

# Marketing research essay

[Business](#), [Marketing](#)



Prince Ratbag (PR) is a company that targets fashion superstars and offers incredible and stylish designer clothes products for cool boys. PR has a mailing list that currently reaches 380 people through subscription and has a good following in their Facebook social media page that has 1821 Facebook fans ([www.facebook.com/princeratbag](http://www.facebook.com/princeratbag)). A comparison of the number of Facebook fans and PR's mailing list translates to a low overall engagement numbers with the fans. The last campaign performed through direct marketing had a 25% open rate. The company does not use paid continuous advertising campaigns. For this reason, the major problem with PR is the need to use effective marketing campaigns to engage with potential customers. With the potential of the substantial Facebook fans, PR can use links from the Facebook fan page to its website page where the links can be used to generate sales in addition to updating fans with regular status updates about new products and sales. Initially, PR attended two events, "Boutique Markets" and "Matilda's Market" at cost of \$220 each. The company utilized these events to reach new clients through the event's media outlets. The revenue from these events amounted to \$1500 worth of items. The company is scheduled to attend another event in November.

## **Problem Statement**

Olga's main strategy is to increase engagement with customers, which will hopefully, in turn, increase sales. After discussions with Olga, the main problem PR is facing is how to better engage with potential customers. This creates the management decision problem.

How does PR increase its marketing activity to better engage with potential customers to increase sales?

A lot of these prospects are fans on the PR Facebook page so Olga already has a relationship with them. The main aim for PR is to have these prospects click through to the PR website and make a purchase.

## **Research Objectives**

The research undertaken by PR will help influence the marketing strategy and business plan for the future. The research undertaken will aim to:

Engage in a better analysis of the website to better understand the user experience and purchase process.

Understand characteristics of customer demographics to work out where the target market is starving for PR clothing.

Investigate which marketing channels are best to engage with PR customers

## **Research Design**

In order to gather data to meet our research objectives we need to survey two audiences:

Existing customers to understand their buying process and what they already like about PR

Potential customers so we can develop better marketing strategies to increase our customer base.

In order to gather this data, we propose the following research design

Existing customers

Digital survey via email or Facebook message and link to survey monkey

Follow up with phone call if necessary for answer expansion

Potential customers

Facebook research poll to target demographic, Females aged 25 – 44yrs in Brisbane, Sydney, Melbourne and Adelaide (reference the Facebook graph)  
Look at existing secondary data already available via Small Business Victoria, Hit wise, and Retail Association of Australia

There is a lot of secondary data available that can help PR with their marketing activity. Through this data we can find out online shopping statistics, technology used to purchase online, demographics and psychographics of online users. An incentive will be offered to both audiences. Potential customers will be encouraged to visit the website and also become a fan on Facebook to go into the draw for a voucher.

Measurement scales and scaling techniques;

We will conduct research for PR by using online surveys. Due to the small size of the company and limited revenue; these surveys will allow them to complete some forms of market research while keeping costs low.

## **Data Collection and Analysis**

Existing customers

Once our minimum number of respondents has been met via our survey monkey questionnaire data will be collated where automated graphs and data summaries are generated in the form of a report. With this information we can then analyse and find commonalities from our research. Upon analysing the data we will look for patterns within the data. The specific areas we suggest to focus on are the comparisons within the survey. This is where response patterns for certain questions may stand out from the others

and may indicate an area for improvement. E. g. 80 percent may have reported they were satisfied with the waiting for a PR delivery online while 20 percent may say they were satisfied with the quality of the product. Because of the relatively low satisfaction of the quality of the PR product this could be deemed as an area for improvement. If further information is required from these responses follow up phone calls can be made and collected as written responses and categorised as necessary.

#### Potential customers

For our potential customers, once all polling results have been received it will be presented in the form of reports. With this information we can further analyse what our target demographic are looking for in terms of engagement.

### **Managerial Benefits of the Study**

For PR the main benefits of conducting the research are:

Assist in addressing the management decision problems concerning marketing issues.

Better understanding of existing customers and developing ways to not only inform customers about the existing products but also developing strategies to convince customers to purchase products.

Create a better approach for future marketing activity, and to guide the development of ways to monitor and control marketing initiatives.

Research always provides a number of benefits to the organization in question. With this information managers will be able to make changes to their structure and practices that will improve how PR functions. For example the information will allow them to better understand their customers and what they need from PR as a company. The research will also allow the organization to complete better marketing attempts in the future; their entire process will be streamlined. Finally, market research will also allow the organization to make better management decisions as they will see the affects of their current choices.

### **Expected Limitations of the Study**

The study is expected to generate some limitations. Many of these limitations involve errors in sampling, budget constraints, logistics issues, and lack of understanding from the participants. For example, the questions asked during survey research play an important part in the type of results that are created. If the questions are misleading or confusing, then the respondents will not be able to respond correctly. Their incorrect answers will then skew the overall perception of the research and damage the integrity of the data that is compiled. This is an example of when using market research may not yield the type of or consistent results that go along with the goal of the research.

Due to a limited budget no secondary data reports can be purchased, only free information will be accessed which sometimes is not as specific as purchased data.

Lack of reach for existing customer due to small numbers

When discussing market research a number of limitations are often brought up. The first of which is always the cost of the process. Market research requires the hiring of professional consulting companies to come in and complete the work for a cost. While some organizations do have internal marketing teams, it is often very rare that these groups can be dedicated to completing the work. Also, the cost of research is quite high for PR and hence, they will have to find ways to obtain information for free which doesn't derive in-depth responses. The second limitation worth mentioning is that it is often hard to derive concrete evidence from market research. PR has a small set of customers and those individuals may give different responses on different days which will affect the research.

### **Time and Cost Estimates**

By using the online surveys PR can complete their research in a timely manner while keeping costs relatively low. Overall the system may take seven weeks to implement: 3 weeks of design, two weeks to implement and an additional two weeks to review. The survey process will also cost PR less than using any of the other forms of market research. However, the organization will still have to pay to have the surveys designed specifically for their company. The implementation and analysis of the surveys will also cost the company. If PR was to add an incentive for completing the survey they will also have to count that as an additional cost for completing the market research.

## **Draft Research Instrument/Questionnaire**

Questionnaires can be powerful tools for improving your understanding of your market and customers. Considering the current problem statement of PR we believe that a questionnaire is the best instrument for market research. This is because qualitative research gives the ability to provide in-depth questioning of small groups of respondents, quality data and a fast turnaround, not only that but it can be also performed on a limited budget and we believe that it is the best approach to talk to existing and potential customers to gather information. We chose not to use a focus group as this would require a reasonable amount of costs.

For existing customers we will use a free survey program called ‘ Survey Monkey’ which can be used through the internet. Using the questions below we recommend running this survey for a total of 2 weeks with a minimum number of 200 respondents and targeting it to PR’s current Facebook followers and email list that will be the sample frame. We recommend offering an incentive of some sort to respondents that answer the survey to encourage raw honest feedback.

### **Existing customers**

Survey monkey questions:

1. Enter Age
2. Enter Country
3. Enter State
4. Do you prefer to purchase PR clothing in a retail store or online?
5. What do you like the most about PR clothing?



6. What do changes would you make with PR clothing?
7. What do you like most about boys/girls clothing available from other companies?
8. What would make you more likely to purchase PR clothing?
9. Which do you use the most, twitter, email, or Facebook?
10. Overall, are you satisfied with your experience using our PR clothing, neither satisfied or dissatisfied with it, or dissatisfied with it?
11. If our new range of PR clothing were available today, how likely would you be to recommend it to others?
12. Would you be willing to provide your phone number to discuss your answers further, if so please provide your phone number?

### **Phone calls if required**

1. How do you think we can engage you and potential customers better?
2. Where would you prefer to purchase our clothing, on or offline?

### **Potential customers**

Facebook research poll

1. Where would you prefer to buy kids clothes clothing, online or offline?
2. What is the biggest incentive for you to purchase online?
3. What time of the day do you most likely browse your Facebook?

### **Reference List**

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