## Marketing research and information system

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from principles of marketing book, chap.4 Kotler & Armstrong

## Key words

- Marketing research
- Information
- MIS
- Internal data
- Marketing intelligence
- Research plan
- Exploratory research
- Descriptive research

- Causal research
- Secondary data
- Primary data
- Observational research
- Survey research
- Experimental research

#### The coca-cola company

- Introduce new coke
- Costumer's reaction
- What was the reason

## Need to information

- Not just as an input
- An important strategic asset
- An important competitive advantage
- Competitors can not duplicate it

## Information gathering

- Classic gathering and today's marketing
- Very much and very fast
- Lack of right information

## Marketing Information System (MIS)

- People, equipments and procedures to gather, sort, analyze, evaluate and distribute needed, timely and accurate information to marketing decision makers
- Assessing information needs
- Developing information

## Assessing information needs

- Distinguish between information that managers like to have and information that they really need
- MIS should prepare benefits of having information and the costs of providing them

## **Developing information**

- Internal data
- Marketing intelligence
- Marketing research

#### Internal data

- Internal databases
  - Computerized collection of information obtained from data sources within the company.
- Examples
  - Mead paper
  - USSA

#### Internal data

- Pro's
  - Quick
  - Cheap
- Con's
  - For other purposes
  - Incomplete
  - Are not classified

## Marketing intelligence

 Every day information about development in the marketing environment that helps managers prepare and adjust marketing plans.

#### Sources of marketing intelligence

- Company own personnel
- Suppliers
- Resellers
- Key customers
- Observing competitor's products
- Competitor's garbages
- Governmental agencies
- Annual reports of competitors
- Trade show exhibits
- Advertisement of competitors
- Web pages and internet
- Trade associations
- Internet search engines like yahoo

#### Marketing research

The systematic design, collection, analysis, and reporting of data relevant to a specific marketing situation facing an organization.

### Information analysis

- More analysis to help managers
- Their reliability
- Sometimes by analytical models
- To answer questions such as what if, which is best,...

## **Distributing information**

- To the right marketing managers
- At the right time
- Routine information
- Non routine information

# The marketing research process

- Defining the problem and research objectives
- Developing the research plan
- Implementing the research plan
- Interpreting and reporting the findings

Defining the problem and research objectives

- Defining the problem
  - Often the hardest step
  - Both marketing managers and the researchers must define the problem
- Research objective
  - Exploratory research
  - Descriptive research
  - Causal research

#### Exploratory research

 Marketing research to gather preliminary information that will help define problems and suggest hypotheses.

#### Descriptive research

Marketing research to better describe marketing problems, situations or markets, such as the market potential for a product or the demographics and attitudes of consumers.

#### Causal research

 Marketing research to test hypotheses about cause-and-effect relationships.

## Developing the research plan

- Determining the information needed, developing a plan for gathering it efficiently, and presenting the plan to marketing management
- Methods and instruments

Determining specific information needed

- An example
  - Campbell Co.

Gathering secondary information

- Secondary data
  - Information that already exist somewhere, having been collected for another purpose
- Primary data
  - Information collected for the specific purpose at hand

## Secondary information sources

- Internal sources
- Governmental publication
- Books and magazines
- Commercial data sources
- Online databases and internet sources

Advantages and disadvantages of secondary information

- Adv
  - More quickly
  - More cheaply
  - Good for starting research
- Disadv
  - The needed information may not exist
  - They may not be very usable
  - They may not be relevant, accurate, up to date, and impartial

Research approaches (for gathering primary data)

- Observational research
- Survey research
- Experimental research

#### **Observational research**

- The gathering of primary data by observing relevant people, actions, and situations
- Mechanical observation
  - People meters
  - Checkout scanners
- For unwilling or unable people
- Some things can not be observed such as attitude, motives, feelings,...

#### Survey research

- The gathering of primary data by asking people questions about their knowledge attitudes, preferences, and buying behavior
- Pro & Con
  - Flexible, quick, lower cost
  - Some body are unable to answer
  - Some body are unwilling to answer
  - Some body give pleasure answer
- Direct or indirect

#### **Experimental research**

- The gathering of primary data by selecting matched groups of subjects, giving them different treatments, controlling related factors, and checking for differences in group responses
- The best method for causal information
- Tries to explain cause-and-effect relationships
- Observations and surveys may be used for it
- An example
  - McDonalds

## Contact methods

- Mail
- Telephone
- Personal interviewing
  - Individual
  - Focus Group
- online

## Sampling plan

#### Sample

- A segment of the population selected for marketing research to represent the population as a whole
- Who (sampling unit)
- How many (sample size)
- How (sampling procedure)

#### **Research instruments**

- Questionnaire
- Mechanical devices

#### questionnaire

- Most common instrument
- Very flexible
- Is Prepared very carefully
- Is tested before using it
- Close-end questions
- Open-end questions
- Care in the wording and ordering
- The first question

#### Mechanical devices

- People meter
- Scanner
- Galvanometer
- Tachistoscope
- Eye cameras

## Presenting the research plan

- Should be a written proposal
- Should cover
  - The management problems
  - Research objectives
  - Information to be obtained
  - Source of the secondary information
  - Methods of collection primary data
  - Research costs

# Implementing the research plan

- Includes collecting, processing, and analyzing the information to
  - Make sure that the plan is implemented correctly
  - Check data for accuracy and completeness to code for computer analysis

## Interpreting and reporting the findings

- Important findings that are useful in the major decisions
- Managers and researchers should interpret it together

Other marketing research consideration

- Marketing research in small businesses and nonprofit organizations
- International marketing research

Marketing research in small businesses and nonprofit orgs

- Observing research in small businesses
- Survey
- Experiments
- Secondary datas

## International marketing research

- Follow the same steps in marketing research processes
- More and different problems
- Different economic developments, cultures, languages, buying patterns and...
- No research services for secondary data in same countries
- Telephone limits in some countries
- Unreliable postal system
- False claims in order to appear welloff

Public policy and ethics in marketing research

- Use or abuse the information
- People attitudes
- solutions

