

# Purposes of marketing research

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



What is the purpose of marketing research Marketing research can help a business do one or more of the following: Gain a more detailed understanding of consumers' needs - marketing research can help firms to discover consumers' opinions on a huge range of issues, e. G. Views on products' prices, packaging, recent advertising campaigns Reduce the risk of product/business failure - there is no guarantee that any new idea will be a commercial success, but accurate and up-to-ate information on the market can help a business make informed decisions, hopefully leading to products that consumers want in sufficient numbers to achieve commercial success. Forecast future trends - marketing research can not only provide information regarding the current state of the market but it can also be used to anticipate future customer needs.

Firms can then make the necessary adjustments to their product portfolios and levels of output in order to remain successful. 2) Why do businesses need accurate and up-to-date information? To undertake marketing effectively, businesses need information -information about customer wants, market demand, competition, distribution channels etc. This information needs to be updated regularly because businesses operate in a dynamic environment, characterizes by frequent: Changes in technology - enabling new products and new production processes (e. . The growth of digital study products like this toolkit which are reducing demand for printed textbooks) Changes in consumer tastes -meaning that the demand for some products will decline, whilst others will grow more popular (e. G. Increased demand for activity-related holidays at the expense of mass-market beach holidays) Changes in the product ranges of competitors - the introduction of new rival

products, or changes in pricing policies can greatly influence the demand for a product (e. G. He introduction of the Microsoft X-Box - which has challenged Sonny's Palpitations 2) Changes in economic conditions - an improvement or worsening of the economic climate will have an impact on incomes on a national or regional level. Different products may be affected differently e. G. Luxuries v necessities etc 3) What was the purpose for doing the research? The first question that should be asked examines the reasons the research was undertaken. For studies produced by market research firms one might believe their main purpose for doing research is to generate revenue.

While it is certainly true that a profit motive exists, it would be a mistake to conclude that this is the main purpose of their research. More likely, the purpose of a market research company's report is to conduct good research that people want to buy. Producing poor quality reports only leads to lower revenue as ruses become less satisfied with work produced by the market research company and refuse to purchase additional reports. Research created by non-research companies is more likely to have an ulterior motive.

One sign that the quality of research is questionable is when a research report appears to paint a nearly perfect picture of an industry, company or product. In such cases it is highly likely that the main purpose for doing the research is to support promotional efforts and not to produce quality information. Research designed strictly as a promotional piece invariably leads to bias in research design. Such reports often are constructed in ways that, intentionally or unintentionally, contain elements, such as a poorly

designed survey questions or a poorly chosen group of respondents, that help sway results in the favor of researcher (e. . , own company) or a group related to the researcher (e. G. , members of industry association). While by itself the answer to this first question is not automatically indicative of poor research, an issue arising here should make the answers to the following questions that much more important Marketing research techniques come in many forms, including: Ad Tracking - periodic r continuous in-market research to monitor a brand's performance using measures such as brand awareness, brand preference, and product usage. Young, 2005) Advertising Research - used to predict copy testing or track the efficacy of advertisements for any medium, measured by the ad's ability to get attention, communicate the message, build the brand's image, and motivate the consumer to purchase the product or service. (Young, 2005) Headbands equity research - how favorably do consumers view the brand? Brand name testing - what do consumers feel about the names of the products?

Commercial eye tracking research - examine advertisements, package designs, websites, etc by analyzing visual behavior of the consumerists testing - to test the acceptance of a concept by target counterrevolutions - to make observations and predictions in changes of new or existing cultural trends in areas such as fashion, music, films, television, youth culture and illiberality's decision processes research - to determine what motivates people to buy and what decision-making process they suppose testing - predicts in- market performance of an ad before it airs by analyzing audience levels of attention, rand linkage, motivation, entertainment, and

communication, as well as breaking down the ad's flow of attention and flow of emotion. Young, p 213) Customer satisfaction research - quantitative or qualitative studies that yields an understanding of a customer's of satisfaction with a transcendental estimation - to determine the approximate level of demand for the prestidigitation channel audits - to assess distributors' and retailers' attitudes toward a product, brand, or complementary strategic intelligence - searching for customer opinions in the Internet: chats, forums, web pages, blobs... Here people express freely about their experiences with products, becoming strong " opinion formers"

Marketing effectiveness and analytics - Building models and measuring results to determine the effectiveness of individual marketing activities.

Mystery shopping - An employee or representative of the market research firm anonymously contacts a salesperson and indicates he or she is shopping for a product. The shopper then records the entire experience. This method is often used for quality control or for researching competitors' products.

Positioning research - how does the target market see the brand relative to competitors? What does the brand stand for? Price elasticity testing - to determine how sensitive customers are to price changeless forecasting - to determine the expected level of sales given the level of demand. With respect to other factors like Advertising expenditure, sales promotion etc.

Segmentation research - to determine the demographic, cryptographic, and behavioral characteristics of potential overselling panel - a group of individual who accepted to respond to marketing research milestone audit - to measure the sales of a product or product line at a statistically selected

store sample in order to determine market share, or to determine whether a retail store provides adequate marketing - a small-scale product launch used to determine the likely acceptance of the product when it is introduced into a wider marketable Marketing Research - refers to marketing research designed to estimate the probability that specific communications will be transmitted throughout an individual's Social Network. Estimates of Social Networking Potential (SNAP) are combined with estimates of selling effectiveness to estimate ROI on specific combinations of messages and media.

All of these forms of marketing research can be classified as either problem-identification research or as problem-solving research. A company collects primary research by gathering original data. Secondary research is conducted on data published previously and usually by someone else.

Secondary research costs far less than primary research, but seldom comes in a form that exactly meets the needs of the researcher. A similar distinction exists between exploratory research and conclusive research.

Exploratory research provides insights into and comprehension of an issue or situation. It should draw definitive conclusions only with extreme caution.

Conclusive research draws conclusions: the results of the study can be generalized to the whole population. Exploratory research is conducted to explore a problem to get some basic idea about the solution at the preliminary stages of research. It may serve as the input to conclusive research. Exploratory research information is collected by focus group interviews, reviewing literature or books, discussing with experts, etc. This is

unstructured and qualitative in nature. If a secondary source of data is unable to serve the purpose, a convenience sample of small size can be collected. Conclusive research is conducted to draw some conclusion about the problem. It is essentially, structured and quantitative research, and the output of this research is the input to management information systems (MIS).