

# Marketing research report on co-op bookshop

[Literature](#), [Books](#)



Marketing 202 Research Report Co-op Bookshop Executive Summary Co-op is a bookshop in Macquarie University at North Ryde Campus, and it sales new textbooks and references books to students, as well as popular novels and so on. However, after beginning of the semester, the quantity of sales of Co-op has an obvious decline. In this situation, our group use online survey method to collect questionnaires from 108 students in Macquarie University at North Ryde, and with the purpose of measuring students potential purchase behaviors and attitudes towards the Co-op, in order to help Co-op to improve the sales. Through use of the SPSS program, frequency, one-sample t-tests, cross tabulation and Chi-Square Tests data to show and analyze results of the survey, then in the following report there are four points can be concluded, and three commendations can be found. The most obviously one is that most of the students prefer to buy textbooks at a much lower price, compared with the demand for book quality, cheaper price seems more attractive. That is, although the second hand bookshop cannot to be a competitor on service and quality with Co-op bookshop, potential price threats could be bring to influence the Co-op bookshop's sales volume. Then do some price promotional activities in Co-op is necessary. Table of content Introduction 3 Hypothesis 4 Research objectives 4 Methods 5 Results and finding 6 Analysis 16 Limitations 19 Conclusion 19 Recommendations 20 Appendix 21 Introduction University students are big and traditional market for textbooks, references books, magazines and journals, especially those with strong professional and academic focuses. Facing such a market, it is critical for bookshop owners to understand how to efficiently operate and manage the bookshops so as to meet the demands of the particular

customer group and keep the business going under the fierce competitions from other channels. A traditional bookshop providing regular book categories and services may not satisfy this particular group and consequently ends with poor sales results. This report is based on the study on the Co-op, a bookshop in Macquarie University. It is observed that when the new semester begins, Co-op bookshop, with convenient access and abundant variety of stocks, becomes a destination for students to get new textbooks; however, sales shrink dramatically after the opening weeks. In this situation, our group tries to figure out the potential demands from the student group by understanding their purchase behaviors and attitudes towards the Co-op bookshop. A survey is made to understand the gap between the actual demands from the students and the current operation situation at the Co-op, and consequently to help Co-op to improve the sales. We use online survey method to collect questionnaires from 108 students in Macquarie University at North Ryde. In the following report, diagrams are used to discuss and analyze the survey result related to the research topics.

Hypothesis - Macquarie University students prefer to buy brand-new books at the Co-op bookshop rather than to get used books in second hand markets. - Only Co-op bookshop sells new textbooks and academic references in Macquarie University. - Quite a portion of the students are using second hand book, feeling easy with them. This is one of the reasons that make the sales shrink for the Co-op bookshop. - Student opinions on the discounts offered by the Co-op bookshop are diverted. The student preferences survey shows that half students appreciate the discounts from the Co-op while the rest do not show big interest on it. Research objectives Several key

objectives are decided for this research: - To identify the students group who prefer to buy textbook or other academic references in Co-op bookshop. - To identify the student who are likely to join the membership to have discount plans with Co-op bookshop. - To measure student attitudes and beliefs about buying new books at Co-op bookshop. - To identify the level of satisfaction of the students who use second hand books. These research objectives are presented on the survey questions and will be explained in details in later part of this report. The research objectives are used to identify whether Co-op bookshop should enhance price promotion or leverage other methods in order to increase sales profit. The survey questions are based on the research objectives to help figure out an efficient promotion method.

Methods Questionnaire survey is designed for this study since it is inexpensive, timesaving, and convenient. When properly designed, this method is very efficient because the survey questions are eligible for collecting opinions on multiple subjects from a large number of people. This research is targeted at all Macquarie University students at North Ryde campus. The feedback rate for this survey is 95%. 108 students are sampled after wiping off invalid questionnaires. We collect these samples using random sampling. We spread this survey question randomly to our classmates, student in library, student in SAM building and canteen. The statistical methods used to analyze the data are obtained through the SPSS Program. Through the use of SPSS program, frequencies, one-sample t-tests, cross tabulation and Chi-Square Tests data are generated reflecting the results of the survey. Results and finding Question 1 | If you want to buy some books, which way comes to your mind first? | | | Frequency | Percent |

	Valid	Percent	Cumulative Percent	Valid	Frequency	Percent	Valid Percent
I don't want to	14	13.0	58.3	14	13.0	58.3	
pay the membership fee	7	29.2		7	29.2		
I don't know	3	12.5		3	12.5		
Total	24	100.0	100.0	24	100.0	100.0	

[pic] 14 students out of 24 say they don't want to join because of the membership fee, which makes up 58.3 percent; 7 students out of 24 think the discount is too low to be attractive, which constitutes 29.2% of total valid samples; 3 students out of 24 claim that they have no idea about the membership, the 12.5%. We have expected a lower percent on the fee consideration, because the fee is not high and is apparently beneficial with 10% saved on each purchase. This percentage is obviously higher than our expectation. 29.17% of students think the discount rate is the reason, however we have expected this number to be higher, because the main benefits of membership is the discount. Discount also to some degrees shortens the gaps between brand-new and second-hand books on the price consideration. Thus we expect the main reason of not getting membership is due to a discount lower than students' expectation.

	Valid	Percent	Cumulative Percent	Valid	Frequency	Percent	Valid Percent
Yes	74	68.5	68.5	74	68.5	68.5	
No	14	13.0	81.5	14	13.0	81.5	
I do not care	20	18.5	100.0	20	18.5	100.0	
Total	108	100.0	100.0	108	100.0	100.0	

[pic] For this question, 68.5% of the students appreciate the bundled offer at a more favorable price than that for individual sales at the Co-op bookshop. The bundle promotion type not only attract the student with textbook demand, with Co-op gradually recognized

as a resort for favorable seller, more people will think of Co-op whenever they want to search for some other references. This probably will bring back the rest 18.5% people who initially say no to the Co-op. Thus the demand for new textbook in MQ campus will ramp up, and the Co-op bookshop will sell more books than ever, even the profit per each sales decrease a little, then the overall profit will increase with higher sales volume. Question7: If Co-op bookshop provides extra discount on the other books besides textbooks periodically, would you like to come? | | Frequency | Percent | Valid Percent | Cumulative Percent | | Valid | Yes | 63 | 58.3 | 58.3 | 58.3 | | | No | 45 | 41.7 | 41.7 | 100.0 | | | Total | 108 | 100.0 | 100.0 | | [pic]

From this question, our group wants to know the attitude of the students in North Ryde MQ campus towards books other than textbooks. From the diagram this survey reveals a satisfactory result with 58.3% people in the survey willing to buy other books from the Co-op shop. For the rest 41.7% who claim no intention to buy books other than textbooks, we think this will not impact the sales and promotion strategy of the Co-op shop to ignore the potential market demand other than textbooks in North Ryde MQ campus. Question8: Have you used second hand textbook before? | | Frequency | Percent | Valid Percent | Cumulative Percent | | Valid | Yes | 92 | 85.2 | 85.2 | 85.2 | | | No | 16 | 14.8 | 14.8 | 100.0 | | | Total | 108 | 100.0 | 100.0 | | | | | | | | [pic]

The result of this question turns out that about 85.2% students in our survey have used secondhand textbook, with only 14.8% using only new books. This reveals that the biggest competitor of Co-op shop is second hand bookshop. Question 9: What are you feeling when using second hand textbook? | | Frequency | Percent | Valid Percent | Cumulative Percent | |

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Valid | Regretful | 7 | 6. 5 | 6. 6 | 6. 6 | | | | Poor | 25 | 23. 1 | 23. 6 | 30. 2 | | |  
 Good | 59 | 54. 6 | 55. 7 | 85. 8 | | | Excellent | 11 | 10. 2 | 10. 4 | 96. 2 | | |  
 Delightful | 6 | 5. 5 | 3. 8 | 100. 0 | | | Total | 108 | 100. 0 | | | [pic]

The result further expands the discovery in the previous question. The result shows 6. 5% of the surveyed people thinking regretful for the quality of second hand books and 23. 1% feeling them poor; while 54. 6% finding them as a good choice, 10. 2% believing second hand books just excellent and 5. 5% reporting delightful user experience. That means about 70. 3% people in the survey think second hand book markets are better resorts for textbook and they prefer using it given that they have convenient access to them.

Therefore, this result of this question confirms again that the biggest competitor of Co-op shop is second hand bookshop. Question 10: | Are you an international student? | | | | | | | | | Gender | Total | | | | Male | Female | | % Within Gender | 100. 0% | 100. 0% | 100. 0% | | Chi-Square Tests | | | | b.

Computed only for a 2x2 table | Among the surveyed student, 83. 7% male students and 72. 9% female have Co-op bookshop membership, which does not stand for distinct difference between gender groups. The result is reflected in the Chi-square test table. The p-value in chi-square tests is more than 5% cut-off, thus the gender has no significant impact on people decision to get membership or not. | Are you an international student? \* What's your feeling when you use the second hand textbook? Cross tabulation | | | |

Value | df | Asymp. Sig. (2-sided) | | Pearson Chi-Square | 2. 009a | 4 | . 734 | | Likelihood Ratio | 2. 323 | 4 | . 677 | | Linear-by-Linear Association | 1. 329 | 1 | . 249 | | N of Valid Cases | 108 | | | a. 5 cells (50. 0%) have expected count less than 5. The minimum expected count is . 37. | | | Question 9 reveals

student attitudes towards second hand textbook, with 7. 1%, 24. 5%, 55. 1%, 10. 2% and 3. 1% of the surveyed students claiming second hand book user experience as regretful, poor, good, excellent and delightful. In total 108 surveyed students, 98 are international students and only 10 are local students. However, their opinions do not vary much as reflected in the Chi-square test table. A p-value of 0. 734 that is more than 5% cut-off, thus the feeling of using second hand books is not significant affected by whether the students are international or local. | Which facility are you in? \* Have you used the second hand textbook before? Cross tabulation | | | | Value | df | Asymp. Sig. (2-sided) | | Pearson Chi-Square | 3. 261a | 3 | . 353 | | Likelihood Ratio | 2. 576 | 3 | . 462 | | Linear-by-Linear Association | . 529 | 1 | . 467 | | N of Valid Cases | 108 | | | a. 6 cells (75. 0%) have expected count less than 5. The minimum expected count is . 59. | From the cross tabulation, 87. 2% students majored in business/economic have used second hand book, turning out the highest rate among the rest groups. Only 60% human science students have used second hand book, which becomes the lowest in the survey. In average, 85. 2% out of total 108 students have used second hand book, which mean in this campus, the second hand book market is a big rivalry to Co-op bookshop. However, in the chi-square test, the p-value of more than 5% cut off indicates that facility has no significant impact on student decision to use second hand books or not. Limitations There are many limitations affecting our projects, for all Likert questions, we try to provide the respondents a chance to answer in neutral way to reflect a true situation of the book sales on campus. However, some people give up in the middle of survey with the questionnaire half complete. If these data are



recorded for the data analysis, the inaccuracy will be introduced in the final result. Therefore, these survey input must be manually removed before the analysis. Another limitation is that the survey samples are not diverse enough, with most respondents being international students but only 10 out of 108 students as local. This reason may affect the accuracy of data result. This problem could have been avoided with careful selection of the sample student and more samples. Moreover, the descriptions for questions do not make sense in their word meaning, which confuse the student and affect their answers. We should have more carefully reviewed the descriptions and adding necessary explanations before handing them out for the survey.

Conclusion According to the results of the survey discussed and analyzed above, the following points form North Ryde's Macquarie University students can be concluded. Firstly, most of the students go to Co-op bookshop for textbooks at the beginning of the semester. Secondly, most of the students have a membership even they do not choose to buy books at the Co-op bookshop at the first thought. This finding does not show big variation between the gender groups. Thirdly, although it is obvious that second hand bookshop cannot compete on service and quality with Co-op bookshop, most of the students prefer to buy textbooks at a much lower price while the demand for book quality are not that important to them compared with the price. At the same time, buying second handbooks are not divided between the international students and the local students, or among the facilities they are in. Thus, second hand bookshop turns out to be a threat to Co-op bookshop sales in Macquarie University. Moreover, from the data that received in the survey, it seems that the reason why most students are not

willing to become members of the Co-op bookshop is the extra membership fee. Recommendations - From the survey it can be found that most students like to purchase the textbooks in bundle at a favorable price, because it is cheaper than purchasing separately. It would be feasible for Co-op bookshop to offer more bundled selection to increase sales volume. - Quite some students think the discount rate to be unsatisfactorily low, which prompts the Co-op bookshop to offer a higher discount rate to attract these students. - Most students only go to the Co-op bookshop for textbooks at the beginning of the semesters. Thus, the Co-op bookshop shall put more emphasis on promotion by, for example, handing out more advertisement fliers to students to explain favorable offerings and to spread recent promotion activities so as to attract the potential customers. Appendix Q1 [pic] If you want to buy some books, which way comes to your mind first? - [pic]The co-op bookshop - [pic]2nd hand bookshop - [pic]Other book stores Q2 [pic] Have you ever bought books from the co-op bookshop? - [pic]Yes - [pic]No | | [pic] | | | [pic] | | | If No Is Selected, Then Skip To End of Survey | | | Edit | | | | | Q3 [pic] Which time period do you go to the Co-op bookshop often? - [pic]beginning of the semester - [pic]interim of the semester - [pic]end of semester - [pic]aperiodicity Q4 [pic] Were you joining membership of Co-op bookshop? - [pic]Yes - [pic]No | | [pic] | | | [pic] | | | If Yes Is Selected, Then Skip To if the co-op bookshop sells combined textbooks... | | | Edit | | | | | Q5 [pic] Why do you not join a member of the Co-op bookshop? - [pic]I don't want to pay the membership fee - [pic]The membership discount too low - [pic]I have never known about the membership - [pic]I have never bought books in the Co-op bookshop - Q6 [pic] If the Co-op bookshop sells combined

textbooks cheaper than the separate one, do you prefer to buy? - [pic]Yes - [pic]No - [pic]I do not care Q7 [pic] If Co-op bookshop provide extra discount on the other books (except textbook) periodically, would you like to come? - [pic]Yes - [pic]No Q8 [pic] Have you used the second hand textbook before? - [pic]Yes - [pic]No Q9 [pic] What's the feeling when you use the second hand textbook? | Regretful | Poor | Good | Excellent | Delightful | | [pic] |[pic] |[pic] |[pic] |[pic] | Q10 [pic] Are you an international student? - [pic]Yes - [pic]No Q11 [pic] Gender - [pic]Male - [pic]Female Q12 [pic] Which facility are you in? - [pic]Art - [pic]Human Science - [pic]Business/Economic - [pic]Science