



Part 2: Marketing

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Part II: Marketing

Course 2

Market research

- Customer, client, consumer and user
- Market research chapters
- Methods and tools for collecting information

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Customer, client, consumer and user:

- A **consumer** can be considered a person who purchases goods and services for personal use;
- The **customer** represents a person who buys goods or services from a shop or business;
- A **client** can be considered a person or organization using the services of professional persons or companies;
- The **user** represents a person who uses or operates something, with or without being the one that made the purchase.

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What is market research?

Source: <https://www.oberlo.com/ecommerce-wiki/market-research>

Market Research is the process of collecting, analyzing and interpreting data about your target market, consumers, competitors and the industry as a whole



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The 2 types of market research data:

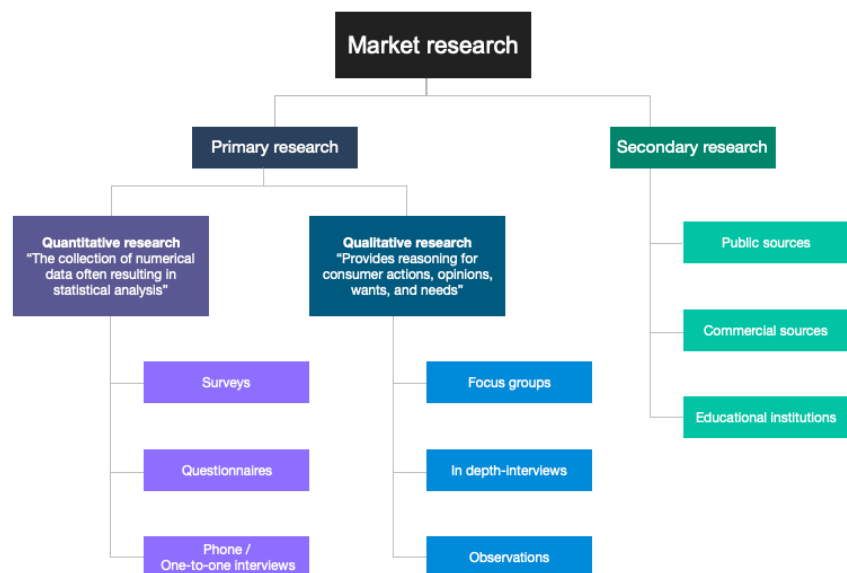
Market research can help play a major role in developing a product/service, a marketing plan/strategy or the overall business strategy. Understanding the **different market research methods** can be the difference between wasting months of engineering time or exceeding a manager's ambitious revenue targets.

All market research falls under two distinct categories: **primary research** and **secondary research**:

- **Primary research** looks at any data you collect yourself (or someone you pay). It encompasses analyzing current sales, metrics, and customers. It also considers the effectiveness of current practices, while taking competitors into account.
- **Secondary research** looks at data that has already been published by others. It includes reports and studies from other companies, government organizations, and others in your industry.

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The 2 types of market research data:



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Sources of primary data:

Primary research is often more expensive and time-consuming, but it is the best way to get the information that your business needs. The most popular primary research tools are:

- **Customer surveys.** Surveys conducted via phone, in person, on paper or using an online survey software. It's a list of questions crafted in a way that gives you the best possible insight into how a customer feels about your product or service, your brand and the experience you provide.
- **In-depth interviews.** Carried out either by phone or face-to-face, in-depth interviews give you an opportunity to ask more probing questions. You can also follow-up with an interviewee wherever necessary to obtain satisfactory answers.
- **Focus groups.** A focus group is an organized session with a group of 6-8 people that share some common characteristics. These characteristics include age, location, buying habits, etc. They will participate in a discussion of a predefined topic led by a moderator.
- **Observation.** It involves watching or video-recording how consumers interact with a product or service in a natural setting. Although a time-consuming method, it has the advantage of providing unbiased research. This is because consumers are not under any pressure and will behave naturally.

Source: <https://www.oberlo.com/ecommerce-wiki/market-research>

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Quantitative research

Advantage of primary research tools:

1. Surveys:

Great for: understanding brand awareness, satisfaction and loyalty analysis, pricing research and market segmentation.

One of the most used market research methods, surveys are an easy way to understand your target audience and allow you to test a large sample size to determine if findings are true across a larger segment of your customers.

2. Questionnaires:

Great for: Customer feedback and satisfaction surveys and when you want more detail on your target audience and customer base.

Do not confuse questionnaires for surveys! While surveys are aggregated for statistical analysis, questionnaires are a set of written questions used for collecting information.

3. Interviews:

Great for: expert advice.

Consisting of one-on-one discussions, interviews are a great source of qualitative data (when discussing highly complex or sensitive topics.). You can either perform interviews by telephone, video conference, or face-to-face. Interviews are great for an in-depth look for target audience insights. Interviews are usually 10 to 30 minutes long with 25 to 75 respondents.

Source: <https://about.crunchbase.com/blog/market-research-methods/>

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Qualitative research

Advantage of
primary
research
tools:**4. Focus groups:**

Great for: Price testing, advertising concepts, product/messaging testing

Even with the rise of big data, focus groups have remained an integral part of how companies build their products, strategy, and messaging. Focus groups are intentionally compromised by a group of purposefully selected individuals. Typically these open and interactive groups are composed of around five to 12 screened individuals.

5. User groups:

Great for: Feature testing and web design feedback

User groups are used to gather data and provide insight for website design. User groups usually meet regularly to discuss their experience with a product, while researchers capture their comments.

6. Test markets:

Great for: Testing new marketing campaigns

Test markets represent a larger market. Using a test group as well as a control group can show you the success of a new landing page or messaging copy.

Source: <https://about.crunchbase.com/blog/market-research-methods/>

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Sources of
secondary
data:

Often referred to as 'desk research', **secondary market research** is best suited for gathering broad insights into market trends.

This helps to predict and analyze the current situation in terms of competition or to identify possible new market segments for the product/service

The **most popular secondary research sources** are:

- Government reports and studies;
- Trade or industry-specific journals, magazines, newspapers;
- Television and radio;
- Academic papers and educational resources;
- Literature reviews;
- Online articles and case studies.

Source: <https://www.oberlo.com/ecommerce-wiki/market-research>

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Advantage of secondary research tools:

1. Sales data:

Great for: Understanding your audience and where to place marketing efforts.

Looking at internal sales data not only reveals profitability but also helps market researchers segment customer trends. However, observing competitive sales data is a great way to make sure that you're meeting the numbers you should be targeting as well as capturing the full potential of the market.

2. Government publications and statistics:

Great for: General demographic information and larger trends.

The National Institute of Statistics is a great resource of national demographic data. You can also review patents as a preview of industry trends and future innovation. Also, you can find additional data and research from Data.gov, The World Bank, as well as the Eurostat to help inform your market research decisions.

3. Commercial data:

Great for: Greater insight into industry trends and reports

If you're interested in purchasing secondary market research, commercial data is available. For comprehensive reports, you can contact can purchase reports from market research companies that provide commercial data.

Source: <https://www.oberlo.com/ecommerce-wiki/market-research>

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Overall ADVANTAGES of market research:

- 1) Determine the feasibility of a new business. If market research indicates there's little or no demand for the product or service, the business is unlikely to succeed.
- 2) Identify and develop potential new markets.
- 3) Keep close tabs on marketing trends and develop strategies on how to stay ahead or adapt to changing market conditions.
- 4) Test the demand for new products or features.
- 5) Ensure optimal product placement – how, when and where should a product enter the market.
- 6) Improve and innovate the business. You can early identify issues with certain business aspects such as customer service and can overcome costly disruptions later.
- 7) Boost the success of promotional campaigns. By gauging customer sentiment and understanding the perception of their brand, businesses can better shape their branding and marketing strategies.

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