📘 Marketing Research – Easy Notes

1. Meaning

Marketing Research means **collecting, recording, and analyzing information** about customers, competitors, and the market to help make better marketing decisions.
👉 It helps businesses understand what customers want and how to satisfy them.

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2. Definition

Marketing Research is a **systematic process** of gathering, analyzing, and interpreting data about a **market, product, or service** to solve marketing problems.

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3. Objectives

- To understand **customer needs and preferences**

- To find out **market trends**

- To **analyze competitors**

- To help in **product development and pricing**

- To **improve sales and marketing strategies**

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4. Importance

- Helps in **decision-making**

- Reduces **business risk**

- Helps in **identifying opportunities**

- Improves **customer satisfaction**

- Supports **marketing planning**

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5. Steps in Marketing Research Process

1. **Define the problem** – What is to be studied?

2. **Develop the research plan** – How and what data to collect?

3. **Collect data** – From surveys, interviews, etc.

4. **Analyze data** – Find patterns or insights.

5. **Report findings** – Present results and suggest solutions.

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6. Types of Marketing Research

- **Primary Research:**
  New data collected by the researcher (e.g., surveys, interviews).

- **Secondary Research:**
  Data collected earlier by others (e.g., reports, journals, internet).

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7. Methods of Data Collection

- **Questionnaires / Surveys**

- **Interviews**

- **Observation**

- **Experiments**

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8. Limitations

- Can be **expensive** and **time-consuming**

- Results may be **inaccurate** if data is wrong

- May require **skilled researchers**

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9. Example

A company wants to launch a new cold drink. It conducts marketing research to:

- Find what flavors customers like

- Study competitors' pricing

- Decide how to advertise effectively

📘 Marketing Strategy: Building Customer Value, Engagement, and Relationships

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1. Meaning of Marketing Strategy

A **marketing strategy** is a plan that helps a company **reach its target customers**, **satisfy their needs**, and **achieve business goals**.
👉 It focuses on how to create value for customers and build long-term relationships.

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2. Key Idea

The main goal of marketing strategy is to **build strong relationships** with customers by **offering value** and **keeping them engaged**.

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3. Important Terms

a) Customer Value

- The **benefit** a customer gets from a product compared to its **cost**.

- Companies create value by offering **quality, service, and satisfaction**.
  💡 Example: Apple provides high-quality products and good service, so customers feel they get value for money.

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b) Customer Engagement

- It means **actively involving customers** with the brand through communication, social media, and experiences.

- Engaged customers are more **loyal** and promote the brand to others.
  💬 Example: Brands use Instagram polls, contests, or feedback forms to engage customers.

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c) Customer Relationships

- Building **long-term trust and loyalty** with customers.

- Focus on **retaining old customers** and not just attracting new ones.
  ❤️ Example: Amazon keeps customers loyal by offering fast delivery, easy returns, and good support.

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4. Steps to Build Customer Value and Relationships

1. **Understand customer needs and wants**

2. **Design products that deliver value**

3. **Communicate effectively** (advertising, social media, etc.)

4. **Deliver excellent service**

5. **Build loyalty programs and personal connections**

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5. Benefits of Good Marketing Strategy

- Increases **customer satisfaction**

- Builds **brand loyalty**

- Helps in **long-term profits**

- Improves **company reputation**

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6. Example

Coca-Cola keeps customers engaged with emotional ads, loyalty offers, and strong social media presence — this helps build **customer value and lifelong relationships**.

📘 Marketing Strategy and Marketing Mix

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1. Meaning of Marketing Strategy

A **marketing strategy** is a plan that helps a business reach the right customers, satisfy their needs, and achieve goals through smart use of the **marketing mix** (Product, Price, Place, Promotion).

🌍 2. Market Segmentation

Market Segmentation means **dividing the market into small groups** of customers with similar needs or characteristics.
👉 It helps companies target the right people with the right products.

Types of Segmentation:

a) Geographic Segmentation

- Based on **location** – country, state, city, climate, region.
  📍 Example: Selling woolen clothes in North India and cotton clothes in South India.

b) Demographic Segmentation

- Based on **age, gender, income, education, occupation, family size**, etc.
  👪 Example: Baby products for infants, luxury cars for high-income people.

c) Psychographic Segmentation

- Based on **lifestyle, personality, interests, and values**.
  💬 Example: A fitness brand targeting people who care about health.

d) Behavioral Segmentation

- Based on **customer behavior**, like usage rate, loyalty, benefits sought, or buying occasion.
  🛍️ Example: Special discounts for loyal customers; chocolates marketed during

festivals.

🎯 3. Targeting

After segmentation, the company chooses **which segment(s)** to focus on — this is called **targeting**.

Types of Targeting:

1. **Mass Marketing** – Same product for everyone.
   (e.g., Colgate toothpaste for all)

2. **Segmented Marketing** – Different products for different groups.
   (e.g., Dove for women, Axe for men)

3. **Niche Marketing** – Focusing on a small, specific group.
   (e.g., Gluten-free food products)

4. **Micromarketing** – Targeting individuals or local areas.
   (e.g., Local bakeries advertising in their own city)

💡 4. Differentiation

Differentiation means making a product **different from competitors** to stand out in the market.
✔️ Can be through **quality, features, price, design, or service**.
Example: Apple differentiates by offering premium design and advanced technology.

📌 5. Positioning

Positioning means creating a **clear image or identity** of a product in the minds of customers.
It answers: "Why should customers choose this brand?"

Example:

- Volvo → "Safe cars"

- Nike → "Just Do It" (motivation and performance)

🧩 6. Marketing Mix (4Ps)

1. **Product** – What you sell (quality, design, brand, packaging).

2. **Price** – What the customer pays.

3. **Place** – Where and how the product is available (distribution).

4. **Promotion** – How you communicate (ads, social media, etc.).

✅ Summary

Concept	Meaning	Example
Segmentation	Dividing market	Age-based toy ads
Targeting	Selecting group	Luxury cars for rich
Differentiation	Making product unique	iPhone's design
Positioning	Creating brand image	Nike = motivation

📘 Types of Market Segmentation (Explained in Detail)

Market segmentation helps businesses divide a large market into smaller, more specific groups of consumers who have similar characteristics, needs, or behaviors.
This makes marketing more effective and helps in satisfying customers better.

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a) Geographic Segmentation 🌍

Meaning:
Geographic segmentation divides the market based on **location** such as country, region, city, climate, or population size.

Why it's used:
People living in different places have different **needs, preferences, and buying habits**. Climate, culture, and local traditions affect what people buy.

Examples:

- Woolen clothes are sold more in **cold regions** like North India, while cotton clothes are preferred in **hot regions** like South India.

- Food chains like **McDonald's** change their menu by country — spicy burgers in India, beef burgers in the U.S.

- Sunscreens are marketed more in **coastal areas** or places with strong sunlight.

Benefits:

- Helps in adapting products to local tastes.

- Easier to target based on region or climate.

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b) Demographic Segmentation 👪

Meaning:
This segmentation divides the market based on **demographic factors** such as:

- **Age**

- **Gender**

- **Income**

- **Education**

- **Occupation**

- **Family size**

- **Marital status**

Why it's used:
Demographic factors directly affect what people buy, how much they spend, and what products they prefer.

Examples:

- **Baby products** (like diapers or milk powder) are marketed to parents with infants.

- **Luxury brands** like Rolex or Mercedes target **high-income groups**.

- **Educational toys** are aimed at children aged 3–10 years.

- **Beauty products** may have separate lines for men and women.

Benefits:

- Easy to measure and identify groups.

- Helps companies design products and ads for specific age or income groups.

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c) Psychographic Segmentation 💭

Meaning:
Psychographic segmentation divides customers based on their **lifestyle, personality, interests, opinions, and values**.

Why it's used:
Two people of the same age and income might have **very different lifestyles and attitudes**. Psychographic segmentation helps marketers connect emotionally with customers.

Examples:

- A **fitness brand** like Nike targets people who value health and an active lifestyle.

- A **travel company** might target adventure lovers or luxury travelers separately.

- **Organic food brands** appeal to people who care about sustainability and natural living.

Benefits:

- Builds emotional connections with customers.

- Helps in creating lifestyle-based marketing campaigns.

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d) Behavioral Segmentation 🛍️

Meaning:
Behavioral segmentation divides people based on their **buying behavior**, such as:

- **Usage rate** (light, medium, heavy users)

- **Loyalty status** (new or regular customers)

- **Benefits sought** (quality, price, convenience)

- **Occasion-based buying** (festivals, birthdays, weddings)

Why it's used:
Customers behave differently based on their habits, experience, and motivation to buy a product.

Examples:

- **Airlines** offer loyalty points to frequent travelers.

- **E-commerce sites** give special discounts to repeat customers.

- **Chocolates and gifts** are marketed more during **festivals** and **Valentine's Day**.

- **Toothpaste brands** may target customers who want "fresh breath" or "whiter teeth."

Benefits:

- Helps businesses reward loyal customers.

- Makes it easier to promote products for special occasions.

- Focuses marketing on customer behavior and satisfaction.

📘 Consumer Behavior

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1. Meaning of Consumer Behavior

Consumer behavior refers to the **study of how people buy, what they buy, why they buy, and when they buy** a product or service.
👉 It helps marketers understand customers' needs, preferences, and decision-making processes.

Example:
Before buying a mobile phone, a customer may compare brands, prices, and features — this process is part of consumer behavior.

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2. Importance of Studying Consumer Behavior

- Helps in **understanding customer needs**

- Aids in **product development and improvement**

- Helps in **creating effective marketing strategies**

- Improves **customer satisfaction and loyalty**

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3. Consumer Behavior Model

A **consumer behavior model** explains how consumers make buying decisions.
One of the most common is the **"Stimulus–Response Model."**

Stimulus–Response Model

Step	Description
1. Marketing Stimuli	Product, price, place, and promotion (4Ps) that affect consumers.
2. Other Stimuli	Economic, technological, social, and cultural factors that influence buying.
3. Buyer's Characteristics	Cultural, social, personal, and psychological traits that shape response.
4. Buyer Decision Process	Steps a buyer takes — need recognition → information search → evaluation → purchase decision → post-purchase behavior.
5. Buyer's Response	Final decision — what product, brand, and quantity to buy, and from where.

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4. Characteristics Affecting Consumer Behavior

Consumer behavior is influenced by **four main factors:**
🧠 **Cultural**, 👥 **Social**, 🧑 **Personal**, and 💭 **Psychological** factors.

a) Cultural Factors

Culture is the **set of values, beliefs, and customs** shared by a group of people.

- Culture affects what people buy and how they use products.

- Sub-cultures (like religion, region, or language) also shape preferences.

- Social class (upper, middle, lower) affects product choices and spending.

Example:

- Indians prefer traditional clothes during festivals.

- Western cultures may prefer fast food and branded wear.

b) Social Factors

A person's behavior is influenced by **the people and groups around them**.

- **Family:** Has a strong influence on purchase decisions.

- **Reference Groups:** Friends, classmates, or celebrities who influence opinions.

- **Roles and Status:** The position a person holds in society (e.g., a manager, student, or parent) affects what they buy.

Example:
 A teenager may buy branded shoes because friends use them or celebrities endorse them.

c) Personal Factors

These are **individual characteristics** that make every consumer different.

Includes:

- **Age and life-cycle stage** (student, married, retired, etc.)

- **Occupation and income**

● **Lifestyle and personality**

● **Economic situation**

Example:

● Students prefer affordable products like budget phones.

● Professionals might buy laptops or formal clothes for work.

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d) Psychological Factors

These are **internal influences** that affect buying decisions.

Includes:

1. **Motivation** – The inner drive to satisfy needs.
   (e.g., buying healthy food to stay fit)

2. **Perception** – How a person interprets information or advertisements.

3. **Learning** – Changes in behavior from experience.

4. **Beliefs and Attitudes** – What consumers think and feel about brands.

Example:
 If someone believes "Apple products are reliable," they are likely to keep buying them.