

Marketing Research and Information Systems

Lecture 3

Marketing Research

- ▶ “the systematic gathering, recording and analyzing of data about problems relating to the marketing of goods and services” (The American Marketing Association)
- ▶ Market research finds information about marketing mix, customers, competitors to satisfy the needs

Advantages of Conducting Marketing Research

- ▶ To make right decisions
- ▶ To monitor changing values and behavior of customers
- ▶ Can evaluate the progress of the company
- ▶ To identify the environmental changes and adapt to it

Types of Market Research

- ▶ **Market Research**
 - ▶ Analyze market potential for existing products
 - ▶ Forecasts sales for all products
 - ▶ Study market trends and factors influencing them
 - ▶ Analyze market share compared to competitors
 - ▶ Composition of market (age, income groups)
- ▶ **Product Research**
 - ▶ Comparative study between competitive products
 - ▶ Test marketing
 - ▶ Research into develop a product line

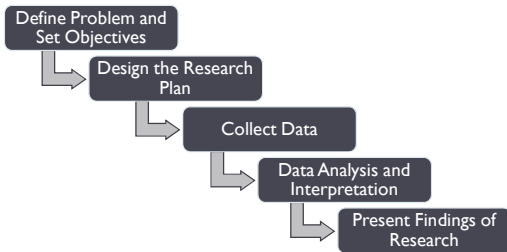
Types of Market Research

- ▶ **Price Research**
 - ▶ Analyze elasticity of demand
 - ▶ Analyze profit margins
 - ▶ Customer view on price and quality
- ▶ **Sales Promotion and Advertising Research**
 - ▶ Research effectiveness of advertising and sales promotions
 - ▶ Brand tracking
- ▶ **Consumer Research**
 - ▶ Study consumer habits, trends, attitudes
 - ▶ Study consumer buying behavior

Types of Market Research

- ▶ **Distribution Research**
 - ▶ Location and design of distribution centers
 - ▶ Analyze packaging, transportation and shelving
 - ▶ Effectiveness of distribution channels
- ▶ **Competitor Research**
 - ▶ Competitor strengths and weaknesses
 - ▶ Compare product quality, packaging, pricing, distribution and advertising

Marketing Research Process



Marketing Research Process

- ▶ **Define the Problem and Set Objectives**
 - ▶ Define the problem
will offering in flight Internet facility attract customers to Sri Lankan airlines?
 - ▶ State decision alternatives
is it necessary to offer?
to whom we offer (business class or both)?
what prices to charge?
 - ▶ State research objectives
how many customers will use the service at different price levels?
how important this service to the customers

Marketing Research Process

- ▶ **Design the Research Plan**
 - ▶ Plan to achieve the objectives developed
 - ▶ Types of data required – primary or secondary data
 - ▶ Select research technique- observation, survey, experiment
 - ▶ Select research instruments – mechanical devices, questionnaires
 - ▶ Design the sampling plan – target population, sample size, sampling method
 - ▶ Selection of contact method – personal, telephone, postal, Internet

Marketing Research Process

- ▶ **Collection of data**
 - ▶ In-house marketing research
 - ▶ External research agencies
- ▶ **Data Analysis and Interpretation**
 - ▶ Transform the gathered data into information that is useful for decision making
- ▶ **Presentation of Research Findings**
 - ▶ Summarize major findings

Marketing Information Systems

- ▶ **Internal company information**
 - ▶ Sales analysis
 - ▶ Stock movement
 - ▶ Financial statements
 - ▶ Customer satisfaction tracking reports
- ▶ **Marketing Intelligence System**
 - ▶ Collection and analysis of publicly available information about competitors and market environment
 - ▶ Assess and track competitor strategies and actions
 - ▶ Early warning on opportunities and threats