

# LECTURE 1

**Marketing Information  
and Research:  
Analyzing the Business  
Environment**

# Marketing Research

- The process of collecting, analyzing, and interpreting data about customers, competitors, and the business environment, in order to improve marketing effectiveness.

# Information Needed to Make Good Marketing Decisions

## ***Ongoing Information***

- **Daily or Weekly Information that Measures Progress Toward Marketing Goals.**
- **Weekly Sales Data**

## ***Monitored Information***

**Marketing Intelligence - Information About a Firm's External Environment that Affects or Creates Demand.**

## ***Specific Information***

- **Specific Information Needs Such as:**
- **Brand's Sales Performance**
- **Opportunities for New Products**

# The Steps in Marketing Research

1. Defining the Problem

2. Determining the Research Technique

3. Gathering Data

4. Ensuring the Quality of the Data

5. Implementing the Results

# Marketing Research Process

## Step 1. Defining the Problem

Defining the Problem has Three Components:

Specifying Research Objectives

Identifying the Consumer Population of Interest

Placing the Problem in an Environmental Context

# Marketing Research Process

## Step 2. Determining the Research Technique

The **Research Design** Specifies What Information Will be Collected and What Type of Study Will be Done.



**Exploratory  
Research**

**Descriptive  
Research**

**Causal  
Research**

# Research Technique

## Exploratory Research

Consumer Interviews

Qualitative  
Technique Used to  
Generate Insights  
for Future, More  
Rigorous Studies

Ethnographies

Focus Groups

Case Studies

Projective  
Techniques

# Research Technique

## Descriptive Research

**Quantitative Technique that Probes More Systematically and With More Respondents.**

**Cross-  
Sectional  
Design -  
“One Shot  
Studies”**

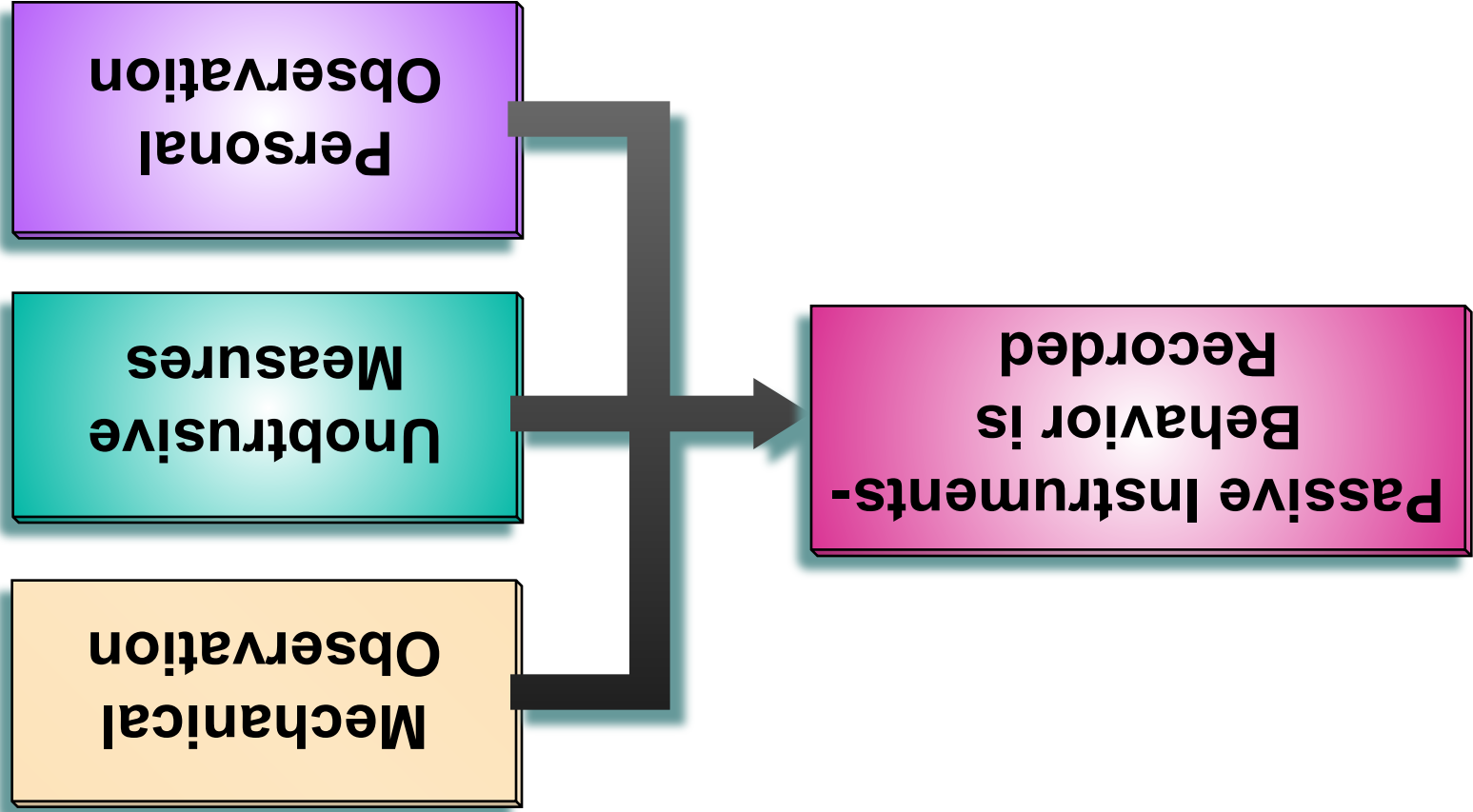
**Longitudinal  
Design -  
Same  
Sample  
Over Time**

**Surveys**  
**Mail, Telephone, Face-to-Face, Online**



# Research Technique

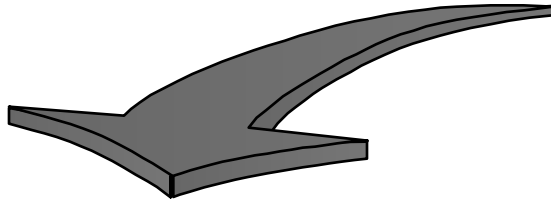
## Descriptive Research



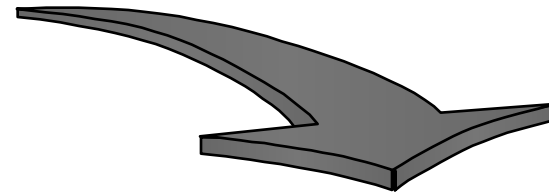
# Research Technique

## Causal Research

**Techniques That Attempt to Understand  
Cause-and-Effect Relationships.**



***Experiments***  
**Test in a Controlled  
Environment**



***Field Studies***  
**Test in the  
“Real World”**

# Marketing Research Process

## Step 3. Gathering Data

**Determining the Specific Information Needs**

### **Secondary Information**

**Information that has  
been collected  
by other organizations.**

### **Primary Information**

**Information collected  
for the specific purposes  
of the study.**

# Gathering Data in Foreign Countries

- Conducting market research globally can be difficult because:
  - Market conditions may vary widely,
    - Lack of phones
    - Low literacy rates
  - Local customs,
  - Cultural differences,
  - Language differences which may be overcome through [back-translation](#).

# Single-Source Data

- Information that is integrated from multiple sources to monitor the impact of marketing communications on a particular customer group over time.
- Multiple sources such as:
  - in-store coupon redemption,
  - sales data from [checkout scanners](#),
  - household data,
- Up to 90% of apparel, electronics, and grocery purchases in the U.S. are scanned.

# Data Mining

**Data Mining** is Sophisticated Analysis Techniques Used by Firms to Take Advantage of the Massive Amount of Transaction Information Now Available.

## Applications for Marketers:

Customer Acquisition

Customer Retention

Customer Abandonment

Market Basket Analysis

# Market Research Process

## Ensuring the Quality of the Research

### **Validity**

Did Research Measure What it Was Intended to Measure?

### **Reliability**

Are the Research Techniques Free of Errors?

### **Representativeness**

Is the Group Measured Similar to the Population?

# Market Research Plan

## Step 4. Implementing the Research

### Results

- Marketers must analyze and report the research to help solve problems and to plan.
- The report should answer the following questions:
  - What was the problem being studied?
  - What were the limitations?
  - What are the important findings?
  - What are the recommendations for action based on the results?



# Integrating Feedback into Long-Term Planning

- A **Marketing Information System** continuously gathers, sorts, analyzes, and distributes relevant and timely marketing information to its managers.
- This marketing information includes:
  - internal data such as sales records, customer lists, inventories, costs, and
  - external data on competition and demographic, cultural and social trends.

# Predicting the Future

- **Futurists** specialize in predicting the future and anticipating marketplace conditions.
- They try to imagine different **scenarios**, or possible situations, and assign a level of probability to each.
- Marketers try to predict consumers' preferences for a variety of products.



# Summary

- Describe the marketing research process.
- Understand the differences among exploratory, problem-solving, and causal research, and describe the variety of research techniques available to marketers.
- Understand the issues involved in making sense of the research results.
- Discuss how marketers implement research results.