

MKC2500 NOTES:

Week 1:

- What is marketing research?
 - The systematic and objective process of generating information to aid in making marketing decisions
 - Key words
 - Marketing research gathers information to aid decision making, it does not make the decision
 - Key role of marketing research is in initially defining and specifying information required
- Who uses it?
 - Decision makers
 - Client organisations
 - Business managers
 - Marketing managers
 - Product managers
 - Brand managers
 - Marketing research managers
- Who supplies it?
 - Research agency
 - Director
 - Project manager
 - Research analyst
 - Others in the supply chain
- Where do they get it from?
 - Consumers/publics
 - Customers
 - Retail
 - Business
 - Managers
 - Owners
 - Workers
 - Users
- Marketing research process
 - 1. Defining the problem
 - 2. Planning a research design
 - 3. Planning a sample
 - 4. Collecting the data
 - 5. Analysing the data
 - 6. Formulating conclusions and reporting
- Caste study: New Coke
 - The right answer to the wrong question may be worthless or even harmful
- Problem definition
 - Can be a problem, gap in understanding, potential opportunity
 - If problem is not clearly defined the research will be wasted regardless of how well research is conducted
 - Need to work out the needs of the decision marker

- Iceberg principle
 - Is the idea that the dangerous part of many marketing problems is neither visible to nor understood by marketing managers
- Discussion between the researcher and the decision maker
 - DM:
 - Focus on symptoms, loss of market share
 - Researcher
 - Focus on underlying causes
 - Superior promotion by competitor
 - Inadequate distribution of company's products
 - Lower product quality
 - Price undercutting
- Problem definition based on symptoms can be misleading
 - Orange juice example: taste perception is not just taste, smell/look/colour is all included in the perception of a "too sugary drink"
- Management decision problem vs the marketing research problem
 - Management:
 - Asks what the decision maker needs to do
 - Action oriented
 - Focuses on symptoms
 - Should a new product be introduced?
 - Should the advertising campaign be changed?
 - Should the price of the brand be increased?
 - Marketing research problem
 - Asks what information is needed and how it should be obtained
 - Information oriented
 - Focuses on underlying causes
 - To determine consumer preferences and purchase intentions for the proposed new product
 - To determine the effectiveness of the current advertising campaign
 - To determine the price elasticity of demand and the impact on sales and profits of various levels of price changes
- Research questions and hypotheses
 - Research question and hypotheses add clarity to the statement of the marketing problem
 - Research questions are refined statements of the specific components of the problem
 - A hypothesis is an unproven statement or proposition about a factor or phenomenon that is of interest to the researcher
 - Often a hypothesis is a possible answer to the research question
- Types of research
 - Exploratory
 - Ambiguous problem
 - Descriptive
 - Aware of problem
 - Causal
 - Problem clearly defined