CHAPTER 4
MARKETING RESEARCH

Objectives:
After completing this chapter, student should be able to understand:
1. The role of marketing research
2. The need of marketing research
3. Management uses of marketing research
4. Marketing research process
5. Sources of information
6. Planning primary data collection
7. Status of marketing research
THE ROLE OF MARKETING RESEARCH

- Consist of all activities that enable an organization to obtain the information it needs to make decisions about:
  - Its environment
  - Marketing mix
  - Its present and potential customer

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

- COMPETITIVE PRESSURE
- EXPANDING MARKETS
- COTS OF A MISTAKE
- GROWING CUSTOMER EXPECTATIONS
MANAGEMENT USES OF MARKETING RESEARCH

- Marketing research can help managers in terms of:
  - Improves quality of decision making.
  - Helps managers trace problems.
  - Helps managers focus on the importance of keeping existing customers.
  - Assists them in better understanding the marketplace.
  - Alerts them to marketplace trends.
MARKETING RESEARCH PROCESS

1. PROBLEM DEFINITION
2. DEFINING RESEARCH OBJECTIVES
3. DEVELOPING RESEARCH PLAN
4. DATA COLLECTION & ANALYSIS
5. REPORT/FINDING PRESENTATION
SOURCES OF INFORMATION

PRIMARY DATA
Refer to information obtained firsthand by the researcher on the variables of interest for the specific purpose of study. Example: interviews, questionnaires, observation, focus group, panel.

SECONDARY DATA
Consists of information that already exists somewhere, having been collected for another purpose. Example: company records, government publications, web sites, internet.
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<tr>
<th><strong>SECONDARY DATA</strong></th>
<th><strong>ADVANTAGE</strong></th>
<th><strong>DISADVANTAGE</strong></th>
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<tr>
<td></td>
<td>▪ Saves times and money if data has already been collected</td>
<td>▪ May not meet your specific needs</td>
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<td>▪ Easy to locate, especially with online searches</td>
<td>▪ Information may be dated</td>
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<td>▪ Unfamiliarity with collection and analysis method</td>
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<tr>
<td><strong>PRIMARY DATA</strong></td>
<td><strong>ADVANTAGE</strong></td>
<td><strong>DISADVANTAGE</strong></td>
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<td>• Updated information</td>
<td>• Time consuming</td>
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<td>• Meet your specific needs</td>
<td>• Costly</td>
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STATUS OF MARKETING RESEARCH

- The following reason makes the less than universal acceptance of marketing research:
  - Predicting behavior is inexact
  - Poor communication between research and manager
  - A project orientation to research
END OF CHAPTER 4