



TEXTBOOK QUESTIONS SOLVED

Question 1. Answer each of these questions in about 15 words:

(1) What is 'Market research'?

(2) What is 'Market Survey'?

Answer:

1. Market research is a systematic gathering, recording and analyzing of data about 'problems' which is a continuous process.
2. Market survey is an organized and in-depth approach, which includes all the research activities involved with extracting out carefully the information for not only the first time, but directly from the sources.

Question 2. Answer each of these questions in about 50 words:

(i) To be characterized as good market information, enlist any four essential characteristics to be possessed by it.

(ii) Define 'Research Instruments'.

(iii) Give one major difference between 'Market Research and Market Survey'.

(iv) List the types of market survey conducted to extent information.

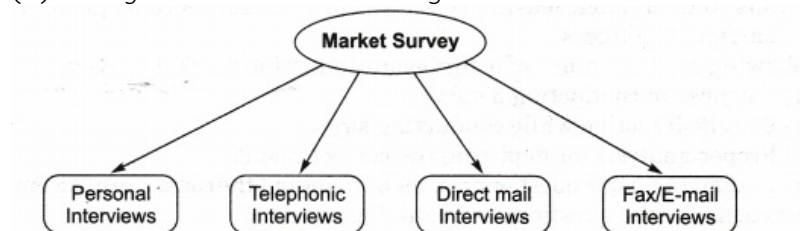
Answer:

(i) Following are the characteristics of a good market information: Clarity, Completeness, Relevance, Accuracy, Confidentiality, Authenticity, Economy and Precision.

(ii) Research instruments are the instruments, tools methods or techniques employed in research for gathering the information or response.

(iii) Market survey is a smaller concept as it is a method of conducting market research

(iv) Survey can be conducted through:



Question 3. Answer each of these questions in about 150 words:

(i) State the main steps involved in Marketing Research.

(ii) Explain Marketing survey along with the methods of conducting the same.

(iii) What role is played by 'Marketing Research'?

(iv) Market survey can be used as a tool for betterment of society. To conduct a fair survey, list four strong values of a surveyor.

Answer:

(i) Following are the main steps involved in Marketing Research:

Step 1: Defining the marketing problem to be tackled and identifying the marketing research problem involved in the task.

Step 2: Specifying the information requirement, i.e. preparing a list of the needed information.

Step 3: Developing the research design and research produce, i.e.

determining whether such information is already available, either in records of the company or in outside sources.

Step 4: Information, i.e. select the research instrument to be used, select sample type and size.

Step 5: Analyzing the information and interpreting it in terms of the problem being tackled.

Step 6: Summarize the findings.

Step 7: Preparing the research report.

(ii) Market survey is an organized and in-depth approach, which includes all the research activities involved with extracting out carefully the information for not only the first time, but directly from the sources.

A normal way of conducting a survey comprises of the following procedure:

Step 1: Planning the Survey.

Step 2: Fieldwork.

Step 3: Analysis and Interpretation of Data.

Step 4: Report Making.

There are two types of market survey:

(a) The census (b) The sample

(iii) Following points describe the role played by market research:

(a) Information about customers: Manufacturers, retailers, etc. of all kinds of services need certain kinds of information in order to be able to satisfy their customers' wants and needs.

(b) Designing Marketing programs: In order to design effective marketing programs, research is essential.

(c) Decisions: In dealing with recurring decisions of any enterprise information through such research is vital.

(d) Choosing Marketing program: For satisfying the diversity in consumers' characteristics, a firm wish to determine the most appropriate market, product or information so as to choose a combination of marketing programmes which could satisfy the customers.

(e) Helpful in Feasibility study: Before preparing a business plan, the entrepreneur has to do a quick feasibility study of the business concept to find the possible barriers to success.

(iv) Following are the values of a surveyor conducting market survey:

(a) Fairness in conducting a survey.

(b) Unselfish motive while conducting survey.

(c) Proper analysis for depicting the correct result.

(d) Framing a unique questionnaire for bringing out the correct result from the consumers.

Question 4. Answer each of these questions in about 250 words:

(i) Discuss the steps involved in conducting the market survey.

(ii) "Market Survey" is an useless expensive tool". Do you agree with the statement? Should it be dispense away with? Support your answer with reasons.

(iii) Lalit is planning to launch a new female clothing store. Draft a survey, not exceeding 10 questions as to collect some information that will be helpful in launching of this store.

(iv) "Survey is a customized technique." Which technique is generally used for it? Throw some light on the importance and precautions of these techniques.

Answer:

(i) A survey procedure comprises the following steps:

Step 1: Planning the Survey: In this step, the entrepreneur to deal with the following:

(a) Define: Define the problem clearly and accurately.

(b) Method: Select the most appropriate method to conduct the survey from the various methods available viz. personal interview, Telephonic etc.

(c) Area: Entrepreneur has to decide the area and extent of the study. Census survey can be selected if all the units of the universe

are to be contacted or sample survey if select units are to be taken.

(d) Questionnaire development: Questionnaire should provide the information which entrepreneur wants to know and is based on his objectives. Questionnaire should not be complicated and should be properly worded.

Step 2: Fieldwork: Here, the entrepreneur ensures that:

(a) Recruitment and Training: Investigators are scientifically recruited or properly trained for the work.

(b) Supervision: Survey is properly supervised.

(c) Time schedule: The time schedule is adhered to this care is taken.

(d) Recording: Responses are honestly and accurately recorded.

(e) Meticulous collection: The collection of data is done meticulously.

Step 3: Analysis and Interpretation of Data: Here the entrepreneur either by using software program or by hand, tabulate the collected data. The care is taken that:

(a) Data is edited

(b) Data is tabulated processed and interpreted

(c) Data is statistical analysed and interpretations are recorded accordingly.

Step 4: Report Making: In this step market research reports with main findings from the study. Here a summary of what the study revealed, along with a list of various recommendations for the enterprise's continual growth and success in the market is done. This report is the basis for taking any decision related to the enterprise.

(ii) Market survey is not an useless tool because of following reasons:

(a) Customer oriented: Market survey informs accurately about the customer's needs, wants, nature of demand, likes and dislikes and all other related aspects of movement of products from the production stage till the consumption. This provide an edge over competitors to the enterprise.

(b) Minimises risk of the enterprise: The systematic and intelligent use of market survey reduces and minimizes the risk of decision-making under the conditions of uncertainty. This is because the results are analyzed in order to finalize a business plan.

(c) Goal oriented for a firm: Market survey helps in the attainment of goals of the enterprise smoothly and timely. This is because the market survey is designed with the goals and objectives of the enterprise.

(d) Provide correct picture of the markets: As market survey as is a systematic collection, recording, analysis and interpretation of data, relating to the existing or potential market, it thus provides a complete overview of the market.

(e) Helps in Forecasting: Accurate, effective and timely sales forecast is provided by the market survey. This in turn promotes the firmness and soundness to the marketing decisions. Future decisions become more reliable due to market survey.

(iii) Market survey for launching a new female clothing store:

Name	:	_____
Sex	:	Male — Female
Marital status	:	Unmarried/married, both spouses working/married, one spouse working
Age	:	_____ Under 25
		_____ 25-34
		_____ 35-44
		_____ 45-54
		_____ 55 and over
Household Income:		
		_____ Under ₹ 40,000
		_____ ₹ 40,000 — ₹ 54,000
		_____ ₹ 55,000 — ₹ 69,000
		_____ ₹ 70,000 and above
1. Expenditure incurred on female clothes		
(i)	₹ 100 to 500 per month	(ii) ₹ 500 to 1000 per month
(iii)	₹ 1000 to 2000 per month	(iv) More than ₹ 2000
2. Preferred choice of clothings		
(i)	Readymade clothes	(ii) Stitched clothes
(iii)	Choice of family members	
3. Shopping preference		
(i)	Shopping mall	(ii) Traditional market
(iii)	Roadside vendors	(iv) Internet shopping
4. Preferred time of shopping		
(i)	Afternoon	(ii) Evening
(iii)	No time schedule	
5. Liking for Bargaining		
(i)	Prefer bargain	(ii) Do not do bargaining
(iii)	Doesn't matter.	

(iv) The importance of the market survey can be explained using the following points:

(a) Customer is the King: Market survey informs accurately about the customer's needs, wants, nature of demand, likes and dislikes and all other related aspects of movement of products from the production stage till the consumption. This provides an edge over competitors to the enterprise.

(b) Risk reduction: The systematic and intelligent use of market survey reduces and minimizes the risk of decision-making under the conditions of uncertainty. This is because the results are analyzed in order to finalize a business plan.

(c) Helps attaining objectives: Market survey helps in the attainment of goals of the enterprise smoothly and timely. This is because the market survey is designed with the goals and objectives of the enterprise.

(d) Market Overview: As market survey is a systematic collection, recording, analysis and interpretation of data, relating to the existing or potential market, it thus provides a complete overview of the market.

(e) Forecast: Accurate, effective and timely sales forecast is provided by the market survey. This in turn promotes the firmness and soundness to the marketing decisions.

(f) Facilitates Decision-Making: A survey helps in each and every decision making of an entrepreneur which is based on proper rationale.

Precautions of these techniques: Following are the precautions:

(a) Survey must be conducted as per the objectives of the firm.

(b) Survey must be conducted by the trained personnel.

(c) Simple questions must be framed in the questionnaire.

(d) Expenditure on the survey should be as minimum as possible.

(e) Survey should be customer oriented.

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