

**wbs**

WARWICK BUSINESS SCHOOL  
THE UNIVERSITY OF WARWICK

**For the  
Change  
Makers**

**Understanding markets:  
exploring marketing and  
market research**

# Session objectives

- To define and distinguish between the concepts of market research and marketing research
- To explore the purpose of research in the field of marketing.
- To reflect upon the range of forms research takes and its relative purpose
- To identify the stages of a typical research project
- To reflect upon the ethics and limitations of research

# Why are we looking at 'Research' now?

- To date we have focused upon the importance of understanding both the marketing environment, customers and consumers.
- This is a form of 'market research'
- Market research takes place in advance of marketing activity to inform planning
  - To inform TOWS
  - To concept test new products before launch
- Market research is ongoing
  - To measure sentiment toward a brand
  - To measure success of a marketing campaign/strategy against objectives.
- Market research can also be retrospective
  - To understand stakeholder experiences
  - To understand changes in demand/consumer satisfaction
  - To evaluate the success of a strategy or campaign against the original objectives



Understanding  
'Research' is  
important for both  
marketing practice  
and your module  
assessment!

# What is 'research'? (Wilson 2014)

Research is a step-by-step process that involves the collecting, recording, analysing and interpreting of information.

- It involves a process of enquiry and investigation
- It is systematic and methodical
- It increases knowledge



# Defining market and marketing research...

## Market Research

Focuses upon the characteristics of a specific market and the actors/stakeholders associated with it.

i.e. market size, brand shares, growth rates, saturation



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i.e. market size, brand shares, growth rates, saturation

## Customer/Consumer Insight

Generates a deep understanding of drivers of choice and the factors that influence them.

i.e. segmentation, nature of needs, motivation, influences upon

## Marketing Research

Focuses upon the potential impact of marketing activity and informs the creation and evaluation of marketing strategy.

i.e. price modelling, concept testing, promotion tracking

# Why do marketers 'research' markets?

To inform decision making...poor decisions cost money!

## Market Size and Structure

Value and volume sales  
Key segments  
Competition  
Route to market

## Use of and Attitude to Products

Awareness/attitude toward brands  
Volume/frequency of purchase  
Product use

## Customer Satisfaction and Loyalty

Customer ratings  
Competitor Set  
Brand relationships

## Promotion Effectiveness

Tracking  
Impact of promotional activity versus objectives

## Brand Impact

Awareness of brands  
Relative brand values  
Relative brand positioning  
Drivers of choice

## Pricing Effectiveness

Optimum prices  
Perceptual pricing  
Impact of changes in prices (elasticity)

## Product/Concept Testing

Unmet needs  
Attitude to new products/concepts  
Likelihood to purchase


## Segmentation

Structure of the market  
Key characteristics that will impact consumption, behaviour or need

Hague (2022)




# What are the different types of research?




## Exploratory Research

Used when little is known about a particular management problem



## Descriptive Research

Focuses upon accurately describing the variables/situation being considered



## Causal Research

Focuses upon understanding the relationship between actors and entities

# The research process: Stage 1

Defining the  
research  
problem

If the majority of cola drinkers say they prefer the taste of Pepsi, why is Coca Cola the market leader?



# The research process:

## Stage 2 – Research Objectives

Defining the  
research  
problem

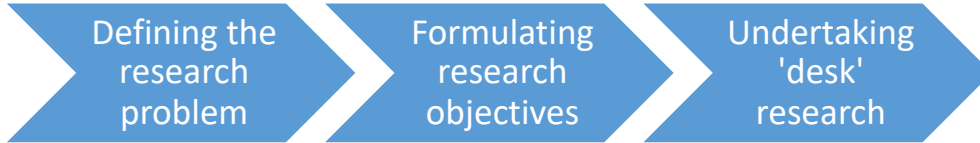
Formulating  
research  
objectives

To understand the size and structure of the cola market in the UK

To identify the drivers of brand choice amongst cola drinkers in the UK



# The research process: Stage 3 – Desk research



**Secondary Data Sources**: data that has been collected for a purpose other than the current study.

Examples: Market reports, sales figures, previous marketing research projects,



Avoids duplication of effort/unnecessary cost

Helps set parameters of the project



Quick

Relatively cheap

May be out of date

Potential lack of relevance

# The research process:

## Stage 4 – Choosing the correct methodology and method



Qualitative methodology

Used to understand or  
explore.  
Produces 'rich' data

i.e focus groups, depth  
interviews

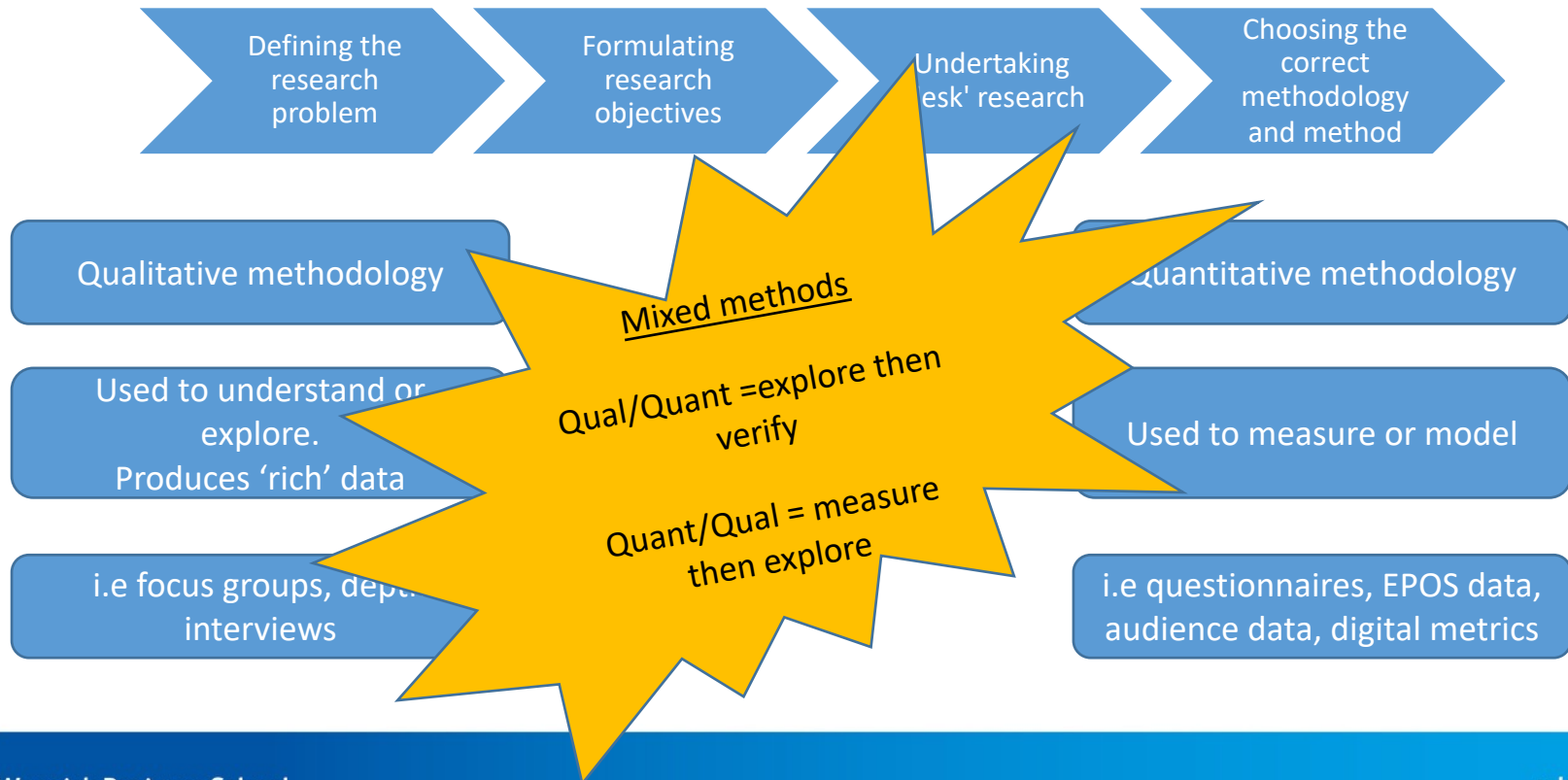
Quantitative methodology

Used to measure or model

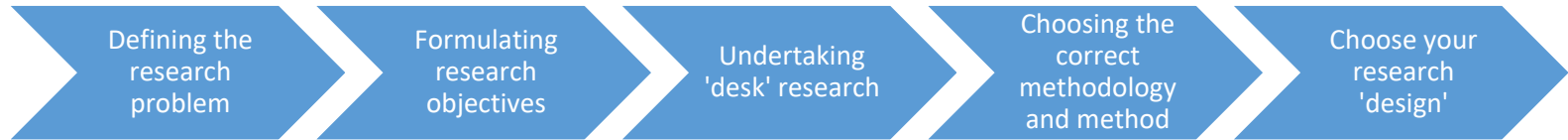
i.e questionnaires, EPOS data,  
audience data, digital metrics

# The research process:

## Stage 4 – Choosing the correct methodology and method



# The Research Process: Stage 6 Choose your research 'design'



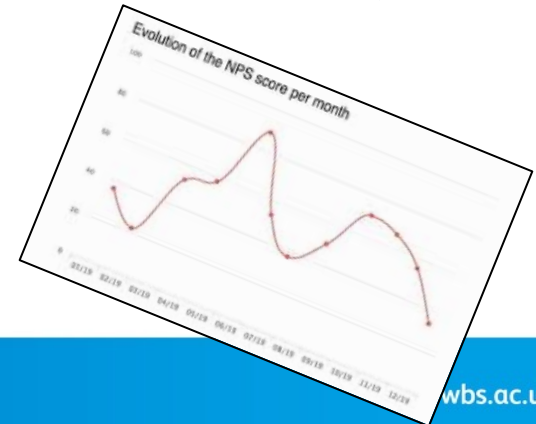
Longitudinal research: Data is collected on a regular basis over an extended period of time.

# The Research Process: Stage 6 Choose your research 'design'



Longitudinal research: Data is collected on a regular basis over an extended period of time.

Yr 1... Yr 2... Yr 3... Yr 4...





# The Research Process: Stage 6 Choose your research 'design'

Defining the research problem

Formulating research objectives

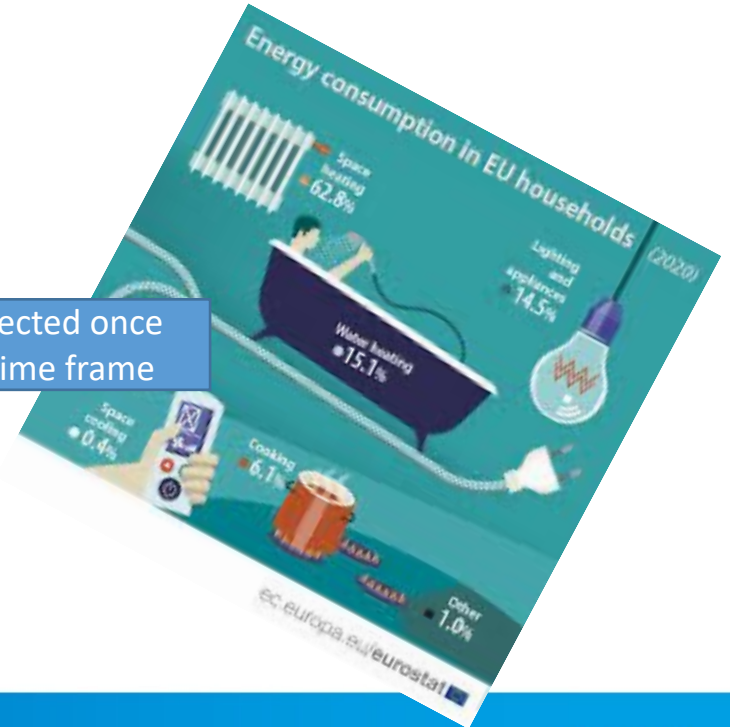
Undertaking 'desk' research

Choosing the correct methodology and method

Choosing your sampling technique

Choose your research 'design'

Cross sectional Research: Data is collected once from the sample within a specified time frame



# Longitudinal vs Cross Sectional

## Longitudinal

- Allows exploration of cause and effect/change over time
- Meaningful results can take years to become apparent
- Can be expensive
- Sample shrinks with time

## Cross Sectional

- Sample is subject to roughly the same conditions
- Timely results
- Difficult to measure cause and effect

# GIGO... GARBAGE IN, GARBAGE OUT...



The quality of the evidence that you base your decisions upon is only as good as the quality of the research undertaken...

...so, it's important to get it right!

# They should have researched it (better)...



# Summary

- We have established the importance for marketers to understand their markets
- Marketing research, market research and consumer insight approaches are an essential part of marketing
  - Understanding consumers' needs and wants to inform product and brand development
  - Understanding the characteristics of the market to inform TOWS
- In order to be of value, the right market research approach (defining objectives, choosing design, selecting sample etc) must be selected.
- Bad research results in bad (and expensive) decision-making.