p> <p>Evaluation of advertising effectiveness</p>
Distribution research	<p>Attitudes of channel members</p> <p>Intensity of wholesale and retail coverage</p> <p>Channel margins</p> <p>Retail and wholesale locations</p>

SO WHO USES THIS INFORMATION / DATA ACQUIRED ???

Figure 1.5 Marketing research suppliers

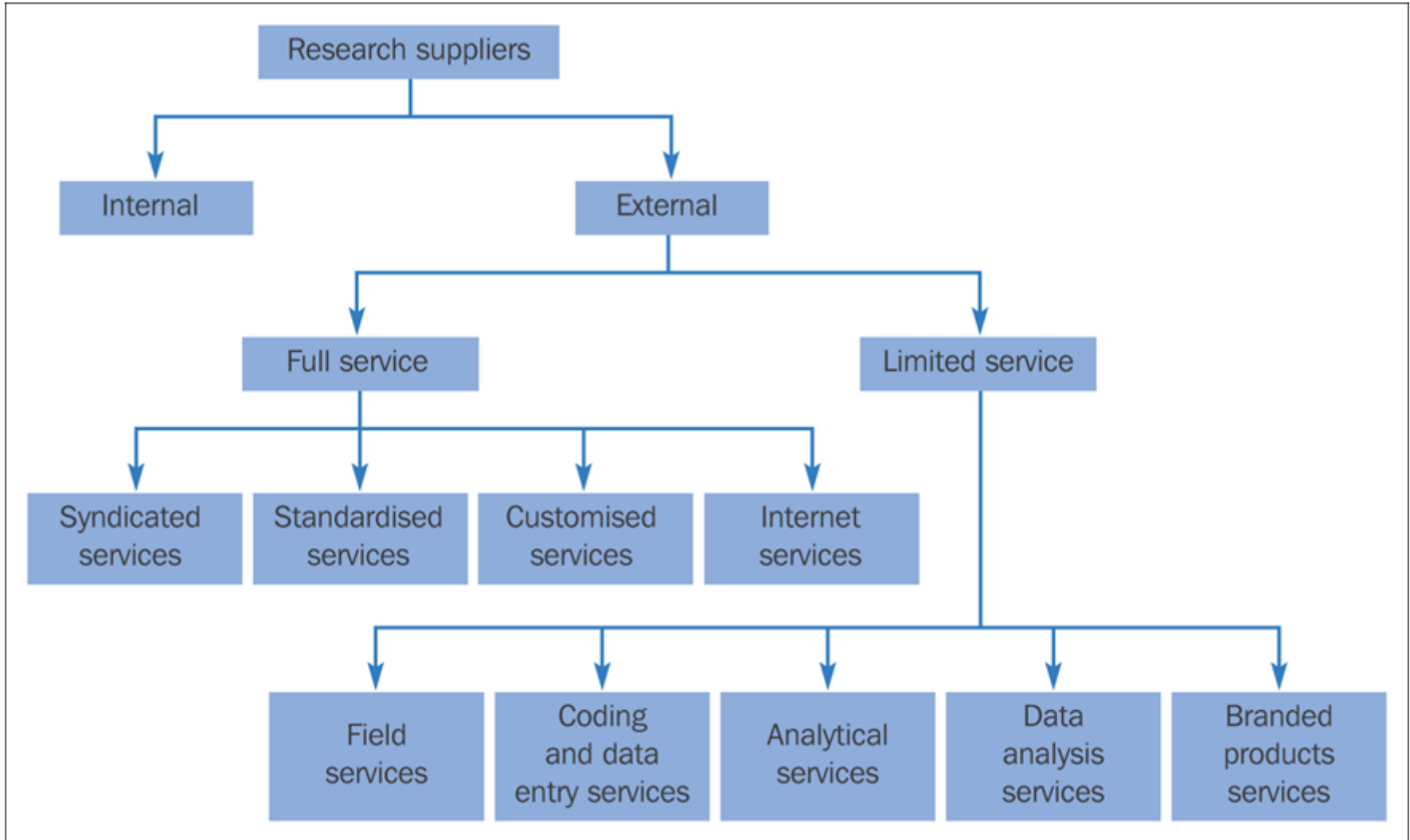


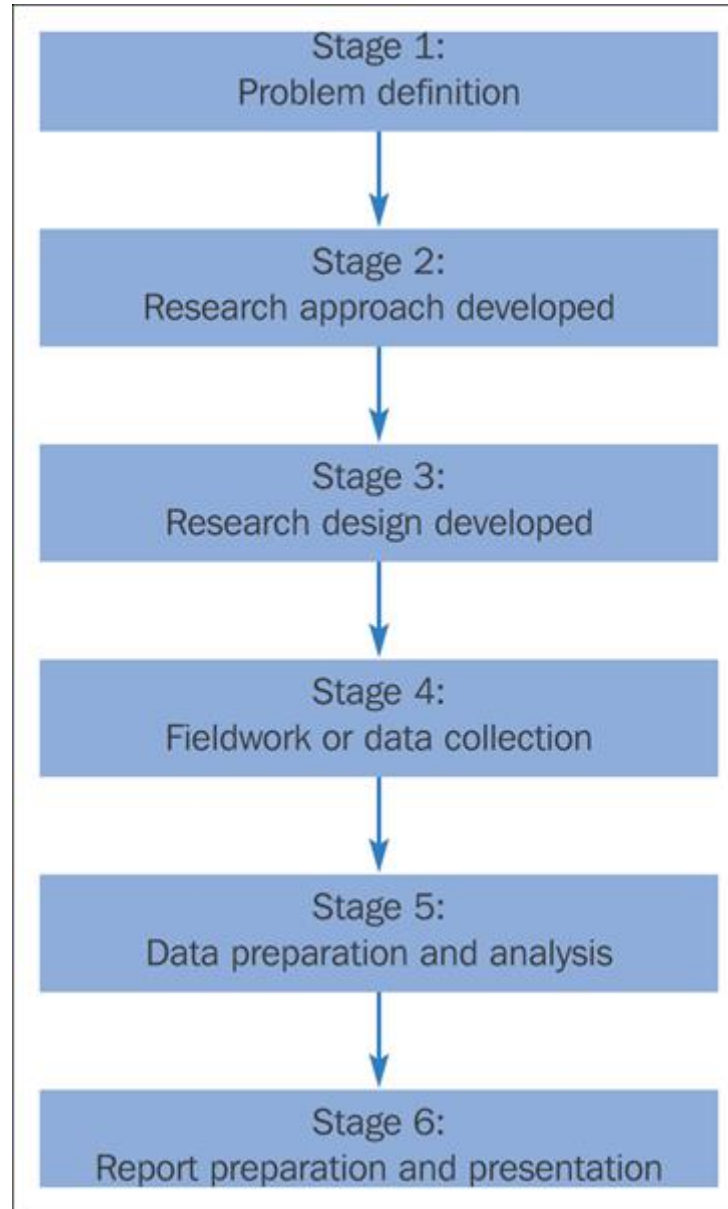
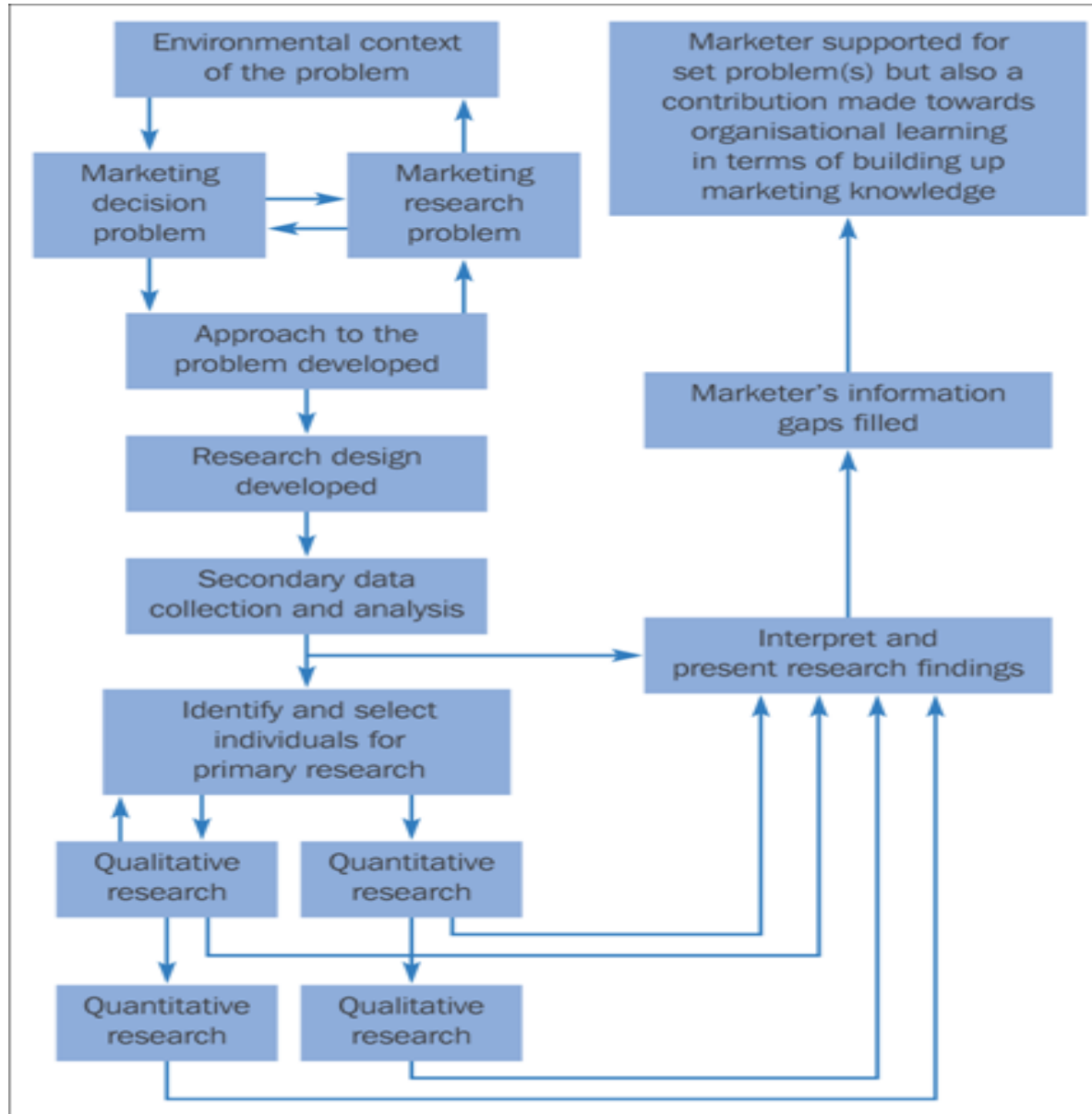
Figure 1.2 Simple linear description of the marketing research process

Figure 1.3 The marketing research process detailing iterations between stages



Misconceptions of marketing research

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

TO BE A GOOD MARKETING RESEARCHER, YOU NEED TO UNDERSTAND;

- Marketing
- Psychology and consumer behaviour
- Statistics and quantitative methods
- Qualitative methods
- Internet and computer skills.
- Effective written and verbal communication skills.
- Creative thinking

Marketing research associations online

- ESOMAR: European Society for Opinion and Marketing Research (www.esomar.nl)
- MRS: The Market Research Society (UK) (www.marketresearch.org.uk)
- CASRO: The Council of American Survey Research Organizations (www.casro.org)
- MRSA: The Market Research Society of Australia (www.mrsa.com.au)
- PMRS: The Professional Marketing Research Society (Canada) (www.pmrs-aprm.com)