

# Marketing Essentials



## Chapter 28

### marketing research

#### Section 28.1

#### Marketing Information

#### Section 28.2

#### Issues in Marketing Research



## Before You Read

**CONNECT** Why do you think some businesses fail while others succeed in the marketplace?

## OBJECTIVES

- **Describe** the purpose of marketing research.
- **Explain** the characteristics and purposes of a marketing information system.
- **Identify** procedures for gathering information using technology.

## **THE MAIN IDEA**

Marketing research provides information to create a business plan, solve problems, and make decisions about products.

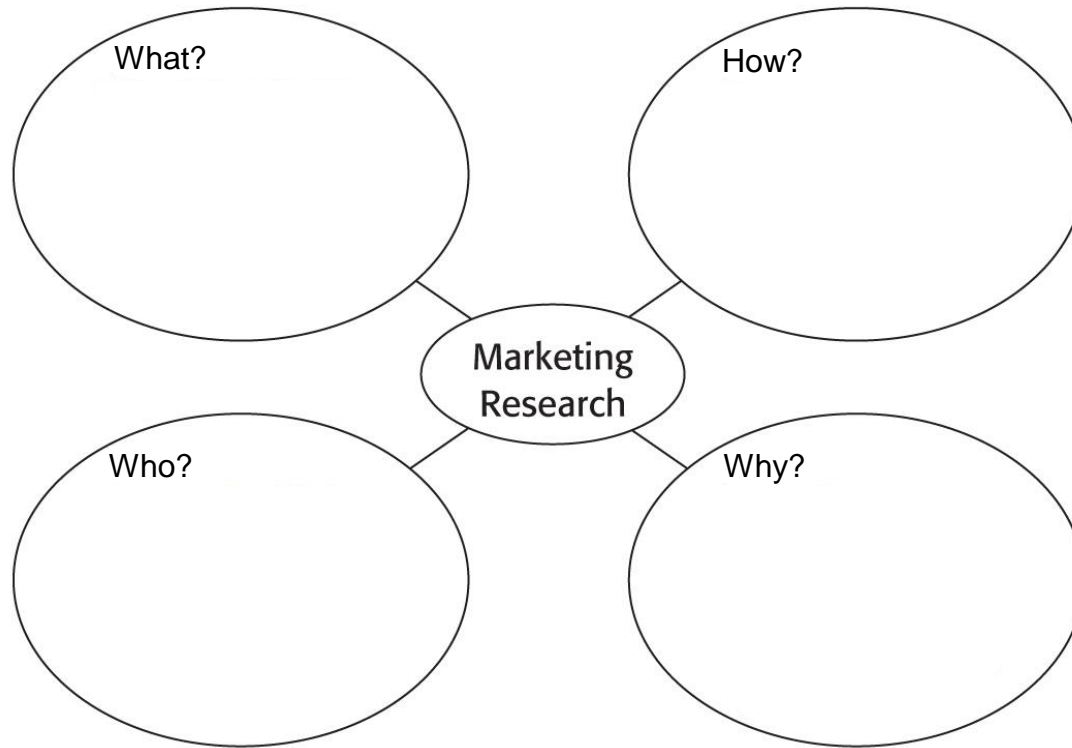
## VOCABULARY

- marketing research
- marketing information system
- database marketing
- database



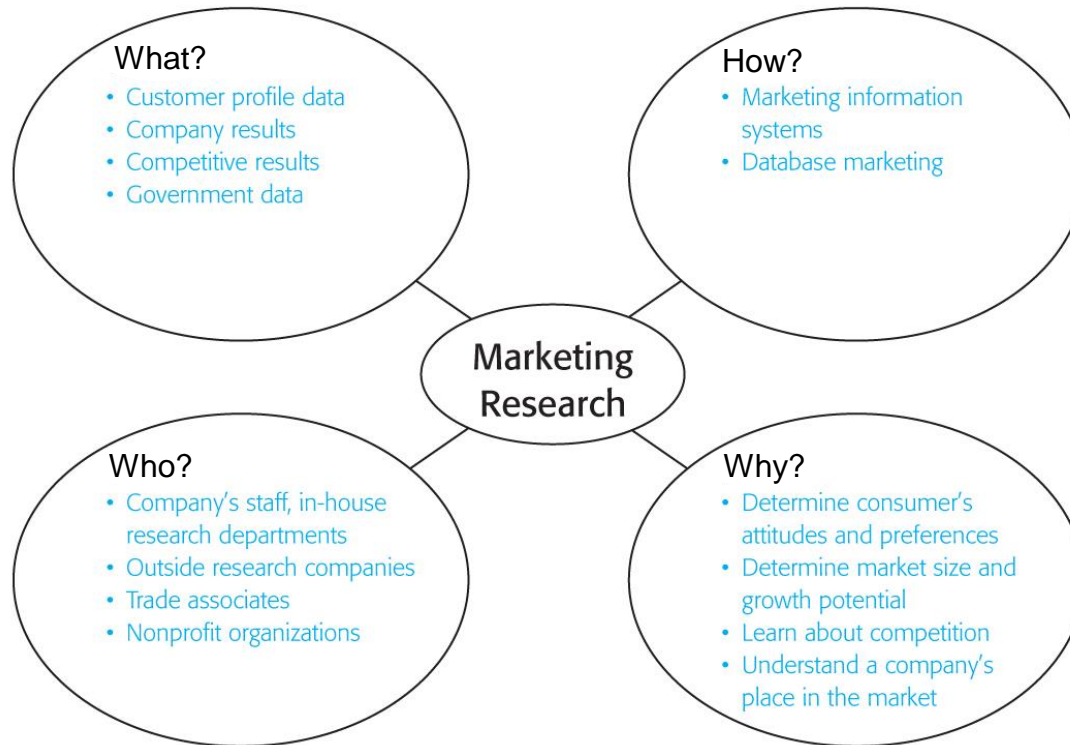
## Graphic Organizer

### Notes About the Main Concepts of Marketing Research



## Graphic Organizer

### Notes About the Main Concepts of Marketing Research



## Defining Marketing Research



### **marketing research**

The process and methods used to gather information, analyze it, and report findings related to marketing goods and services.



## Defining Marketing Research

### How Is Marketing Research Used?

**Determine consumers' attitudes and preferences**

**Test product features**

**Determine market size and growth potential**

**Learn about competitive products**

**Determine buying cycles**

**Understand how the company is perceived**

## Why Is Marketing Research Important?

### What Does Marketing Research Do for a Company?

**Helps increase sales and profits**

**Answers questions about what products to produce**

**Answers questions about what price to sell products**

**Identifies potential buyers**

**Identify promotion strategies**

**Understand current markets**

## Who Uses Marketing Research?

### Who Uses Marketing Research?

**Small Companies**

**Large Companies**

**Nonprofit Organizations**

**Trade Organizations**

**State and Federal Government Agencies**

## Marketing Information Systems

### Marketing Information Systems

Customer Profile Data

Company Records

Competitors' Records

Government Data

Marketing Research Reports



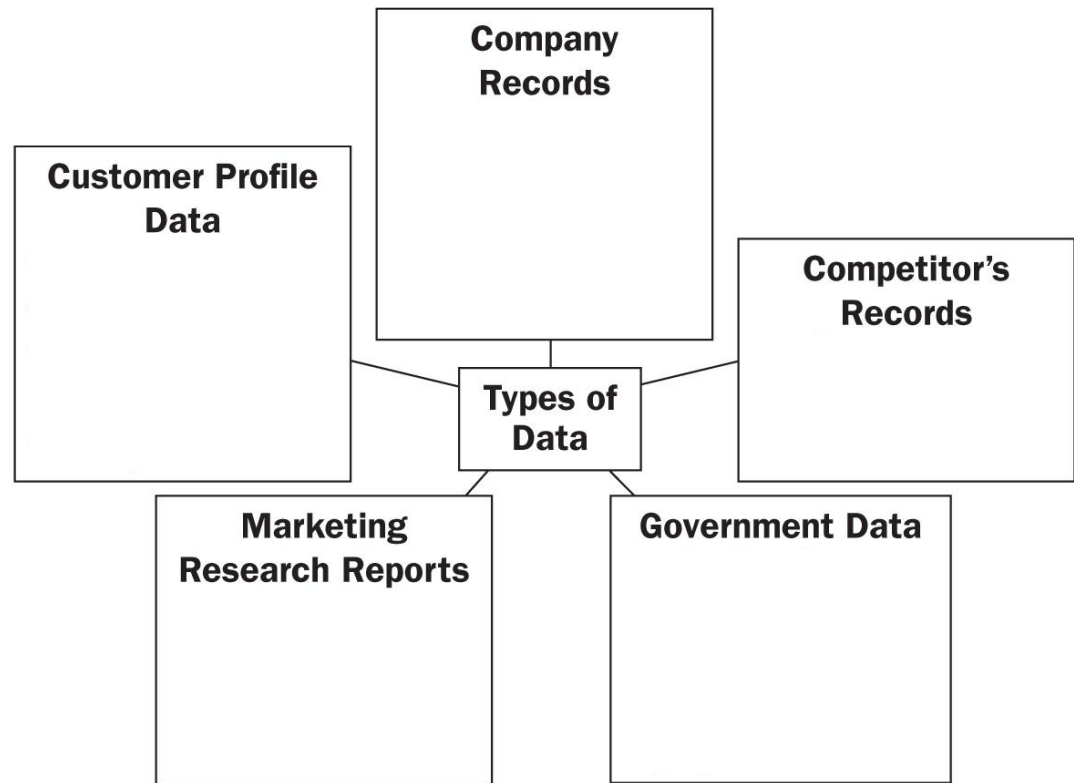
### **marketing information system**

A set of procedures and methods that regularly generates, stores, analyzes, and distributes information for making marketing and other business decisions.

## Marketing Information Systems

Graphic Organizer

Details About Each Type of Data

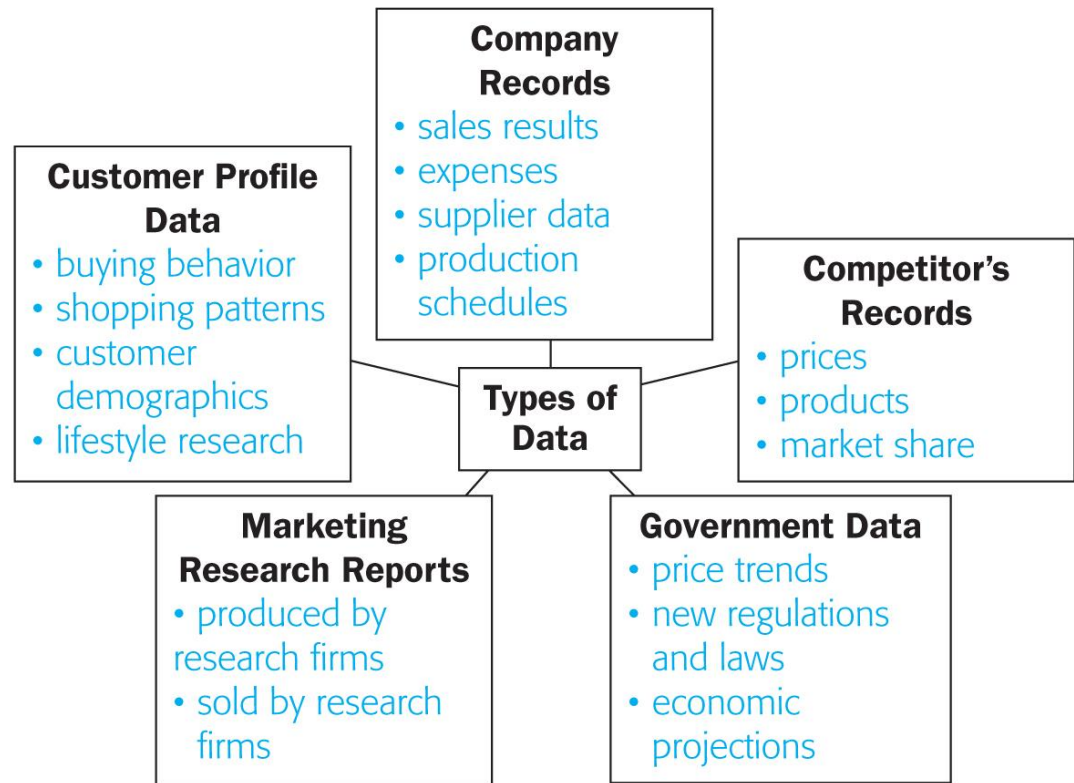




## Marketing Information Systems

### Graphic Organizer

Details About Each Type of Data



## Marketing Information Systems

### Database Marketing Relies on Customer Touch Points.



### **database marketing**

Also known as customer relationship management (CRM); a process of designing, creating, and managing customer lists.

## Marketing Information Systems

### Sources for a Consumer Database

Charity Donation Forms

Application Forms

Product Warranty Cards

Subscription Forms

Credit Application Forms



### **database**

A collection of related information about a specific topic.

## Using Technology to Gather Information

### Graphic Organizer

Complete This Outline Framework on Using Technology to Gather Information

I. Customer Loyalty Programs

- A.
- B.

II. Computer Software

- A.
  - 1.
  - 2.

- B.
  - 1.
  - 2.

III. Consumer Privacy

- A.
  - 1.
    - a.
    - b.
  - 2.
    - a.

## Using Technology to Gather Information

### Graphic Organizer

Complete This Outline Framework on Using Technology to Gather Information

- I. Customer Loyalty Programs
  - A. Rewards customers
  - B. Encourages loyal buying behavior
- II. Computer Software
  - A. Cookies
    1. Small data files uploaded to customer's computers by online retailers
    2. Track how often and how much time a person spends at a Web site or views an ad
  - B. Data-mining software
    1. Analyzes existing and external databases
    2. Collects information from other customer databases to match and identify patterns of customer behavior
- III. Consumer Privacy
  - A. Technology allows for ease of gathering and sharing personal information
    1. Advantages
      - a. Easier to track down criminals and prevent bank fraud
      - b. Consumers can learn about new products and services
    2. Disadvantages
      - a. Misuse of personal information





## After You Read

## Section 28.1

1. **Explain** why marketing research is important.

Marketing research is important because it can be used to identify marketing opportunities, solve marketing problems, implement marketing plans, and monitor marketing performance.



## After You Read

## Section 28.1

### 2. **Identify** what organizations conduct marketing research.

Individual businesses, various manufacturers, wholesalers, retailers, departments within local, state, and federal governments, and nonprofit organizations all conduct marketing research.



## After You Read

## Section 28.1

### 3. Describe a customer database.

Information about consumers and their buying habits are stored in customer databases.

# Issues in Marketing Research



## Before You Read

**PREDICT** What would happen if marketing research was not used in product development?

## OBJECTIVES

- **Identify** the methods of conducting marketing research.
- **Discuss** trends and limitations in marketing research.



## **THE MAIN IDEA**

Different types of marketing research improve a business's ability to solve problems and successfully market products and services.

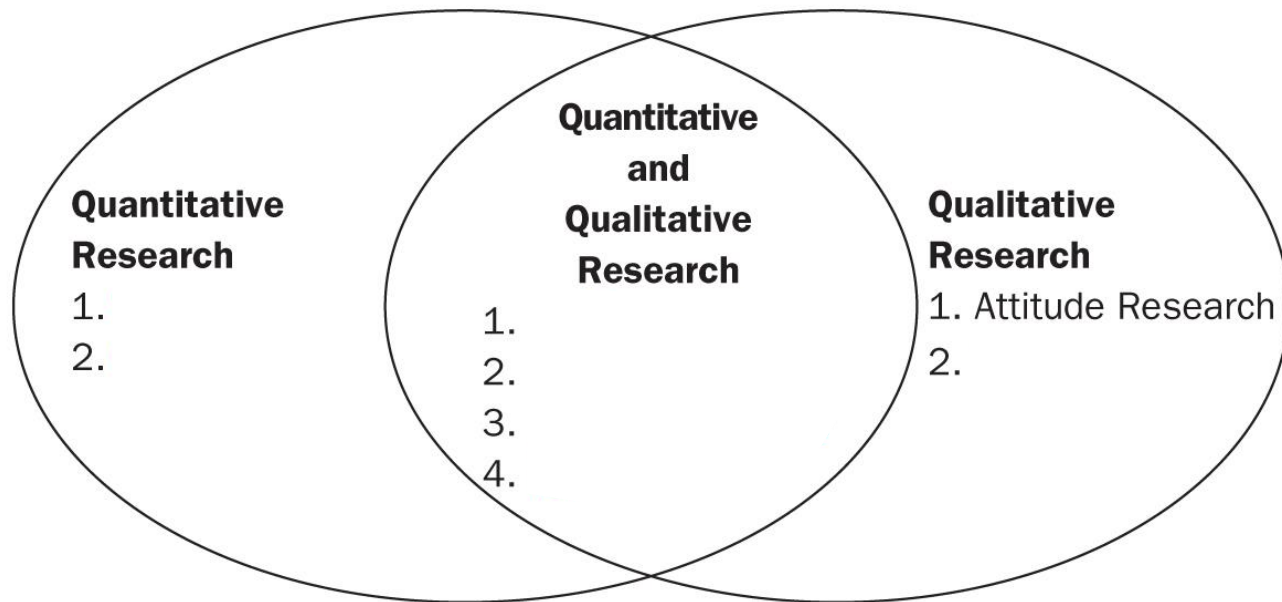
## VOCABULARY

- quantitative research
- qualitative research
- attitude research
- market intelligence
- media research
- product research

# Issues in Marketing Research

## Graphic Organizer

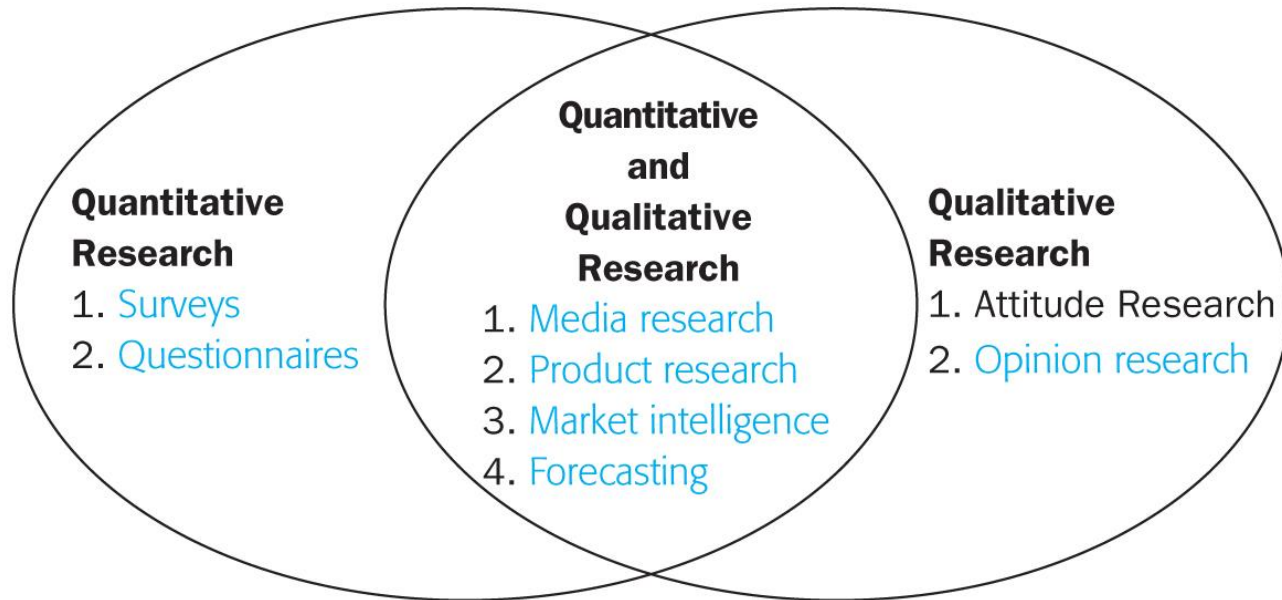
### Differences Between Quantitative Research and Qualitative Research



# Issues in Marketing Research

## Graphic Organizer

### Differences Between Quantitative Research and Qualitative Research



## Types of Marketing Research

### Two Broad Types of Research

#### Quantitative Research

#### Qualitative Research



#### **quantitative research**

Marketing research that answers questions that begin with “how many” or “how much.”



#### **qualitative research**

Marketing research that focuses on smaller numbers of people and tries to answer questions that begin with “why” or “how.”



## Types of Marketing Research

### Attitude Research

- ▶ Mail surveys
- ▶ Telephone interviews
- ▶ Opinion polls



### **attitude research**

Also known as opinion research; designed to obtain information on how people feel about certain products, services, companies, or ideas.

## Types of Marketing Research

### Attitude Research

- ▶ Mail surveys
- ▶ Telephone interviews
- ▶ Opinion polls

### Market Intelligence

- ▶ Sales forecasting
- ▶ Economic forecasting



### market intelligence

Also known as market research; concerned with the size and location of a market, the competition, and segmentation within the market for a particular product.

## Types of Marketing Research

### Attitude Research

- ▶ Mail surveys
- ▶ Telephone interviews
- ▶ Opinion polls

### Market Intelligence

- ▶ Sales forecasting
- ▶ Economic forecasting

### Media Research

- ▶ Brand awareness
- ▶ Advertisement recall
- ▶ Brand image
- ▶ Effectiveness of advertising copy
- ▶ Audience size



### **media research**

Also known as advertising research; focuses on issues of media effectiveness, selection, frequency, and ratings.

## Types of Marketing Research

### Attitude Research

- ▶ Mail surveys
- ▶ Telephone interviews
- ▶ Opinion polls

### Market Intelligence

- ▶ Sales forecasting
- ▶ Economic forecasting

### Media Research

- ▶ Brand awareness
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- ▶ Audience size

### Product Research

- ▶ New product research includes concept testing
- ▶ Existing product research includes questionnaires and interviews



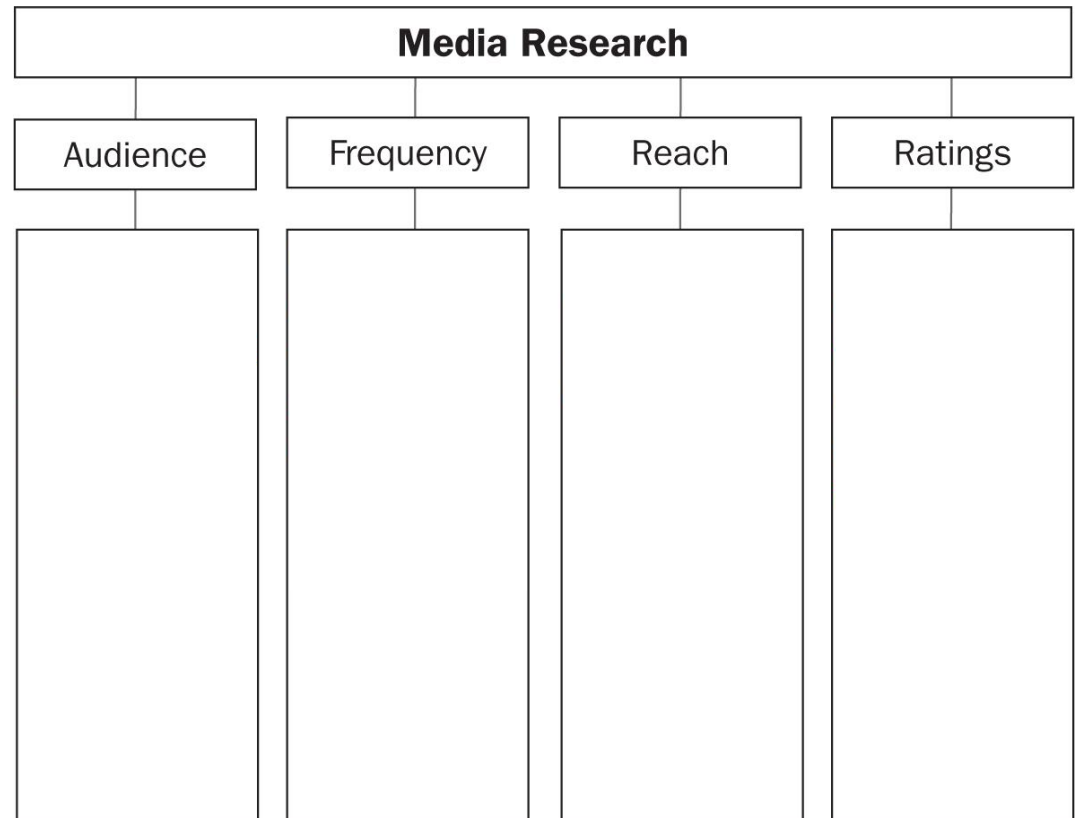
### **product research**

Research that centers on evaluating product design, package design, product usage, and consumer acceptance of new and existing products.

## Types of Marketing Research

### Graphic Organizer

Provide Details About  
the Statistics for  
Media Measurement

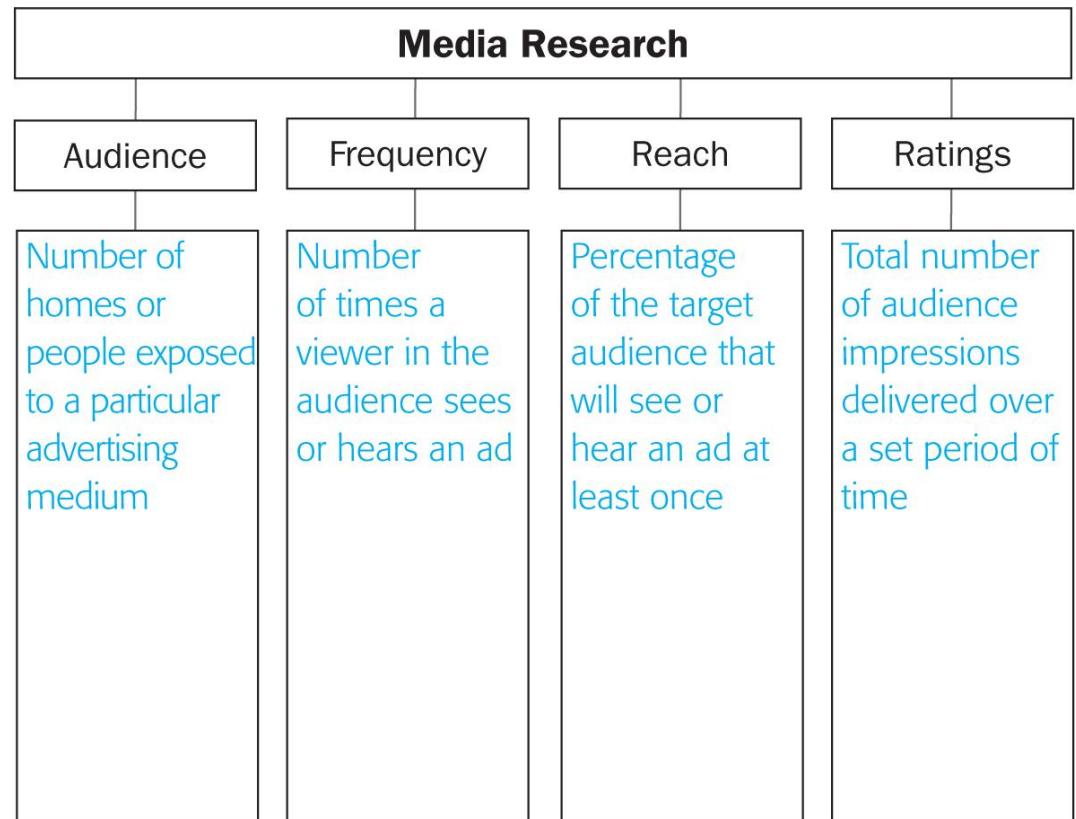




## Types of Marketing Research

### Graphic Organizer

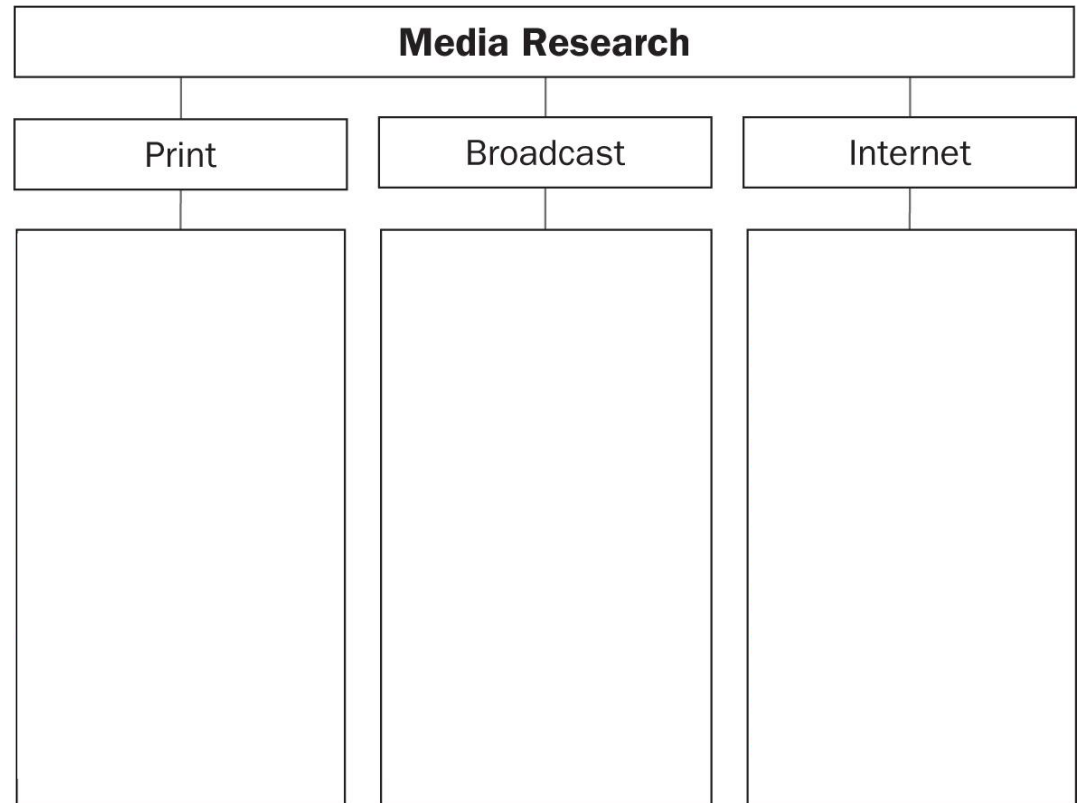
Provide Details About the Statistics for Media Measurement



## Types of Marketing Research

Graphic  
Organizer

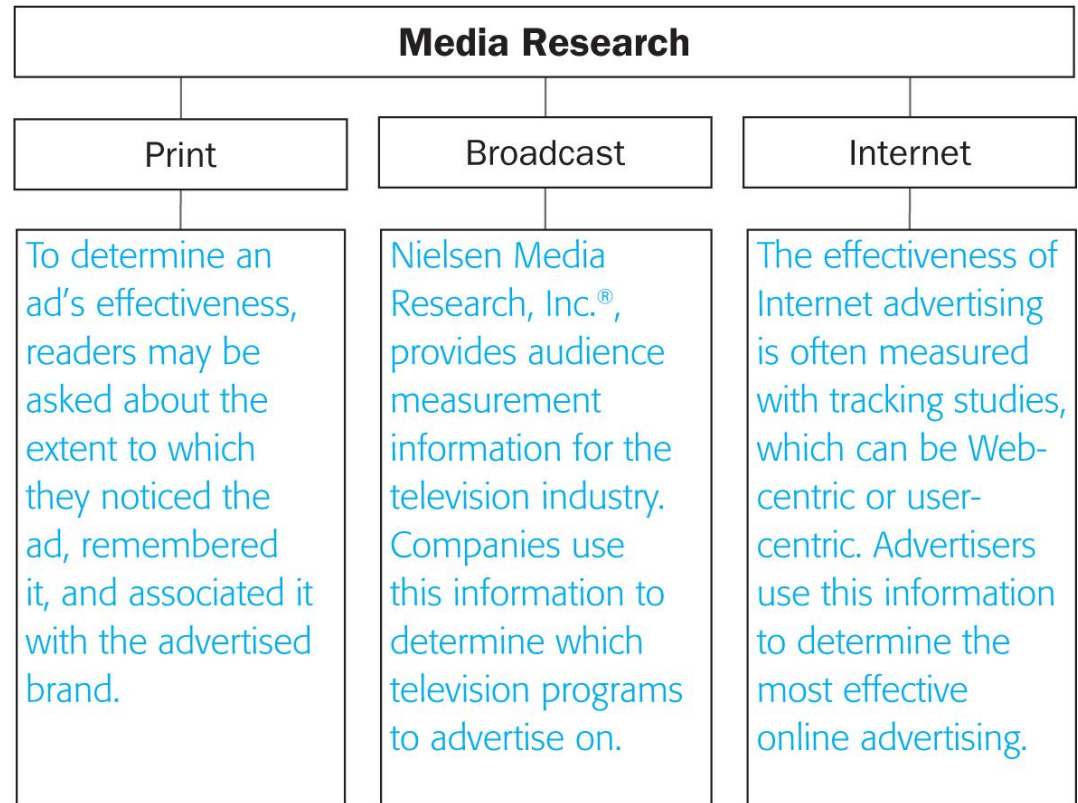
Provide Details About  
the Different Types of  
Media



## Types of Marketing Research

### Graphic Organizer

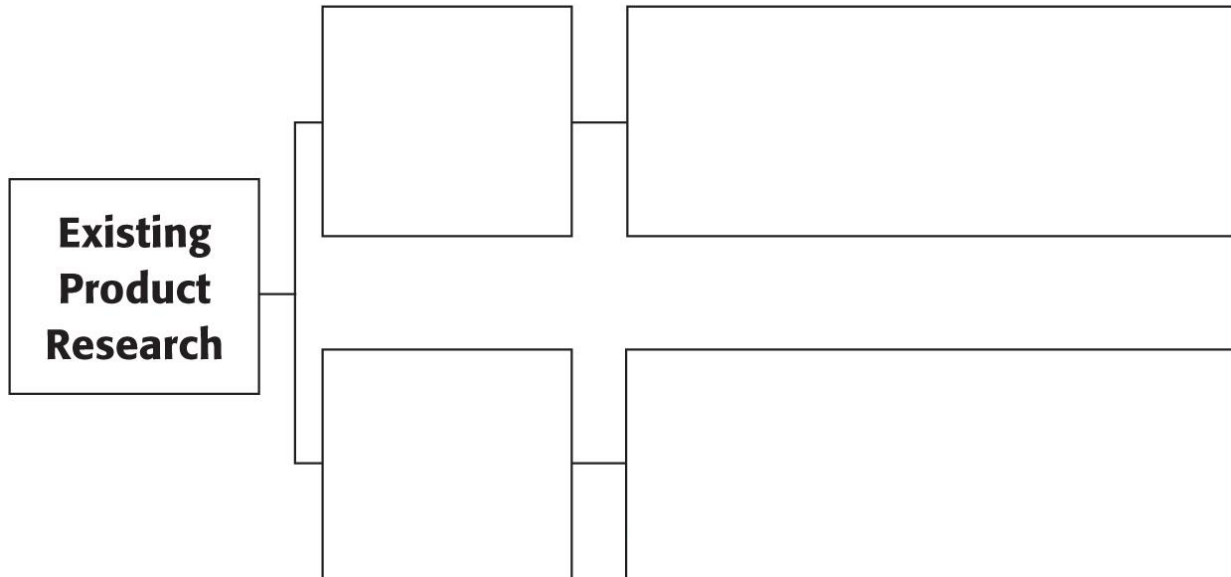
Provide Details About the Different Types of Media



## Types of Marketing Research

Graphic  
Organizer

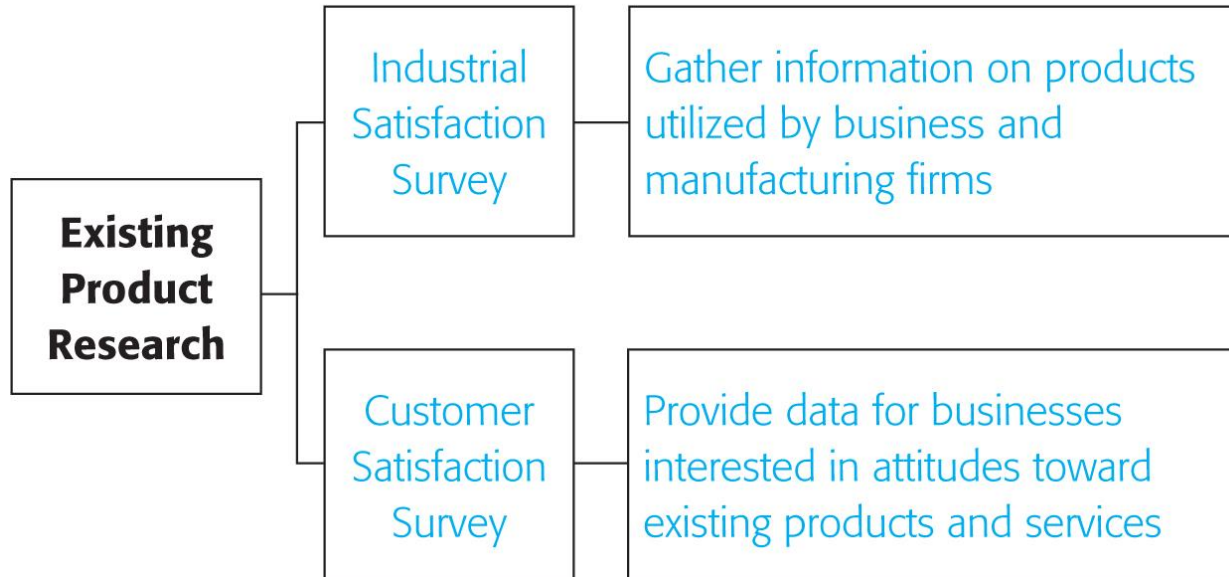
What Type of Research Tool Is Used to Collect Data for These Two Groups? Provide Details About the Research Groups.



## Types of Marketing Research

### Graphic Organizer

What Type of Research Tool Is Used to Collect Data for These Two Groups? Provide Details About the Research Groups.





## Trends in Marketing Research

### Trends in Marketing Research

**Global marketplace means increased competition**

**Product quality and customer satisfaction are more important**

**Use of internal and external information for managing a business**

**Research of other cultures is important to a product's success**

## Trends in Marketing Research

### Graphic Organizer

Provide Details About the Global Marketplace for Each of the Four Ps.

**P** PRODUCT



**P** PRICE



**P** PLACEMENT



**P** PROMOTION



## Trends in Marketing Research

### Graphic Organizer

Provide Details About the Global Marketplace for Each of the Four Ps.

#### **P** PRODUCT

- ▶ Single product modified for different markets

#### **P** PRICE

- ▶ Affected by costs of local product development, ingredients, and delivery

#### **P** PLACEMENT

- ▶ Takes into account the product's position in the marketplace

#### **P** PROMOTION

- ▶ Largest expense in a global company's marketing budget
- ▶ Message must be delivered in a relevant, engaging, and cost-effective way worldwide

## Limitations of Marketing Research

The amount of information that can be gathered is limited by money and time.

Favorable customer reviews do not guarantee a product's success.

Fast-changing markets may not allow time for research.

# Issues in Marketing Research



## After You Read

## Section 28.2

1. **Differentiate** between attitude and market intelligence research.

Attitude research, also known as opinion research, is designed to obtain information on how people feel about certain products, services, companies, or ideas. Market intelligence, also known as market research, is concerned with the size and location of a market, the competition, and segmentation within the market for a particular product or service.



# Issues in Marketing Research



**After You Read**

**Section 28.2**

**2. Explain** the purpose of media research.

Businesses often conduct media research to determine which media are most effective for getting an advertising message to a particular market.

# Issues in Marketing Research



**After You Read**

**Section 28.2**

**3. Explain** the purpose of product research.

The purpose of product research is to evaluate product design, package design, product usage, and consumer acceptance of new and existing products.

# Marketing Essentials



## End of Chapter 28

marketing research

**Section 28.1**  
Marketing Information

**Section 28.2**  
Issues in Marketing  
Research