Marketing information system

Business, Marketing

In today's world, we all know that without information management in the lied of decision-making, the industry or firms will be poor of succeeding their goals. So, regarding with this, my research paper is pertaining with the contribution of having the Information Management in the area of Marketing Decision Making. In this case, the role of Information management in the field of Marketing Decision- Making Is definitely shows and gives the Information how marketing is closer In the area of Technology.

I believed that Marketing Information Is the lifeblood of marketing process; marketing decision won't be taken In the absence of marketing information. Marketing decisions are affected by many Internal and external environmental variables, so the marketing decision maker needs a great deal of information related to these variables, to predict their directions and their expected effects on the internal activities of the organization and the market, in order to make the rational marketing decisions in an uncertainty environment facing the marketing administration.

The marketing success in the organization depends basically on the availability and the accuracy of marketing information from its multiple sources. All arresting organizations trying to find out and determine the nature of the markets and their trend needs and changes that occur In these markets, as well as trying to know the competitors, prices, options and other marketing Information which Is the key to success for any marketing decisions. The components of marketing Information system (Internal records, marketing research, and marketing Intelligence) are the most important sources in obtaining marketing information.

Statement of the Problem: Marketing information system plays an important role in raising the efficiency of economic performance to the companies in highly competitive markets, through providing the necessary information for the various administrative levels. The success of the marketing process depends to a large extent on the marketing information system and the success in each elements of this system. Marketing information system has been needed by marketing management for the purpose of identifying, measuring, and forecasting marketing opportunities, besides, analyzing of market segments.

Marketing information system consists of people, faceless, and integrated procedures that used to provide management with accurate and jugulate Information about the environment-related marketing, which helps decision makers to hunt opportunities and build strategies and marketing plans. The stands the role in the Marketing Decision-making. In addition, the researcher wants to find out the answer to the following questions: a.) What is the role of having Information Management in the area of Marketing? .) How will be the effect of having the Information Management in the field of Marketing Decision-Making? C.) What are the reasons for the needs of Marketing Information Management? D.) What is the Impact of Information Technology on Organization? Hypothesis: The researcher believes that the role of Information Management in the field of Marketing Decision-Making was plays an important role in raising the efficiency of information system and the success in each elements of this system.

Many organizations in the world today, especially in information systems and management information system the different layers of organization. And some of them have a lot of project in relation to establishment of management information systems or consider running them in their future plans. Research shows that despite considerable progress in the field of knowledge and related skills (MIS) and the use of this management tool in developing countries, Implementation of relevant projects in this area has not been very successful in our country.

In last two decades a lot of discussion related to the information technology develop a lot And tendency of public and private organizations, especially to discussion of establishment of a management information system become considerable. But it must be admitted that the performance of these systems (MIS) have been associated with failures And Partial or omelet failure of the system in this area is significant. Things are very important In this regard, considering causes of failure and lack of success.

Actually with Identifying and explaining main issues and with considering the attitude of system and take advantage of a comprehensive model for investigate stable project (MIS) in organization we could perform the development process in line with other goals of organization and to achieve more success. The researcher thinks that Information Management is designed properly to solve many information problems facing the administration, like the wrong kind information, in the wrong location, at the wrong time, and the insufficient correct type of information, in the correct location, at the right time.

SIGNIFICANCE OF THE STUDY: With an increasingly competitive and expanding market, the amount of information needed daily by an organization is profound. Thus they have to establish a Marketing Information system. There are several advantages of Marketing information systems 1) Organized Data collection - Lots of data can be collected from the market. But the main word here is " Organized". Organizing data is very important else the data is meaningless. Thus MIS helps you to organize your database thereby improving productivity.) A broad perspective - With a proper MIS in place, the complete organization can be tracked which can be used to analyses independent processes. This helps in establishing a broader perspective which helps us know Several times in pharmaceuticals, when one drug is being produced they may need data of another drug which was produced years back. Similarly in Media, photographs are stored in archives. This storage of important data plays a crucial role in execution and thus proves again that MIS is not important only for information but also for execution. Avoidance of Crisis - The best way to analyses a stock (share market) is to see its past performance. Top websites like monoculture thrive on MIS. Similarly MIS helps you keep tracks of margins and profits. With an amazing information system established, you can know where your organization is moving and probably avert a crisis long before it has taken place. Ignoring hints received from MIS reports is foolhardy. 5) Co-ordination - Consumer durables and FMC companies have huge number of processes which needs to be co-ordinate.

These companies depend completely on MIS for the proper running of the organization. There are dedicated people for marketing information systems

in such organizations. This is mainly because of the speed required to access information and implement it. 7) Analysis and Planning- MIS is critical for planning. You cannot do planning without information. For planning, the first thing which is needed is the organizations capabilities, then the business environment and finally competitor analysis. In a proper MIS, all these are present by default and are continuously updated.

Thus MIS is very important for planning and analysis. 8) Control - Just like MIS can help in a rises, in normal times it provides control as you have information of the various processes going on and what is happening across the company. Thus it provides you with a sense of control. This study aims at highlighting the significance and importance of utilizing Marketing Information System on decision-making, by clarifying the need for quick and efficient decision-making due to time saving and preventing of duplication of work.

This will make recommendations to institutions managers on the critical role of marketing information systems in doing their business in the area of decision making. SCOPE AND LIMITATION OF THE STUDY: This study attempts to present an overview of the components of Marketing Information System as well as Decision Making and to explore the proper role of marketing information systems; what managers do and what information they need for decision making and determining whether information systems will be a valuable tools and how they should be designed.

This study is cause and effects in nature and seeks to answer the following research question: To what extent is the well-designed marketing

information system support managers who deal with very complex, non-outing problems to take the right decisions?. The researcher's objective is to understand the proper role of information systems one must examine what managers do and what information they need for decision making. We must also understand how decisions are made and what kinds of decision problems can be supported by formal information systems.

One can then determine whether information systems will be valuable tools and how they should be designed. DEFINITION OF TERMS: * Marketing information system- A system that analyzes and assesses marketing Timely marketing information provides basis for decisions such as product voltmeter or improvement, pricing, packaging, distribution, media selection, and promotion. * Planning systems - which provide information on sales, costs and competitive activity, together with any kind of information which is needed to formulate plans. Control systems - these provide continuous monitoring of marketing activities and enable marketing executives to identify problems and opportunities in the marketplace. At the same time, they permit a more detailed and comprehensive review of performance against plans. * Marketing research systems - such systems allow executives to test decision rules and cause/effect hypotheses. This permits the assessment of the effects of marketing actions and encourages improved learning from experience. Monitoring systems - these systems provide management with information concerning the external environment in which they * Consumer- The consumer is the one who pays to consume the are operating. Goods and services produced. As such, consumers play a vital role in the economic system of a nation. In the absence of their effective

demand, the producers would lack a key motivation to produce, which is to sell to consumers. * Accountability- The state of being accountable; liability to be called on to render an account; accountableness; responsible for; answerable for. Analysis- In product design, the analysis stage is where designers begin research on how to find a solution to the problem at hand. * Consumer- The consumer is the one who pays to consume the lack a key motivation to produce, which is to sell to consumers. * Customer service- the act of providing services to customers before, during and after a purchase. * Direct marketing- Marketing that reaches customers by communications directly addressed to the customer. * Marketing- The process of communicating the value of a product or service to customers.

Product- Anything, either tangible or intangible, offered by the firm as a solution to the needs and wants of the consumer; something that is profitable or potentially profitable; goods or a service that meets the requirements of the various governing offices or society. * Service- Action or work that is produced, then traded, bought or sold, and then finally consumed. * Marketing intelligence - This can be information gathered from many sources, including suppliers, customers, and distributors.

Marketing intelligence is a catchall term to include all the everyday information about developments in the market that alps a business prepare and adjust its marketing plans. It is possible to buy intelligence information from outside suppliers (e. G. 'DC, ORG, MARK) who set up data gathering systems to support commercial intelligence products that can be profitably sold to all players in a market. DISCUSSION: A marketing information system

(MIS) is a set of procedures and methods designed to generate, analyze, disseminate, and store anticipated marketing decision information on a regular, continuous basis.

An information system can be used Functions of Management Clearly, information systems that claim to support managers cannot be built unless en understands what managers do and how they do it. The classical model of what managers do, espoused by writers in the sass's, such as Henry Payola, whilst intuitively attractive in itself, is of limited value as an aid to information system design. The classical model identifies the following 5 functions as the parameters of what managers do: 1 Planning 2 Organizing 3 Coordinating 4 Deciding 5 Controlling Such a model emphasis what managers do, but not how they do it, or why.

More recently, the stress has been placed upon the behavioral aspects of management decision making. Behavioral models are based on empirical evidence showing that managers are less systematic, less reflective, more reactive and less well organized than the classical model projects managers to be. For instance, behavioral models describe 6 managerial characteristics: ; High volume, high speed work ; Variety, fragmentation, brevity ; Issue preference current, ad hoc, specific ; Complex web of interactions, contacts ; Strong preference for verbal media.

Such behavioral models stress that managers work at an unrelenting pace and at a high level of intensity. This is Just as true for managers operating in the developing oral as in the developed world. The nature of the pressures may be different but there is no evidence that they are any less intense. The

model also emphasis that the activities of managers is characterized by variety, fragmentation and brevity. There is simply not enough time for managers to get deeply involved in a wide range of issues. The attention of managers increase rapidly from one issue to another, with very little pattern.

A problem occurs and all other matters must be dropped until it is solved. Research suggests that a manager's day is characterized by a large number f tasks with only small periods of time devoted to each individual task. Managers prefer speculation, hearsay, gossip in brief, current, up-to-date, although uncertain information. Historical, certain, routine information receives less attention. Managers want to work on issues that are current, specific and ad hoc. Managers are involved in a complex and diverse web of contacts that together act as an information system.

They converse with customers, competitors, colleagues, peers, secretaries, government officials, and so forth. In one sense, managers operate a network of contacts throughout the organization and the environment. Several studies have found that managers prefer verbal forms of communication to written forms. Verbal media are perceived to offer greater flexibility, require less effort and bring a faster response. Communication is the work of the manager, and he or she uses whatever tools are available to be an effective communicator.

Despite the flood of work, the numerous deadlines, and the random order of crises, it has generally been found that successful managers appear to be able to control their own affairs. To some attention crises and activities that must be attended to immediately. Nevertheless, successful managers are

those who can control the activities that they choose to get involved in on a day-to-day basis. By developing their own long-term commitments, their own information channels, and their own networks, senior managers can control their personal agendas.

Less successful managers tend to be overwhelmed by problems brought to them by subordinates. Managerial Roles Metering suggests that managerial activities fall into 3 categories: interpersonal, information processing and decision making. An important interpersonal role is that of figurehead for the organization. Second, a manager acts as a leader, attempting to motivate subordinates. Lastly, managers act as a liaison between various levels of the organization and, within each level, among levels of the management team.

A second set of managerial roles, termed as informational roles, can be identified. Managers act as the nerve centre for the organization, receiving the latest, most concrete, most up-to-date information and redistributing it to those who need to know. A more familiar set of managerial roles is that of decisional roles. Managers act as entrepreneurs by initiating new kinds of activities; they handle disturbances arising n the organization; they allocate resources where they are needed in the organization; and they mediate between groups in conflict within the organization.

In the area of interpersonal roles, information systems are extremely limited and make only indirect contributions, acting largely as a communications aid in some of the newer office automation and communication-oriented applications. These systems make a much larger contribution in the field of informational roles; large-scale MIS systems, office systems, and professional

work stations that can enhance a manager's presentation of information are significant.

In the area of decision making, only recently have decision support systems and microcomputer-based systems begun to make important contributions. While information systems have made great contributions to organizations, until recently these contributions have been confined to narrow, transaction processing areas. Much work needs to be done in broadening the impact of systems on professional and managerial life. Decision Making Decision making is often seen as the centre of what managers do, something that engages most of a managers time.

It is one of the areas that information systems eve sought most of all to affect (with mixed success). Decision making can be divided into 3 types: strategic, management control and operations control. Strategic decision making: This level of decision making is concerned with deciding on the objectives, resources and policies of the organization. A major problem at this level of decision making is predicting the future of the organization and its environment, and matching the characteristics of the organization to the environment.

This process generally involves a small group of high-level managers who deal with very complex, non-routine problems. For example, some years ago, a medium-sized food manufacturer in an East African country faced strategic decisions concerning its company's sales turnover. However, the company was suffering recurrent problems with the poor quality of durum wheat it was able to obtain resulting in a finished product that was too brittle. Moreover,

unit costs were shooting up due to increasingly frequent breakdowns in the ageing equipment used in pasta production.

The company faced the decision whether to make a very large investment in new machinery or to accept the offer of another manufacturer of pasta reduces, in a neighboring country, that it should supply the various pasta products and the local company put its own brand name on the packs. The decision is strategic since the decision has implications for the resource base of the enterprise, I. E. Its capital equipment, its work force, its technological base etc. The implications of strategic decisions extend over many years, often as much as ten to fifteen years.

Management control decisions: Such decisions are concerned with how efficiently and effectively resources are utilized and how well operational units are performing. Management control involves close interaction with those who are carrying out the tasks of the organization; it takes place within the context of broad policies and objectives set out by strategic planners. An example might be where a transporter of agricultural products observes that his/her profits are declining due to a decline in the capacity utilization of his/her two trucks.

The manager (in this case the owner) has to decide between several alternative courses of action, including: selling of trucks, increasing promotional activity in an attempt to sell the spare carrying opacity, increasing unit carrying charges to cover the deficit, or seeking to switch to carrying products or produce with a higher unit value where the returns to transport costs may be correspondingly higher. Management control

decisions are more tactical than strategic. Operational control decisions: These involve making decisions about carrying out the " specific tasks set forth by strategic planners and management.

Determining which units or individuals in the organization will carry out the task, establishing criteria of completion and resource utilization, evaluating outputs - all of these tasks involve decisions about operational control. The focus here is on how the enterprises should respond to day-to-day changes in the business environment. In particular, this type of decision making focuses on adaptation of the marketing mix, e. G. How should the firm respond to an increase in the size of a competitor's sales force? Should the product line be extended? Would distributors who sell below a given sales volume be serviced through wholesalers rather than directly, and so on. Within each of these levels, decision making can be classified as either structured or unstructured. Unstructured decisions are those in which the decision maker must provide insights into the problem definition. They are novel, important, and non-routine, and there is no well-understood procedure for making them. In contrast, structured decisions are repetitive, routine, and involve a definite procedure for handling them so that they do not have to be treated each time as if they were new.

Structured and unstructured problem solving occurs at all levels of management. In the past, most of the success in most information systems came in dealing with structured, operational, and management control decisions. However, in more recent times, exciting applications are occurring in the management and strategic planning areas, where problems are either

semi-structured or are totally place over time. Suppose, for example, that the Operations Manager for the National Milling Corporation is faced with a decision as to whether to establish buying points in rural locations for the grain crop.

It soon becomes apparent that the decisions are likely to be made over a period of time, have several influences, use many sources of information and have to go through several stages. It is worth considering the question of how, if at all, information systems could assist in making such a decision. To arrive at some answer, it is helpful to break down decision making into its component parts. The literature has described 4 stages in decision making: intelligence, design, choice and implementation.

That is, problems have to be perceived and understood; once perceived solutions must be designed; once solutions are designed, choices have to be made about a particular solution; finally, the solution has to be implemented. Intelligence involves identifying the problems in the organization: why and where they occur with what effects. This broad set of information gathering activities is required to inform managers how well the organization is performing and where problems exist. Management information systems that deliver a wide variety of detailed information can be useful, especially if they are designed to report exceptions.

For instance, consider a commercial organization marketing a large number of different products and product variations. Management will want to know, at frequent intervals, whether sales targets are being achieved. Ideally, the information system will report only those products/product orations which

are performing substantially above or below target. Designing many possible solutions to the problems is the second phase of decision making. This phase may require more intelligence to decide if a particular solution is appropriate.

Here, more carefully specified and directed information activities and capabilities focused on specific designs are required. Choosing among alternative solutions is the third step in the decision making process. Here a manager needs an information system which can estimate the costs, opportunities and consequences of ACH alternative problem solution. The information system required at this stage is likely to be fairly complex, possibly also fairly large, because of the detailed analytic models required to calculate the outcomes of the various alternatives.

Of course, human beings are used to making such calculations for themselves, but without the aid of a formal information system, we rely upon generalization and/or intuition. Implementing is the final stage in the decision making process. Here, managers can install a reporting system that delivers routine reports on the progress of a specific elution, some of the difficulties that arise, resource constraints, and possible remedial actions. Table 9. 1 illustrates the stages in decision making and the general type of information required at each stage.

Table 9. 1 Stages in the decision making process Stage of Decision Making I Information Requirement 1 | Intelligence I Exception reporting I 2 | Design I Simulation prototype I 3 | Choice I " What-if simulation I 4 | Implementation I Graphics, charts I In practice, the stages of decision making do not

necessarily follow a linear path from balancing the costs and benefits of establishing local buying points for the National Milling Corporation. At any point in the decision making process it may be necessary to loop back to a previous stage.

For example, one may have reached stage 3 and all but decided that having considered the alternatives of setting up no local buying points, local buying points in all regions, districts or villages, the government decides to increase the amounts held in the strategic grain reserve. This could cause the partially to return to stage 2 and reassess the alternatives. Another scenario would be that having implemented a decision one quickly receives feedback indicating that t is not proving effective. Again, the decision maker may have to repeat the design and/or choice stage(s).

Thus, it can be seen that information system designers have to take into account the needs of managers at each stage of the decision making process. Each stage has its own requirements. Components of a marketing information system A marketing information system (MIS) is intended to bring together disparate items of data into a coherent body of information. An MIS is, as will shortly be seen, more than raw data or information suitable for the purposes of decision making. An MIS also provides methods for interpreting the information the MIS provides.

Moreover, as Jostler's definition says, an MIS is more than a system of data collection or a set of information technologies: " A marketing information system is a continuing and interacting structure of people, equipment and procedures to gather, sort, analyses, evaluate, and distribute pertinent,

timely and accurate information for use by marketing decision makers to improve their marketing planning, implementation, and control". Figure 9. 1 illustrates the major components of an MIS, the environmental actors monitored by the system and the types of marketing decision which the MIS seeks to underpin. Figure 9. The marketing information systems and its subsystems The explanation of this model of an MIS begins with a description of each of its four main constituent parts: the internal reporting systems, marketing research system, marketing intelligence system and marketing models. It is suggested that whilst the MIS varies in its degree of sophistication - with many in the industrialized countries being computerized and few in the developing countries being so - a fully fledged MIS should have these components, the methods (and technologies) of collection, storing, retrieving and processing data notwithstanding.

Internal reporting systems: All enterprises which have been in operation for any period of time nave a wealth of information. However, this information often remains under-utilized because it is compartmentalized, either in the form of an individual entrepreneur or in the functional departments of larger businesses. That is, information is usually categorized according to its nature so that there are, for example, financial, production, manpower, marketing, stockholders and logistical data.

Often the entrepreneur, or various personnel working in the functional departments holding these pieces of data, do not see how it could help decision makers in other functional areas. Similarly, decision makers can fail to appreciate how information from other functional areas might help them

and therefore do not request it. The internal stockholders and sales invoices. These are but a few of the internal records that can be used by marketing managers, but even this small set of records is capable of generating a great deal of information. Below, is a list of some of the information that an be derived from sales invoices. Product type, size and pack type by territory ; Product type, size and pack type by type of account ; Product type, size and pack type by industry ; Product type, size and pack type by customer ; Average value and/or volume of sale by territory ; Average value and/or volume of sale by type of account ; Average value and/or volume of sale by industry ; Average value and/or volume of sale by sales person By comparing orders received with invoices an enterprise can establish the extent to which it is providing an acceptable level of customer service.

In the same way, comparing stockholders records with orders received helps an enterprise ascertain whether its stocks are in line with current demand patterns. Marketing research systems: The general topic of marketing research has been the prime ' subject of the textbook and only a little more needs to be added here. Marketing research is a proactive search for information. That is, the enterprise which commissions these studies does so to solve a perceived marketing problem.

In many cases, data is collected in a purposeful way to address a well-defined problem (or a problem which an be defined and solved within the course of the study). The other form of marketing research centers not around a specific marketing problem but is an attempt to continuously monitor the marketing environment. These monitoring or tracking exercises

are continuous marketing research studies, often involving panels of farmers, consumers or distributors from which the same data is collected at regular intervals.

Whilst the ad hoc study and continuous marketing research differs in the orientation, yet they are both proactive. Marketing intelligence systems: Whereas marketing research is focused, market intelligence is not. A marketing intelligence system is a set of procedures and data sources used by marketing managers to sift information from the environment that they can use in their decision making.

This scanning of the economic and business environment can be undertaken in a variety of ways, including Unfocused scanning I The manager, by virtue of what he/she reads, hears and watches exposes him/herself to information that may prove useful. Whilst the behavior is unfocused and the manager has no specific purpose in mind, it is not unintentional I Semi-focused scanning I Again, the manager is not in search of particular pieces f information that he/she is actively searching but does narrow the range of media that is scanned.