## Marketing Research

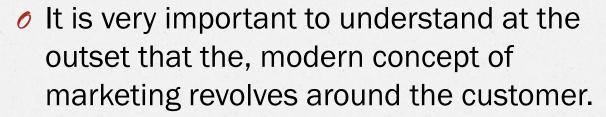




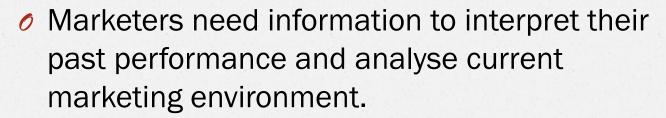


#### Unit 1

- Definition
- Features
- Functions
- Significance of Marketing Research in marketing decision making
- Limitations of Marketing Research



- Satisfaction of customer is the main aim of marketing.
- For achieving this goal, marketing research is undertaken.



- They need to develop knowledge on their particular markets.
- This is where marketing research and MIS come in the picture.

## **Definitions**

Richard Crisp:

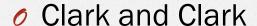
"Marketing Research is the systematic, objective and exhaustive search for and study of the facts relevant to any problem in the field of marketing".

Philip Kotler:

"Marketing Research is systematic problem analysis, model building, and fact finding for the purpose of improved decision making and control in the marketing of goods and services".

#### American Marketing Association:

"The systematic <u>gathering</u>, <u>recording</u> and <u>analysing</u> of data about problems relating to marketing of goods and services".



"Marketing research is the careful and objective study of product design, markets, and such transfer activities as physical distribution and warehousing, advertising and sales management."

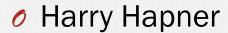


Marketing Research Links the Consumer, the Customer and the Public Through Information Used To:

Identify & Define Marketing Opportunities

Generate Refine & Evaluate Marketing Actions

Monitor Marketing Performance Improve Understanding of Marketing as a Process



"Marketing research is the inclusive term which embraces all research activities carried on for the management of marketing work, the gathering, recording and analysing of all facts about problems relating to the transfer and sale of goods and services from producer to consumer."

### **Features**

#### Continuous process:

Marketing research is not only continuous but also a scientific and systematic process. It is a continuous process because every firm is faced with problems and opportunities.

- Systematic study & scientific process: It is scientific and systematic because it has well-defined procedures. It is a process of generating and evaluating data, and then refining it. It is professionally organized.
- Applied research research conducted to solve specific questions . E.g consumer behaviour, price changes,

#### Wide scope:

Marketing is a specialized activity. It encompasses several functions. Thus, marketing research has a wide scope. It includes product research, market research, consumer research, promotion research, international market research, price research and distribution research.

#### Aid to decision-making:

It helps the managers take practical decisions. Decisions based on experience and research is better than decisions based on intuition. Functions such as description, evaluation, explanation and prediction by the marketing researcher help in practical decision-making. Thus, it an essential tool not only for marketing managers but also for other functional managers.

#### Uncertainty of conclusions:

Consumer is the focal point of marketing research. However, consumer behaviour is difficult to judge precisely. It is not a physical science, but social science. Due to this inherent nature, it suffers from certain levels of inaccuracy.

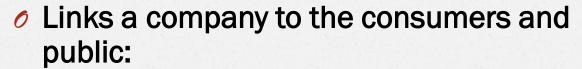
#### Statistical tools:

Various mathematical and statistical tools are used for data analysis and interpretation. Percentages, ratios, averages, z-test, t-test, chi-square tests, etc. are used for presentation and interpretation of findings.

The use of computer software has made it more convenient for in-depth analysis, cross-sectional studies, detection of errors in sampling and questionnaires.

#### Research approaches:

A researcher has several options of research methodology. Methods include the field survey method, the observation method and the experimental research. The choice depends on factors such as time availability, funds, number of respondents to be covered, location of respondents and literacy levels.



Marketing research is a function that links a company to the consumers, customers and public, through information. It evaluates marketing actions, marketing performances and marketing processes. This evaluation results in collection of information that brings company closer to its customer and society.

## Contd....

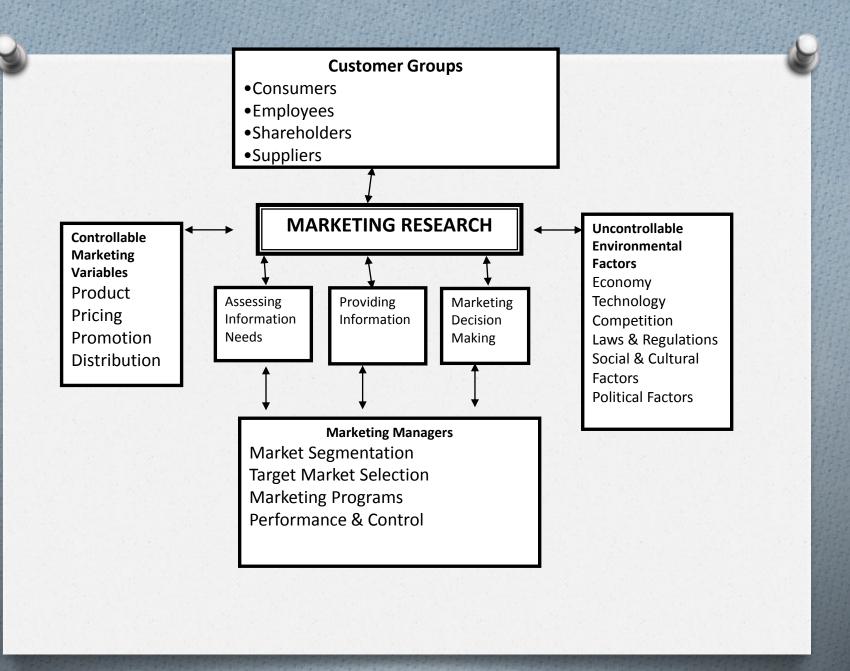
- Art and science
- Useful to company and consumers
- Covers wide areas of business- small &b medium, professional services, non-profit organisations, government, profit & service organisations.

- Online marketing research
- International (Global) marketing research

## **FUNCTIONS**



# SIGNIFICANCE OF MARKETING RESEARCH IN MARKETING DECISION MAKING





- The role of marketing research is to help managers to better understand the environment in which they operate to improve the quality of the strategic marketing decisions they make.
- A business can make well-informed decisions due to research.
- Businesses use research to ascertain the success of their advertising.
- It helps remove some of the uncertainty by providing relevant information about the marketing variables, environment, and consumers



- The emphasis in marketing is on the **identification and**satisfaction of customer needs. To determine customer needs
  and to implement marketing strategies and programs aimed at
  satisfying those needs, marketing managers need information.
- As competition has become more intense, managers need information on the effectiveness of their marketing tools.
- Before introducing, new products are tested with the help of Marketing research. This helps in finding out consumers' responses to new products and develops a suitable marketing mix.
- Marketing research is used to study and find out the extension brand position.



- Costly
- Time consuming
- Unpredictable consumer behavior
- Fails to predict accurately
- Provides suggestions and not solutions
- Inaccurate results
- Uncertainty of conclusions
- Offers suggestions and not decisions
- Dearth of qualified staff
- Cannot study all marketing problems