

If marketing is not  
advertising, then what  
is it?



Market research is another crucial component of the marketing mechanism, if not one of the most important. It represents the foundation of every new product release on the market and it also facilitates the improvement and modernization of existing products. " We define market research as the systematic design, collection, analysis and reporting of data and findings relevant to a specific marketing situation facing the company". (Kettle et al 2010) Market research is a very complex process, which involves a number of different steps, ranging from defining the problem, the decision, alternatives and the research objectives to making the decision. The other steps are developing the research plan, collecting the information, analyzing the information and presenting the findings. The marketing manager has to collaborate with the marketing researcher along every step of the process in order to achieve the desired goal.

After deciding on the research objectives, such as " Will offering a TV service for mobile phones create enough incremental preference and profit for 3 to justify its cost against other possible investments that Hutchison Hamper might make? (Kettle et al 2010), the next step is developing the research plan. In other words, deciding on what the research is going to focus on. " The second stage of market research is to develop the most efficient plan for gathering the needed information and what that will cost" (Kettle et al 2010).

There are a number of options when it comes to contacting the subject such as mail, telephone, in person or online. Mail questionnaire and online interview are the most effective as they are inexpensive, the subjects can answer the questionnaire in comfort of their homes. In a stress free environment and in their own time. It " is the best way to reach people who

would not give personal interviews or whose responses might be biased or distorted by the internal- viewers” (Kettle et al 2010).

Companies can encourage individuals to take part in e- mail questionnaires or surveys by offering an incentive or simply sending out a personalized birthday e-mail, which would develop brand loyalty and cooperation - “ We fondly remember your stay with us and your birthday today. All my staff Joins me to wish you A HAPPY BIRTHDAY! They’ve also emailed us on Valentine’s Day, Easter, and Christmas” (Marketers, Go Back to Basics) The next step is collecting the information. “ The data collection phase of marketing research is generally the most expensive and the most prone to error (Kettle et al 2010).

Analyzing the information, presenting the findings and making the decisions are the final steps of the market research mechanism. Concept and managed to capitalize on it. They have based their marketing strategy around this idea. Ezra thought customer and the only way of getting to know your customer’s desires is via market research. “ Ezra studied customer needs and saw that global supply network management - getting the fashion into the shops quickly was critical to success”(Kettle et al 2010). This is a clear example of a company placing the customer at the core of their organization with the main focus of maximizing customer satisfaction.

They have also used their shops and the purchasing process as the main method of promotion, which proved to be very successful as “ Sara’s advertising budget is 0. 03 per cent of its revenues” (Kettle et al 2010).

Market research has to represent a constant and ongoing activity within any

company that aspires to be successful. It can provide useful insights on consumer perceptions and evaluations of the brand and it can also show ways of improving the existing product. For example, the Swiss bottle producer GIGS has been selling aluminum water and fuel bottles to the US market, but the sales figures didn't look very promising.

As a result, they decided to conduct a series of market research in order to discover the underlying problems of this issue. After gathering and analyzing all the information, a decision had to be made. " GIGS employed a variety of strategies, including an online contest encouraging customers " The market research- based strategy doubled bottle sales in Just one year" (Kettle et al 2010). Another important part of the marketing mix is product. Something is considered a product if it is a tangible item - often something that can be touched or ' dropped on your foot' " (Kettle et al 2010).

Product and market research go hand in hand, they complement each other. A product usually comes to life through the use of market research. For example, DC, a major player on the Danish telecommunications market surveys and interviews its customers on a regular basis in order to discover more about their needs, preferences, product satisfaction, etc. " Customer feedback has resulted in, for example, a low-priced broadband product (DC Ninety) tailored specially to young customers (between 18 and 28 years of age)" (Kettle et al 2010).

Products have to be molded around consumer taste and preferences. " When a product is more about clever engineering than customer needs, sales can suffer" (Rust et al 2010). " For example, engineers like to pack lots of

features into products, but we know that customers can suffer from feature fatigue, which hurts future sales” (Rust et al 2010). In order to prevent this from happening, the consumer has to be brought into the design process. Products also come to life when the marketing leader constantly scans the business environment for new opportunities.

Jean-Michel Crosser, the vice president and COM of GE Healthcare had a vision. “ Crosser believed that the health care system existing in 2005 would not be able to meet the demands of an aging population that wanted to be independent and to stay out of hospitals” (Comatose et al 2010). “ This represented a potential \$10 billion pool was discovered, GE had to go through all the processes of market research until uncovering the final product - “ The team built algorithms tied to patients’ movements and even conducted tests in the homes of researchers’ elderly parents. ” (Comatose et al 2010).