

Summary – Week 3 Market Research

Discuss the importance of market research as a basis for marketing decision making

Market research links customers, clients, partners and society at large with the marketer through information. Information obtained from market research – along with information from other sources – is used to inform marketing decisions on a wide range of issues, including those that are fundamental to the organisation's marketing mix. The results of the market research are fed into a marketing information system, which holds and organises all of the organisation's marketing information

Clearly define a research problem and prepare a research brief

Before beginning a market research project, it is crucial to know precisely what the research is intended to achieve. The question that the research is intended to answer is known as the 'research problem'. As the research project proceeds and more information is gathered, the research problem may need to be redefined.

Whether the market research project is undertaken in-house or outsourced to a specialist provider, a market research brief should be prepared to guide the project. A market research brief specifies the research problem, the information required, the time frame, the budget and any other conditions relevant to the project

Understand the principles of data collection and analysis and the subsequent reporting of findings to inform marketing decisions.

Once a research project has been designed, it must be implemented in compliance with the design. This requires careful project management. Data must be collected, filtered and organised so that it can be efficiently analysed. Quantitative data can be statistically manipulated to identify trends and patterns in the data. Qualitative data can be reduced to allow statistical analysis, but much of the rich detail can be lost. Often qualitative data analysis leads to further research in the form of quantitative research

Data analysis allowed conclusions to be drawn and recommendations formulated. The findings and recommendations of the market research project should be presented in a concise and clear manner. The underlying detail should be provided to support the recommendation

The recommendations ultimately lead to a marketing decision, which in turn will lead to marketing outcomes. Ideally, the outcomes are a successful response to the research problem that triggered the market research process

Summary – Week 4 Consumer Behaviour

Explain why marketers require a thorough understanding of consumer behaviour and its major influences

Consumer Behaviour is the study of the behaviour of individuals and households who buy products for personal consumption. It forms the basis of an understanding of the reasons behind the decisions consumers make, which is central to creating an effective marketing mix. Consumer behaviour is influenced by situational factors, group factors and individual factors.

Situational factors are simply the circumstances in which a person finds themselves when making a consumption decision. They relate to the influence of physical, social, time, motivational and mood factors

Understand the major group factors that influence consumer behaviour

Group factors comprise cultural influences and social influences. Cultural influences affect behaviours that operate at the level of the whole society or of major groups within society, and include culture, subculture and social class. Culture is the system of knowledge, beliefs, values, rituals and artefacts by which a society or other large group defines itself. National cultures can be described according to Hofstede's cultural dimensions: power distance, uncertainty avoidance, individualism, masculinity and long term orientation. A subculture is a group of individuals who share common attitudes, values and behaviours that distinguish them from the broader culture in which they are immersed. A social class is a grouping defined by similar social ranking within the social hierarchy.

Social influences are those that impinge on the individual to behave in a way that reflects group norms. A reference group is any group to which an individual looks for guidance, including membership, aspirational and dissociative reference groups. Within a reference group, some individuals take on the role of opinion leaders on issues which they are particularly knowledgeable.

Explain the general steps in the consumer decision making process

The consumer decision making process typically comprises need/want recognition, information search, evaluation of options, purchase and post purchase evaluation. These steps are common to most purchase decisions, but the extent to which each is used depends on the level of involvement in the purchase. Habitual purchases are made with little decision making involvement; infrequent but familiar purchases are made with extensive involvement; and rare, large, important or risky purchases are made with extensive involvement

It is common mistake for marketers to overlook the last stage of the decision-making process; post-purchase evaluation. It is after the purchase that the consumer can evaluate whether they made a wise choice. Effective marketers take the steps to ensure they continue to build their relationship with consumers after the purchase to reduce cognitive

dissonance (second thoughts about the purchase) and increase the likelihood of repeat purchase and brand loyalty in the future