

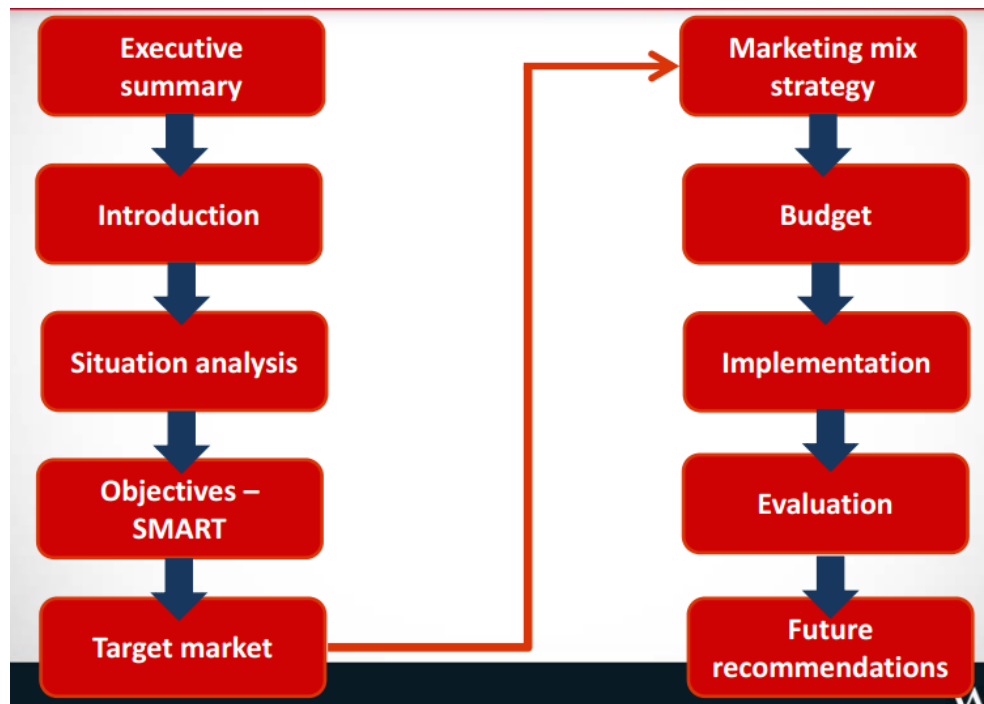
## Situational Analysis and Marketing Planning

- **Situational analysis** refers to an analysis that involves identifying the key factors that will be used as a basis for the development of a marketing strategy
- **Marketing planning** refers to an ongoing process that combines organisational objectives and situation analyses to formulate and maintain a marketing plan that moves the organisation from where it currently is to where it wants to be



## Marketing Plan

- Objectives refer to overall objectives and mission statement
- **Specific**
- **Measurable**
- **Actionable**
- **Reasonable**
- **Timetabled**



## Marketing Metrics



## SWOT Analysis

- **SWOT analysis** refers to an analysis that identifies the **strengths** and **weaknesses** and the **opportunities** and **threats** in relation to an organisation
- **Strengths** refer to those attributes of the organisation that help it achieve its objectives
- **Weaknesses** refer to those attributes of the organisation that hinder it in trying to achieve its objectives
- **Opportunities** refer to the factors that are potentially helpful to achieving the organisation's objectives
- **Threats** refer to the factors that are potentially harmful to the organisation's efforts to achieve its objectives
- Emphasis on the word 'potentially' – its effects are only realised if the organisation responds to them
- Strengths and Weaknesses are internal factors, directly controllable by the organisation

- Opportunities and threats factors that are beyond the organisation's direct control, though the organisation may be able to have some influence over them

### An Example of a SWOT Analysis for a Retail Store



## Marketing Research

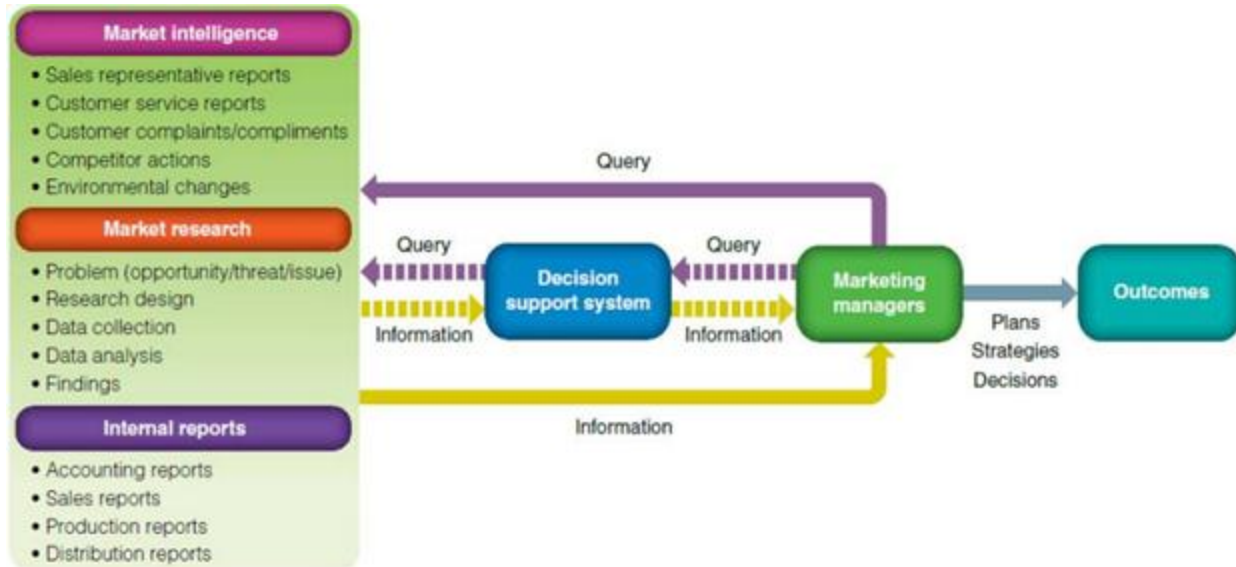
### The Role of Market Research in Marketing Decisions

- **Market research** refers to a business activity that discovers information of use in making marketing decisions
- Market research is an essential component of understanding the market
- Market research is only of value if the information it provides can contribute to improved performance
- Market research informs many types of decisions including but not limited to:
  - Market segmentation – What is the segment’s profile? What does each segment most value? Which segment should we target?
  - Sales performance – Why did we fail to meet our sales targets last financial year? How can we improve sales?
  - Product – What features should be included in our products? How should we package our product? How should we brand our product?
  - Distribution – What type of retailer should be used? What geographic region should we sell in?
  - Promotion – How much should we spend on advertising? In which media should advertising be placed?
  - Pricing – What price should be charged? What response should be made to a competitor’s pricing?
  - Attitudes and behaviours – What do our customers and clients think? What do they buy? Who are our customers?



## The Components of a Marketing Information System

- A **marketing information system (MIS)** is the structure put in place to manage information gathered during the usual operations of the organisation
- Marketing information systems play a vital role in linking the customer to the marketer e.g. Myer – a leading Australian department store – used its MIS to understand that for every \$50 voucher given, \$125 of sales result



## Market Research

- Market research involves five major components
  - Defining the research problem
  - Designing the research methodology
  - Collecting data
  - Analysing data and drawing conclusions
  - Presenting the results and making recommendations
- Market research should result in a course of action
- Upon implementation of market research recommendations, careful monitoring is necessary to ensure marketing goals are being achieved
- Before undertaking a market research, the following factors should be considered
  - Relevance
  - Timing
  - Availability of resources
  - Need for new information
  - Cost-benefit analysis
- Ethics in market research:
  - Market researchers have an ethical responsibility to their clients or employers and to those who participate in the research

## The Research Problem

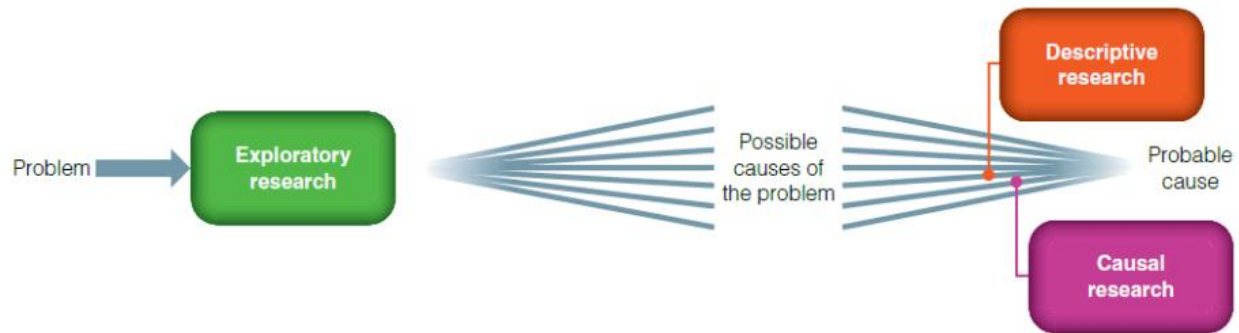
- The **research problem** refers to the question that the market research project is intended to answer
- A clearly specified research problem will ensure that the research will actually answer the question asked of it
- A poorly defined research problem will lead to research that does not generate the information required to enable the marketing organisation to make marketing decisions
- As the research proceeds the original questions asked may be redefined

## Market Research Brief

- A **market research brief** refers to a set of instructions and requirements that generally states the research problem and the information required, and specifies the timeframe, budget and other conditions of the project
- The market research brief will not necessarily propose a methodology or approach for the market research
- The more specific the problem, the more specific the answer will be
- A typical market research brief (acronym – **EIBPTRA**) will include:
  - *Executive summary* – An executive summary provides an overview of the marketing research brief. It outlines the research requirements and includes sufficient information to enable the reader to have a basic understanding of the proposed project
  - *Introduction* – The introduction explains why the research needs to be conducted and who is proposing the research
  - *Background* – The background details the marketing problem that is currently faced, providing all known facts and referencing related research projects that are known to the organisation
  - *Problem definition* – Effective research briefs clearly state the question that is to be addressed, including any objectives that have been set for the market research project
  - *Time and budget* – The section on time on budget details the amount of money the marketer is able to spend on the market research project and when the results are needed
  - *Reporting schedule* – The reporting schedule specifies the precise dates on which preliminary, interim and final reports are required. It may also include details about the format of the reports
  - *Appendices* – Appendices may be included to provide additional detailed background information to further assist the design stage for the market research project

## Research Design and Issues

- **Research design** refers to the detailed methodology created to guide the research project and answer the research question



- Decline in traditional surveys and interviews
- Challenges in using social media
- Use the method that best does the job

### Types of Research

- **Exploratory research** refers to the research intended to gather more information about a loosely defined problem
- **Descriptive research** refers to research used to solve a particular and well-defined problem by clarifying the characteristics of certain phenomena
- **Casual research** refers to research that assumes that a particular variable causes a specific outcome and then, by holding everything else constant, tests whether the variable does indeed effect that outcome
- A **hypothesis** refers to a tentative explanation that can be tested

### Types of Data

- **Secondary data** refers to data originally gathered or recorded for some purpose other than to address the current market research problem – information that is already available in the organisation
- **Primary data** refers to data collected specifically for the current market research project
- **Data mining** refers to processing large data sets to identify patterns and trends not obvious or even discernible by observation

### Quantitative Research

- **Quantitative research** refers to research that collects information that can be represented numerically
- **Quantitative research is useful for:**
  - Assessing market size
  - Identifying market segments
  - Predicting the success of proposed marketing campaigns
  - Finding out about customer perceptions of existing products
- Quantitative market research approaches include experimentation, observation and neuroscience
- Surveys are the most common quantitative research tool



- Quantitative approaches are usually used for descriptive or casual research
- There is a global shift towards quantitative

### Qualitative Research

- **Qualitative research** refers to research intended to obtain rich, deep and detailed information about the attitudes and emotions that underlie the behaviours that quantitative research identifies
- Qualitative research approaches are usually used for exploratory research
- Qualitative research techniques include interviews and focus groups

### Sampling

- **Sampling** refers to the process of choosing members of the total population
- Population refers to all of the things (often people) of interest to the researcher in the particular research project
- **Sample** refers to the group chosen for the study
- **Probability sampling** refers to a sampling approach in which every member of the population has a known chance of being selected in the sample that will be studied
- **Non-probability sampling** refers to a sampling approach that provides no way of knowing the chance of a particular member of the population being chosen as part of the sample that will be studied
- **Sampling error** is a measure of the extent to which the results from the sample differ from the results that would be obtained from the entire population

### Data Collection, Analysis and Reporting

- Data must be collected according to the methods specified in the research design
- The data collection process can be conducted in-house or it can be outsourced
- Time and financial resources are limited, so budgeting and scheduling need to be planned and managed to ensure the most benefit is derived from the research investment

Rate Yourself [Exit this survey](#)

**1. Self-Esteem | Self-Confidence | Honesty Needs Assessment Anonymous Survey**

Anonymous Survey to help Dr. Susan Campbell and Personal Life Media create the perfect product for those who would like to improve their self-confidence.

**1. Please rate yourself. On a scale of 1-5, with 5 having the most and 1 having the least amount of each attribution below.**

	1	2	3	4	5
How would you rate your self-esteem?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
How would you rate your self-love?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
How would you rate your self-confidence?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
How would you rate your self-trust?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**2. If you rated yourself low on any of the above, would you be willing to spend 10 minutes per day for 2 or 3 weeks to change this for the better? If yes, why? If no, why not?**

**3. If you could easily change one thing about yourself, what would that be?**

next



- Data analysis
  - Filtering and organising data – it may be necessary to perform some quality control techniques to eliminate invalid data (e.g. where the interviewer recorded a response incorrectly or a respondent gave a nonsensical answer)
- Quantitative analysis
  - Converts numerical data into knowledge that can be used to inform decision making, using software such as SPSS or Excel. Statistics based on one, two or more variables show trends and patterns, to support or refute the hypothesis
- Qualitative analysis
  - Reduction and coding are used to interpret non-numerical data
- Conclusions
  - State what the data has shown in terms of the original research question, and suggest one or more courses of action
- Recommendations
  - Possible courses of future action

### Reporting the Findings

- Once data is analysed and conclusions drawn, the findings must be presented in a format that will enable the marketing decision makers to use the information
- Market researchers often report the key findings in PowerPoint or Prezi presentations, with more detail provided in a formal written document
- A written research report should include
  - Cover page and executive summary
  - Table of contents
  - Introduction or background
  - Methodology and findings
  - Statement of limitations
  - Conclusions and recommendations
  - Appendices
- It is essential to understand market
- Before undertaking

### The Value of Market Research

- Market research results in decisions that take the form of marketing plans and strategies
- Market research begins with an issue, discovers information, allows informed decisions about how to respond and ultimately results in outcomes that match the marketing goals
- The effectiveness of market research undertaken is evaluated in order to prove a return on the investment, captured by marketing metrics such as brand awareness and product sales

## Consumer Behaviour

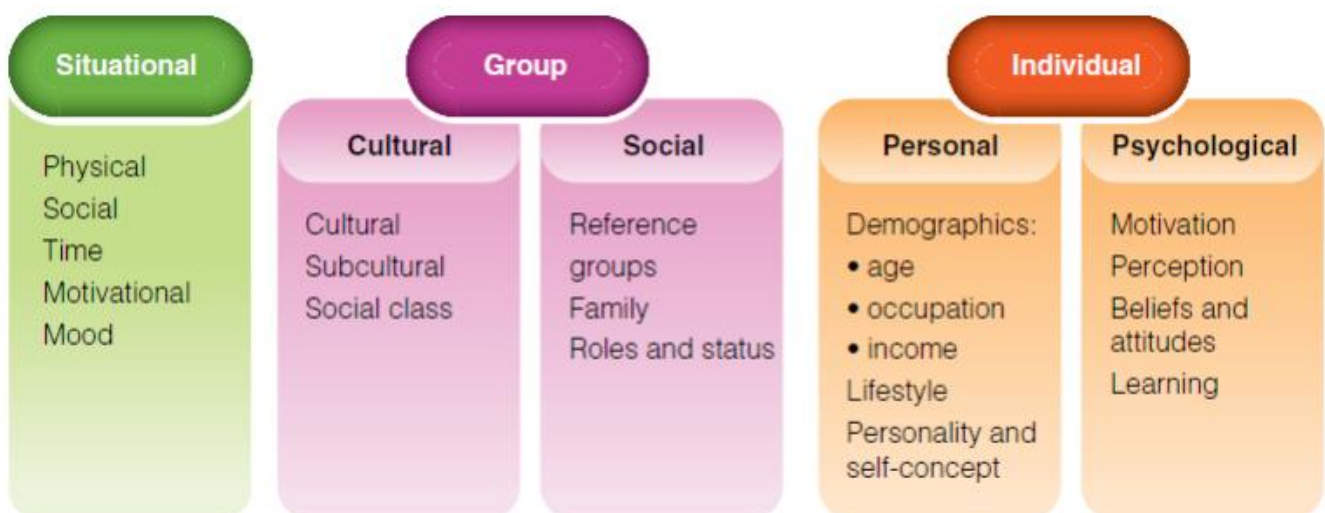
### What is Consumer Behaviour?

- **Consumer behaviour** refers to the analysis of the behaviour of individuals and households who buy goods and services for personal consumption
- To formulate a marketing mix that best serves our potential customers, we need to know the reasons and motivations behind the decisions consumers make
- It is the what, why, how, when and where of consumer's behaviours
- Consumers make decisions along a continuum, from habitual decision-making behaviours at one end to extended decision-making behaviours at the other
- We know our target market, now we want to find out
  - Why they behave in a certain way
  - Why they have preference for particular brands
- The central question is:
  - How do consumers respond to the various marketing stimuli the marketing organisation might use?

### Questions to Ask about Consumer Behaviour

- When consumers express interest in buying a product there are a number of questions we might ask:
  - Why?
  - What is the person really seeking?
  - What needs is he or she trying to satisfy?
- A person has many needs at any given time

### Influences on Consumer Behaviour



## Situational Influences

- **Situational influences** refer to the circumstances a consumer finds themselves in when making purchasing decisions
- For example, a person who finds themselves with a headache will often respond by purchasing Nurofen, Panadol or Herron Paracetamol
- It can also influence people not to make a purchase e.g. a couple who decide at the last minute to go to their favourite restaurant for a romantic, candle-lit dinner may change their minds if they see that the restaurant is crowded and busy
- The principal situational influences may be classified as:
  - *Physical* – the characteristics of the location in which the purchase decision is made (e.g. fashion retailers should install flattering lighting in the fitting rooms)
  - *Social* – the interactions with others at the time of the purchase decision is made (e.g. the product knowledge and/or persuasiveness of a salesperson or ‘competition’ with other shoppers during post-Christmas sales); not to be confused with social influences on consumer behaviour
  - *Time* – the time available for a purchase decision (e.g. someone who is last minute Christmas shopping cannot contemplate many options)
  - *Motivational* – the reasons for the purchase (e.g. a person choosing a bottle of wine to bring to a dinner party is likely make a different decision based on different criteria when choosing a bottle to consume at home over the evening meal)