



T.Y.B.COM.
SEMESTER - VI (CBCS)

MARKETING RESEARCH
PAPER - II

SUBJECT CODE : 83037

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***Revised Syllabus of Courses of B.Com. Programme at Semester VI
with effect from the Academic Year 2022-2023***

Elective Courses (EC)

2. Ability Enhancement Courses (AEC)

4. Marketing Research Paper - II

Modules at a Glance

Sr. No.	Modules	No. of Lectures
1	Applications of Marketing Research-I	12
2	Applications of Marketing Research-II	11
3	Applications of Marketing Research-III	11
4	Managing Marketing Research	11
Total		45

Sr. No.	Modules / Units
1	Applications of Marketing Research-I
	<ul style="list-style-type: none"> a. Product Research- concept, areas, steps in new product development Product Testing & Test Marketing- concept, methods b. Brand Research- concept, components of a Brand, importance of brand research Packaging Research- concept, importance c. Price Research- concept, factors influencing pricing, importance of price research, methods of price research
2	Applications of Marketing Research-II
	<ul style="list-style-type: none"> a. Physical Distribution research- concept, types of distribution channels, Supply Chain Management- concept, components of supply chain management, importance of physical distribution research b. Promotion Research- concept, elements of promotion, importance of promotion research Advertising Research- concept, scope, pre & post testing methods of advertising effectiveness c. Consumer Research- concept, objectives, methods Motivation Research- concept, importance
3	Applications of Marketing Research-III
	<ul style="list-style-type: none"> a. Sales Research- concept, significance, scope/areas b. Rural Marketing Research- concept, features of Indian rural market, sources of data, research tools, do's and don'ts in rural Marketing Research c. Global Marketing Research- concept, factors affecting Global Marketing , need and scope of Global Marketing Research
4	Managing Marketing Research
	<ul style="list-style-type: none"> a. Organizing Marketing Research activity- factors involved in organizing Marketing Research activity, methods of organizing Marketing Research activity, In house marketing department,--structure, merits , demerits b. Professional Marketing Research agencies- structure, merits, demerits, professional standards c. Prominent Marketing Research agencies- HTA, ORG, IMRB, NCAER, Nielson

Reference Books

4. Marketing Research Paper II

- *Marketing Research Text and Cases*, Rajendra Nargundkar, McGraw Hill, 2nd edition
- *Marketing Research (Text with Cases)*, Suja Nair, Himalaya Publishing House, Maharashtra, 2014
- *Marketing Research*, John Boyce, Tata McGraw Hill Publishing Co. Ltd., Maharashtra, 2011
- *Encyclopaedia of Marketing Research Series*, S.D. Singh, Anmol Publications Pvt. Ltd., New Delhi, 2012
- *Marketing Research: A Global Outlook*, V. Kumar, Sage Publications, New Delhi, 2015
- *Marketing Research*, G. C. Beri, McGraw Hill, New Delhi, 2007
- *Fundamentals of Marketing Research*, M.K. Gawande, Chandralok Prakashan, Kanpur, 2012
- *Marketing Research: The impact of internet*, Gates, Roger et al, John Wiley & sons, Great Britain, 2002

**Revised Syllabus of Courses of B.Com. Programme at Semester V and VI
with effect from the Academic Year 2022-2023**

**Question Paper Pattern
(Theoretical Courses)**

Maximum Marks: 100

Questions to be set: 06

Duration: 03 Hrs.

All Questions are Compulsory Carrying 15 Marks each.

Question No	Particular	Marks
Q-1	Objective Questions A) Sub Questions to be asked 12 and to be answered any 10 B) Sub Questions to be asked 12 and to be answered any 10 (*Multiple choice / True or False / Match the columns/Fill in the blanks)	20 Marks
Q-2	Full Length Question OR	15 Marks
Q-2	Full Length Question	15 Marks
Q-3	Full Length Question OR	15 Marks
Q-3	Full Length Question	15 Marks
Q-4	Full Length Question OR	15 Marks
Q-4	Full Length Question	15 Marks
Q-5	Full Length Question OR	15 Marks
Q-5	Full Length Question	15 Marks
Q-6	A) Theory questions B) Theory questions OR	10 Marks 10 Marks
Q-6	Short Notes To be asked 06 To be answered 04	20 Marks

Note:

Theory question of 15 marks may be divided into two sub questions of 7/8 or 10/5 Marks.

APPLICATIONS OF MARKETING RESEARCH-I

Unit Structure

- 1.0 Objectives
- 1.1 Introduction
- 1.2 Product Research
- 1.3 Product Testing & Test Marketing
- 1.4 Summary
- 1.5 Exercise

1.0 OBJECTIVES

- To understand the concept and areas involved in Product Research
- To discuss the steps in new product development
- To explain Product Testing & Test Marketing (concept, methods)

1.1 INTRODUCTION

Marketing is a restless, changing, and dynamic business activity. The role of Marketing itself has changed dramatically due to various crises material and energy Shortages, inflation, economic recessions, high unemployment, dying industries, dying Companies, terrorism and war, and effects due to rapid technological changes in certain Industries. Such changes, including the Internet, have forced today 's marketing executive to becoming more market driven in their strategic decision-making, requiring a formalized means of acquiring accurate and timely information about customers, products and the marketplace and the overall environment. The means to help them do this is marketing research.

1.2 PRODUCT RESEARCH

Product research is the process of marketing research that is done to get information on the desired characteristics and specifications of a product expected by the potential customers mainly before the launch and availability of the product. Product research helps companies to understand what the customers really want, so that the product can be tailored to match the needs of the customer.

This research can help to refine new product ideas as well as improve the existing products in the market.

Product research is a very important activity in new product development – it can be carried out at several stages of new product development. Product research helps an organization make products which are expected by the customers. This helps have a competitive advantage and leadership position in the market.

A well researched product will meet the requirements of the customer in a much better way. Product research is even more important when you are launching a product in the market where there are a lot of competitors. Knowing the customer's feedback on the features, characteristics can really help make a product which solves the existing products' issues in the market.

1.2.1 Areas

Scope of marketing research refers to the areas covered or the aspects studied under marketing research. In other words, it implies where or on which areas marketing research can be applied. In fact, marketing research concerns with almost each and every activity of marketing management. It has a wide and comprehensive scope.

1. Research on Products:

Products involve goods and services. This branch of marketing research covers all the issues related to firm's products.

It studies and solves the product-related problems, such as:

- i. Study of products' qualities and performance
- ii. Study of physical and psychological characteristics of product
- iii. Determining uses of the existing products
- iv. Comparative study of competitive products
- v. Detecting consumers' problems related to the products
- vi. Determining need for developing new products
- vii. Assessing success of a new product in market, including market testing
- viii. Product life cycle and consumer adoption study
- ix. Study of branding, packaging, labeling, after-sales services, and remarking

2. Research on Market:

This area of marketing research deals with market/consumers. It studies characteristics and compositions of the target markets. It covers both current as well as potential markets.

- i. Defining and selecting target market
- ii. Studying needs and wants of target market
- iii. Study of size and location of current market
- iv. Assessing the current market trends and projecting the future trend
- v. Analysis of territorial sales opportunities and potential
- vi. Setting sales territories and sales quotas
- vii. Market share analysis
- viii. Studies on relative profitability of different markets
- ix. Estimating demand of a new product

3. Research on Sales Methods and Policies:

This area of marketing research, particularly, concerns with study and analysis of the sales- related activities.

Various aspects covered under this head may be listed as below:

- i. Study and analysis of sales records
- ii. Analysis of sales territories in terms of products, size of orders, times, terms and conditions and methods
- iii. Study on activities and effectiveness of salesmen
- iv. Evaluating existing selling methods
- v. Sales force management including size, compensation, training, control, etc.
- vi. Study on effect of various promotional tools such as advertising, personal selling, sales promotion, and publicity tools on sales
- vii. Study on organisation structure of sales department

4. Research on Advertising:

Advertising is one of the powerful methods of market promotion. Major part of promotional budget is devoted to advertising activities. Therefore, it is imperative to conduct research on various aspects related to advertising.

Under this area, at least following aspects are covered:

- i. Comparative study of various elements of promotion
- ii. Study on advertising objectives, media and media selection, advertising message, theme, copy, and advertising agency

- iii. Social aspects of advertising – negative and positive effects of advertising on society at large
- iv. Advertising role in different stages of product life cycle
- v. Government restrictions on advertising
- vi. Study on costs and contribution of advertising or evaluating advertising effectiveness
- vii. Study of competitors' advertising practices and strategy

5. Research on Pricing:

Price is an important element of marketing mix. In developing and underdeveloped countries, price plays a vital role. Suitable pricing policies and methods can contribute positively in attainment of marketing goals. It is clear that price has remained a major determinant of buying decision.

This branch covers:

- i. Study on pricing objectives
- ii. Study on effectiveness of pricing policies and strategies
- iii. Study of various methods for setting price
- iv. Quality v/s value analysis
- v. New product and pricing policies
- vi. Study on effect of discount, allowance, and seasonal variables
- vii. Pricing strategies on different stages of product life cycle

6. Research on Distribution:

In today's marketing, distribution has unique role to determine success of product. A marketer can contribute to total consumer satisfaction by designing appropriate distribution network. Physical distribution and distribution channel are two important components of such research.

This area includes:

1. Assessing role of distribution decisions in achieving marketing goals
2. Comparative study of between direct and indirect distribution
3. Physical distribution and ancillary services
4. Study on various types of channels of distribution
5. Study on relevant factors affecting channel decision/selection
6. Comparing company's distribution strategies with competitors
7. Relevance of online marketing
8. Legal issues related to distributions

7. Research on Business Environment and Corporate Responsibility:

This area is not concerned with solving any marketing problem directly. In order to collect and analyze data related to broad business environment, such research is conducted. The study on the area helps manager formulate strategies for the current and the future market as well. It also helps assess strengths and weaknesses of marketing department in relation to business environment. In today's dynamic business environment, the study on various economic, social, and cultural variables is extremely important. Similarly, it is necessary to analyze corporate responsibility.

Main aspects covered under the head include:

- i. Business analysis including demand, national income, per capita income, trade and industry, economic growth rate, fiscal monetary policies, and export-import policy.
- ii. Short-term and long-term business forecasting.
- iii. Technological aspects.
- iv. Availability and quality of productive resources.
- v. Impacts of legal provisions and Acts.
- vi. Study on consumerism and the consumer rights.
- vii. Social and cultural values affecting business policy.
- viii. Pollution and ecological imbalance, and social responsibility of business.

1.2.2 Steps in new product development

New product development (NPD) is the process of bringing an original product idea to market. Although it differs by industry, it can essentially be broken down into seven stages: ideation, research, planning, prototyping, sourcing, costing, and commercialization.

1. Idea generation

Many aspiring entrepreneurs get stuck on the first stage: ideation and brainstorming. This often is because they're waiting for a stroke of genius to reveal the perfect product they should sell. While building something fundamentally "new" can be creatively fulfilling, many of the best ideas are the result of iterating upon an existing product.

The SCAMPER model is a useful tool for quickly coming up with product ideas by asking questions about existing products. Each letter stands for a prompt:

- **Substitute** (e.g., faux fur for fur)
- **Combine** (e.g., a phone case and a battery pack)

- **Adapt** (e.g., a nursing bra with front clasps)
- **Modify** (e.g., an electric toothbrush with a sleeker design)
- **Put to another use** (e.g., memory-foam dog beds)
- **Eliminate** (e.g., get rid of the middleman to sell sunglasses and pass the savings on to consumers)
- **Reverse/Rearrange** (e.g., a duffle bag that doesn't wrinkle your suits)

2. Research

With your product idea in mind, you may feel inclined to leapfrog ahead to production, but that can become a misstep if you fail to validate your idea first.

Product validation ensures you're creating a product people will pay for and that you won't waste time, money, and effort on an idea that won't sell. There are several ways you can validate your product ideas, including:

- Talking about your idea with family and friends
- Sending out an online survey to get feedback
- Starting a crowdfunding campaign
- Asking for feedback on forums like Reddit
- Researching market demand using Google Trends
- Launching a Coming Soon page to gauge interest via email opt-ins or pre-orders

3. Planning

Since product development can quickly become complicated, it's important to take the time to plan before you begin to build your prototype.

When you eventually approach manufacturers or start looking for materials, if you don't have a concrete idea of your product's design and how it will function, it's easy to get lost in the subsequent steps.

The best place to begin planning is with a hand-drawn sketch of what your product will look like. The sketch should be as detailed as possible, with labels explaining the various features and functions.

You don't need a professional quality drawing since you won't be submitting it to a manufacturer at this stage. However, if you are not confident that you can produce a legible diagram that will make sense of your product, it is easy to find illustrators for hire on Dribbble, Up Work, or Minty.

Try to use your diagram to create a list of the different components or materials you will need in order to bring the product to life. The list does not need to be inclusive of all potential components, but it should allow you to begin planning what you will need in order to create the product.

For example, a drawing of a purse design could be accompanied by this list:

- Zippers (large and small)
- Silver clasps
- Leather straps
- Protection pouch
- Embossed label
- Interior wallet

4. Prototyping

The goal of the prototyping phase during product development is to create a finished product to use as a sample for mass production.

It's unlikely you will get to your finished product in a single attempt—prototyping usually involves experimenting with several versions of your product, slowly eliminating options and making improvements until you feel satisfied with a final sample.

Prototyping also differs significantly depending on the type of product you are developing. The least expensive and simplest cases are products you can prototype yourself, such as food recipes and some cosmetic products. This do-it-yourself prototyping can also extend to fashion, pottery, design, and other verticals, if you are lucky enough to be trained in these disciplines

5. Sourcing

Once you have a product prototype you're satisfied with, it's time to start gathering the materials and securing the partners needed for production. This is also referred to as **building your supply chain**: the vendors, activities, and resources needed to create a product and get it into a customer's hands.

While this phase will mainly involve finding manufacturers or suppliers, you may also factor storage, shipping, and warehousing into your choice.

In *Shoe Dog*, a memoir by Nike founder Phil Knight, the importance of diversifying your supply chain is a theme emphasized throughout the story. Finding multiple suppliers for the different materials you will need, as well as different potential manufacturers, will allow you to compare costs. It also has an added benefit of creating a backup option if one of your suppliers or manufacturers doesn't work out. Sourcing several

options is an important part of safeguarding your business for the long term.

6. Costing

After research, planning, prototyping, and sourcing is done, you should have a clearer picture of what it will cost to produce your product. Costing is a business analysis process where you take all information gathered thus far and add up what your cost of goods sold (COGS) will be so you can determine a retail price and gross margin.

Begin by creating a spreadsheet with each additional cost broken out as a separate line item. This should include all of your raw materials, factory setup costs, manufacturing costs, and shipping costs. It is important to factor in shipping, import fees, and any duties you will need to pay in order to get your final product into the customer's hands, as these fees can have a significant impact on your COGS, depending on where you are producing the product.

7. Commercialization

At this point you've got a profitable and successful product ready for the world. The last step in this methodology is to introduce your product to the market! At this point, a product development team will hand the reins over to marketing for a product launch.

If you don't have the budget for expensive ads, don't sweat it. You can still run a successful go-to-market strategy by using the following tactics:

- Sending product launch emails to your subscriber list
- Working with influencers on an affiliate marketing campaign
- Getting your product featured in gift guides
- Enable Instagram Shopping
- Run Chat Marketing campaigns
- Get reviews from early customers

1.3 PRODUCT TESTING & TEST MARKETING

It is the process of using quantitative and qualitative methods to evaluate consumer response to a product idea prior to the introduction of a product in the market. It is simply an investigation of prospective customers' reactions to a proposed product or service before introducing the product or service to the market. It is a stage in the process of product development where a detailed description of a product is presented to customers or users in order to assess their attitudes and intentions towards the product.

A- Product Testing:

Precise description of the features of the proposed product should be studied. Selected consumers are called upon to offer their comments on the product. Decisions regarding branding, packaging, labelling etc., are also made during this testing. When the product takes a tangible form, consumer testing provides the ground for final selection of the product for mass production and distribution.

B - Monadic Testing

Monadic testing involves providing the respondent with one individual concept, product, or other isolated stimulus. The stimulus is shown and evaluated alone, separate from any other concepts. Testing a concept alone allows for a completely clean read on each piece of stimuli and has many advantages. Each concept is evaluated without being biased by the influence of the other concepts. It eliminates the interaction between different designs, and it simulates real life since we usually interact with products one at a time. Allowing the respondent to focus their attention on one stimulus results in the most accurate and actionable diagnostic information. Because you are only showing one stimulus, you can ask more questions and garner more detailed feedback without fatiguing respondents. Consider including a current and/or competitive offering in the monadic test as a control so you have a benchmark when analyzing the results.

C - Sequential Monadic Testing

Sequential monadic testing involves showing one piece of stimulus at a time, however, respondents will also be shown another alternative concept or several additional concepts. In this design, each respondent sees one product and evaluates it, then sees the second product and evaluates it, and so on. The sequential monadic design is an excellent option for understanding small differences and preferences between two 2 or more concepts. However, there are a few things to take into consideration. Because more than one concept will be shown, there can be a risk for order bias. Therefore, it is recommended to randomly change the order or sequence in which the concepts are presented each time. In sequential monadic testing, we witness what is known as a “suppression effect” whereby all the scores are lower compared to a pure monadic test. This means the results from sequential monadic tests cannot be compared to the results from monadic tests. Additionally, an “interaction effect” is at work in sequential monadic designs. If one of the two (or more) products is exceptionally good, then the other product’s test scores are disproportionately lower, and vice versa.

D - Paired-Comparison Testing

This design is exactly as described where the respondent is shown two products and asked to choose which is preferred in the pairing. An advantage of this test is that it can measure very small differences between

two products, yet a big disadvantage is that it will not reveal if both products are very good or both are very bad.

E – Protomonadic Testing

The protomonadic design starts just as a monadic test, but is followed by a paired-comparison. Sequential monadic tests are often also followed by a paired-comparison test. The protomonadic design yields good diagnostic data and the paired-comparison test at the end can be thought of as an extra layer of validation to ensure that the results are correct.

F- Market Testing:

Even the most favourable results from the two tests, concept testing and product testing, are not conclusive evidence for the success of a new product. It is logical to examine how the company's total marketing mix works using test marketing methods. The new product must be first put into a controlled test market where it is exposed to realistic competitive conditions.

The objective of test marketing is:

- i. To evaluate a complete marketing plan including advertising, distribution, sales, pricing,
- ii. To determine media mix, channels etc.
- iii. To forecast sales volume.

Advantages:

- Mitigates Risks

One thing you have to learn about starting a business is that there will always be risk involved. While there is no such thing as no risks in business, there are multiple steps you could take to ensure that the risk is so small, it's not even an issue anymore.

Market Research will provide you with insights on which decisions to implement. For example, the idea of expansion is something that all businesses dream of but it is not a step that all should take. Often, this immediate jump leads to their downfall. The research carried out will also give you an inkling on whether a certain project will be successful or not. When you start a business, it pays to know whether each decision you make will be good for your business.

- **Improves Sales**

Thorough market research will assist you in developing your product or service. Constantly improving the product/service you provide is a must if you want your business to grow. If you're providing subpar services, no matter what tactic you employ, you will not be able to tap your customer's loyalty.

Market Research will tell you your customer's needs and wants which is important. A business should fill a void in a customer's life. If you're providing services and products that they do not need then why would they avail it? Another reason is that you will be informed of the latest viral trends. This means you can jump on them and interest more customers.

Listening to your customer's comments and suggestions can also be helpful. You want to please them and who better to ask how than they themselves.

Better Image On Customers

Once you start pleasing your customers, they will start talking about you which is essentially free advertising.

- **Measure Brand Reputation**

Market research will tell you what your brand reputation is. This means that you can know what your customers think of your brand which allows you to rebrand if needed. For example, brands which are considered as catering to only one group of people can rebrand so that they are more inclusive of all customers regardless of sex, social status, age, etc. This also allows you to tap into more markets.

As a business, especially for startups, it is recommended that you take the time to build up a great reputation. You want to look helpful and approachable. The image you build is important as it will determine which customers you can interest.

Disadvantages:

- **Research Is Expensive**

One of the main reasons that turn off companies from doing Market Research is the huge costs that they have to shoulder. For businesses which are just starting, it can be quite intimidating to know just how much goes into Market Research. Unfortunately, without Market Research, it will be like bringing a dull knife to a gunfight.

- **Market Research Takes Time**

Another resource that Market Research uses up is Time. You need to do proper research with the right questions and audience. This means that if you want to have credible information, you would need to devote a lot of time into it.

G – Methods of product & market testing

Method of Product Testing:

1. Concept testing

During concept testing, product teams explore the feasibility of a product idea or concept and evaluate how it may perform in the marketplace.

Depending on the type of product being built, concept testing often involves presentations, customer surveys or wireframes, which are frameworks for digital products, such as a website. Concept testing can help teams determine whether to progress to the next stage of development by evaluating customers' responses to the idea. It can also provide clarity on the features or functionality customers want from the product.

2. QA testing

Quality assurance (QA) testing often occurs in a staged environment, where teams can test the features or functionality of a product before releasing it publicly. Typically, testing teams evaluate the product using different scenarios to imitate a customer's experience. They may also use QA testing to test product updates or new features before releasing the changes publicly. This type of product testing ensures the product works as expected and helps teams identify problems before launching the product.

3. A/B testing

With this type of product testing, teams create two versions of a product feature or component and ask customers which version they prefer. The differences in the versions may be slight, such as two different color schemes for a website, or they may be considerable, such as two different product names. Often, teams use A/B testing to make design choices based on customers' preferences. It can also help teams learn more about customers' needs and preferences so they can create products to meet those expectations.

4. Market testing

Market testing involves introducing a product to some customers to assess the market. The product team may release the product to customers in different geographic areas, or they may choose specific demographics, such as customers between the ages of 18 and 35, to receive the product. This type of product testing can help teams measure the potential success of a product in the market. They often use market testing to forecast product sales, plan advertising campaigns and determine effective distribution strategies.

5. User testing

User testing occurs after the development team has built the product and released it publicly. Teams perform user testing by observing how customers interact with the product. They gather data and information based on customers' experiences with the product to determine whether to make changes in future iterations. It's commonly used in software development to determine whether any updates are necessary to better meet users' needs or improve the user experience.

6. Regression testing

Teams use this type of product testing after customers have begun using the product. During regression testing, teams test the current features of a product to help them determine the features they want to add or update. While some existing features may remain the same, regression testing helps teams determine if the new features may impact the current product's functionality or usability. Teams can perform regression testing to ensure the product continues to work as expected after the update.

Method of Market Testing:

1. A/B and Multivariate testing

Let's kick off with the tests that most of us are already familiar with: **A/B tests** and **multivariate tests**. These are user experience research methodologies used to compare variables and determine which set of variables is most effective. Also referred to as **split testing**, they are somewhat similar to one another but offer rather different outcomes.

2. User testing and usability testing

If you were ever involved in a product release, app launch, or even a website redesign project, you've probably heard of **usability testing** and **user testing**. Both of these terms refer to testing methods that involve real-life users and are often used interchangeably. However, they both offer different value and insights, and thus should be used separately.

3. Content testing

Content testing is not to determine whether users like your content, it is to determine if they can read and understand it. A good example would be the user manual for assembling a piece of furniture: you can test if the text is legible, written accurately and whether it provides the information necessary to use the product.

1.4 SUMMARY

- In developing and underdeveloped countries, price plays a vital role.
- In today's marketing, distribution has unique role to determine success of product.
- New product development (NPD) is the process of bringing an original product idea to market.

1.5 EXERCISE

Short Answers:

1. Explain the concept of Marketing
2. What do you mean by Product research?
3. What are the factor of determining in research on product?

4. Explain the characteristic of Research on Market?
5. Explain the following aspects are covered in Research on Advertising.

Long Answers:

1. What is the scope of marketing research?
2. What are the steps are there in new product development?
3. Explain in detail Product Testing and methods,
4. Explain the concept of new product development.
5. Explain the advantage of Product Testing.

B. Multiple Choice Questions:

1. helps companies to understand what the customers really want.
a. Product research b. Product development c. Product marketing
d. Pricing research
2. _____ area of marketing research, particularly, concerns with study and analysis of the sales- related activities
a. Research on Sales Methods and Policies b. Research on Products
c. Research on Pricing d. Research on Distribution
- 3 _____ branch of marketing research covers all the issues related to firm's products.
a. Research on Products b. Research on Distribution c. Research on Sales Methods and Policies d. Research on Pricing
4. _____ is a very important activity in new product development – it can be carried out at several stages of new product development
a. Research on Business Environment and Corporate Responsibility
b. Research on Sales Methods and Policies c. Product research d. Research on Products
5. _____ model is a useful tool for quickly coming up with product ideas by asking questions about existing products
a. Marketing b. Modify c. Combine d. SCAMPER

Answer: a,2-a ,3-a ,4-c ,5- d

C. Fill in the blanks:

1. Products involve _____
2. _____ is a restless, changing, and dynamic business activity
3. _____ ensures you're creating a product people will pay for and that you won't waste time, money, and effort on an idea that won't sell
4. _____ can help to refine new product ideas as well as improve the existing products in the market
5. Decisions regarding branding, packaging, labelling etc., are also made during _____

Answer:

1. goods and services 2. Marketing 3. Product validation 4. Product research 5. Product testing

D. State whether the following sentence are True / False:

1. Precise description of the features of the proposed product should be studied. Selected consumers are called upon to offer their comments on the product.
2. Decisions regarding branding, packaging, labelling etc., are also made during testing product.
3. Product marketing is necessary to find out viability of marketing programmer for large scale distribution.
4. Test marketing, also known as product testing.
5. The goal of the prototyping phase during product development is to create a finished product to use as a sample for mass production

Answer: True- 1 and 5 False- 2, 3 and 4



APPLICATIONS OF MARKETING RESEARCH-II

Unit Structure

2.0 Objectives

2.1 Introduction

2.2 Brand Research

2.3 Packaging Research

2.4 Summary

2.5 Exercise

2.0 OBJECTIVES

- To understand the concept of Brand Research
- To explain the components of Brand Research
- To discuss the importance of brand research
- To analyze the concept and importance of Packaging Research

2.1 INTRODUCTION

Market research is the process of determining the viability of a new service or product through research conducted directly with potential customers. Market research allows a company to discover the target market and get opinions and other feedback from consumers about their interest in the product or service.

Brand research is a process of formal data collection and empirical analysis that explores both your reputation and your visibility to help you better understand the marketplace and your firm's role in it.

2.2 BRAND RESEARCH

Brand research is a process of formal data collection and empirical analysis that explores both your reputation and your visibility to help you better understand the marketplace and your firm's role in it. Brand research can also help you understand the characteristics that truly set you apart from the competition in the eyes of your prospective clients. These characteristics are commonly referred to as differentiators or your competitive advantage.

To fully understand the implications of this definition, we first have to nail down the concept of your firm's "brand." Your brand is the product of your reputation and your visibility. If you have a great reputation for specific expertise and high visibility within your target audience you have a strong brand. Your brand is how people in your industry understand your firm — the projection of your expertise and experience into the marketplace.

Brands are not defined just by their products or services. A brand is made up of much more; it has its own personality (contributed to by its employees), its own mission statement, its own goals, its own ethos, even its own humour (see Innocent drinks for an example). However, a brand's perception is not owned by the brand itself, rather it is owned by the customer, based on how they see and feel it.

A clever brand will spend time understanding how its communications and messaging alter brand perception, and much of this is done via communication with its customers.

2.2.1 Components of a Brand

There's a common misconception that many people have that a "brand" is basically just the name of the company and the logo that they use. While these elements contribute to the overall brand of a business, the term "brand" is actually much more comprehensive than that. It involves many different components, which is why it takes a lot of thought in order to successfully develop your brand. The following are the four main brand components that you will need to address when building your brand and what kinds of strategies you can put into place to further develop those components.

1. Brand Identity

Your brand identity is how you want your brand to be perceived. It's important that you know what your brand identity is and what you want it to be. If you don't, how is anyone else supposed to know? You're going to have a tough time generating brand awareness if you lack a strong brand identity. The following are a few steps that you should take to establish your brand identity:

- **Identify your mission**

What was the reason you established your company in the first place? What is your company's goal? Consumers want to know what your mission is (and they don't want to hear that it's "to make a profit") and it will reflect who you are as a company.

- **Establish your unique value proposition**

Your unique value proposition is what sets you apart from your competitors. It's a statement of how your offer benefits your customers, how you will meet the needs of your customers, and what makes your

offer unique. Every marketing campaign you run should align with your unique value proposition.

- **Create your brand's visual identity**

The visual elements of your brand certainly factor into your brand identity. Just consider the logos and color palettes of some of the biggest companies out there, from Facebook's simple logo and use of blue to McDonald's golden arch and yellow and red palette. A strong logo that's instantly recognizable is important, but so is choosing your colors. Different colors have different meanings and the colors you choose can have a psychological impact on your audience as well. For example, many fast-food restaurants use red and yellow because that combination of colors is thought to stimulate the appetite. Just keep in mind that consistency is key. If you decide to use shades of blue in your logo and on your website, then you should use those same colors for your social media pages, email newsletters, and physical location as well.

- **Increase brand recognition**

It's going to take some time to get your vision of your brand identity out to the masses. You'll want to generate awareness of your brand to do this through a variety of marketing efforts, such as building a website that emphasizes your mission and unique value proposition, creating content that's optimized for SEO, using social media to engage with consumers and to post your content, and more. It's also vital that you make sure your mission, unique value proposition, and visual identity are consistent across all platforms. If it's not, it will end up hurting your brand identity.

2. Brand Image

Your brand image is similar to your brand identity in that it deals with how your brand is perceived. However, whereas your brand identity is how you want your brand to be perceived, brand image is how your brand is actually perceived. Consider your brand image as the reputation you currently have with the general public. Take for example United Airlines. Not long ago, they updated their brand design in an attempt to strengthen their brand identity as a "thoughtful, modern, and innovative airline." However, their brand identity and brand image are currently quite different from each other after numerous massive PR failures regarding their customer service. Keeping that in mind, the following are a few ways to build and maintain a positive brand image:

- **Spread your message via PR**

Use public relations to spread your key messages as well as relevant news concerning your company. You can do this through news outlets, trade publications, and even online blogs. Public relations will help you raise awareness of your brand and what you're doing, thereby helping to improve your brand image.

- **Establish a social presence**

Social media is an incredibly effective way to build your brand image, whether it's by sharing content with consumers, keeping consumers up to date on the latest news and product launches, spreading awareness of your message, and engaging with consumers on a personal level. In fact, you can even use social media to address negative comments. It's a good way to repair potential damage done to your brand image as a result of a poor customer experience by showing that you care and trying to correct the situation.

- **Create high-quality content**

Content will help to increase brand awareness by bringing in more web traffic. However, it can also help to build your brand authority. By publishing content that is relevant to your company and to your audience (and that's of high quality), you'll become a trustworthy source of information, which — in turn — will help improve your reputation and increase brand trust.

3. Brand Culture

Brand culture refers to your company's core values and how you set an example for those values. Businesses have always emphasized certain values; however, those values were often things like "reliability" or "honesty." Values that are more equivalent to basic ethics. While those are important values to hold onto, more and more businesses have begun taking moral stances as well as political stances in addition to generally accepted values. These types of values feed into your brand culture as well. Take Nike for example. They have taken strong social positions by running commercials backing Colin Kaepernick and recently touting the importance of the women's U.S. soccer team's World Cup win. These are branding efforts touting their championing of equality, which has become a part of their brand culture. The following are a few tips to help you establish your brand culture:

- **Define your values**

Define exactly what your values are and how your company lives out those values. Don't be afraid of taking a stance if there's a particular stance that you want to take. Using the Nike example again, their backing of Kaepernick was considered controversial and plenty of consumers did not agree with their position. However, those that did agree with their position became even more strongly aligned with Nike's brand. You can't please everyone, but by sticking to your values, you'll be more likely to strengthen your relationship with many of your customers.

- **Spread awareness of your values**

Let consumers know about your values by declaring them on your website or by encouraging discussion about your values on social media. Publishing content that backs your values is an effective method as well.

- **Ensure that your company reflects your values**

There's nothing consumers hate more than a hypocrite. If you're flaunting your support for equal pay across social media and in your marketing efforts, then you better be practicing what you preach. Your brand culture is incredibly dependent on your ability to embrace your own values within your company.

4. Brand Personality

Your brand personality refers to the human characteristics that your company has. Developing a brand personality is vital to connecting with your audience on an emotional level and for making your brand relatable. Because of this, make sure that you use the following tips to develop your brand personality:

- **Learn who your audience is**

Understanding your audience is something that you need to do from the very beginning. It's an important step in building your brand identity as well. However, it's particularly important when it comes to developing your brand personality. The way you present yourself and the way that you communicate should reflect not only who the audience is but what they expect. For example, if you have a younger audience, then a dry, formal tone may not resonate with them. However, if your audience is older, using younger slang and current pop culture references may go over their heads.

- **Engage with your audience**

While you can get your personality across in the content you write, it's easier to do through engaging with people. It's why using social media is so important. Your entire audience sees your interactions and it helps establish your personality a certain way. For example, Wendy's has a reputation for having a playful personality because of their use of humor and the pretend feuds that they get into with other brands on Twitter.

- **Be consistent in tone**

If you're going to be funny and informal on one platform, you need to make sure that personality carries over to all of the other platforms you use, both online and offline. If you're inconsistent, it will hurt your ability to develop a cohesive brand personality, which will only confuse your audience.

These are the four main brand components that you will need to address when developing your brand strategy. A strong brand requires a strong brand identity, brand image, brand culture, and brand personality. Implementing a successful brand strategy that develops all four of these components increases brand trust, loyalty, and awareness.

2.2.2 Importance of brand research

Brands operating in this world are no longer able to control their narrative. Customer feedback and complaints are not dealt with privately behind the closed doors of a customer service department; they are offered publicly for other customers and potential customers to see. How many of us these days have more faith in a hotel's Trip Advisor rating than what it says on the hotel's website?

Organisations are coping with this power shift in a variety of ways. Learning to respond quickly to online feedback to capitalise on good reviews, demonstrate how well you are listening and quickly mitigate any potential damage is the absolute baseline. But understanding your customers deeply and working out how to adapt your model to meet their needs and desires better is the real key, and that takes research. Nothing will tell you more clearly what your customers want than asking them directly.

Competitive analysis:

As a brand, it is imperative for you to keep a check on your performance as against your competitors. Competitive research provides brands with the information about the efficacy of their current practices, strategies and methodologies adopted by other brands, benchmarking, market share distribution amongst other valuable knowledge. This helps the brand to maintain a stronger competitive footing by defying major and upcoming industry rivals.

Customer research:

Keeping customer experience as a priority is a must. Customer related research helps brands become customer centric by understanding needs, wants, expectation, motivations and more. This knowledge is then used to bifurcate the customers into small groups based on their similarities and differences and allows brands to serve individual needs. It can be implemented using various online survey tools. This research inquires about the customer preferences and how close the brand comes to meeting these. Based on this, brands alter their offerings and services to suit the customer, thus, developing loyalty.

Product research:

Product related research mainly entails the understanding of customer perception of brand products. Through this mechanism, brands are able to understand if a particular product is market ready or not. The brand measures the product on usability, price, packaging and a set of other relevant characteristics that assist in identifying the plus points and drawbacks of a product.

Customer focus:

In any industry, the customer is king. Customers expect brands to indulge in a two way interaction with them. This way customers are

able to communicate their ideas and suggestions in a way that is openly accepted and implemented by the brand. The fact that brands engage in the extra effort of enquiring customer need, perceptions, ideas and motivations make the customer feel that the brands are interested in something more than just their own revenue. Garner feedback from customers on multiple channels using omnichannel survey software. All this helps generate a loyal customer base as customers feel respected and valued.

There is no better way to understand your target customers better to help build a seamless customer experience. The easier it is for your customers to achieve their end objective the more likely they are to stick and promote your brand.

Maintaining competitive edge:

The examples of Papa John's in the USA or Dunkin Donuts in India must be enough to necessitate the need to understand the whereabouts of your local or high level market. Brands need to keep an eye out for competitors who are willing to snatch market share by stepping up their business practices in a way that makes them more appealing and viable for the customer. The idea behind a competitive analysis is to highlight the methods and best practices as the industry benchmark and adapt accordingly to prevent losing out customers. Moreover, there is no shortage of competition in today's markets.

Each of these brands has their own USP to attract customers from relevant target groups. Brands need to strike a balance between the values that they offer to their customers in order to offer a comprehensive customer experience that is based purely out of thorough market research.

Marketing assessment:

Your marketing and promotional efforts need to suit your brand personality along with ensuring that customers resonate with the content. For this, brands can conduct market research to find out exactly where the audience traffic is maximum and likely to be more effective. Marketing campaigns can be tested to find out audience sentiment and modify the messaging to maximize efficacy. It is also not necessary that your customers have an equal amount of presence on all the available channels of communication. Market research helps to figure out exactly the medium and channel that customers find preferable so that the marketing can be directed in a way that helps in reaching the target customers.

Concept testing:

Developing ideas, products and services based on the market knowledge of brand personnel is a great way to start but not a foolproof process that guarantees market success. Once a brand has

any concept to put out, it is always a refined approach to test if the market is really ready or excited for the brand's launch.

During the development or even when the final product is ready, it is better to test out the concept by evaluating market reaction based on the response of a sample group of people. This sample group is accurately picked in order that they resemble that target group of customers that the brand has designed the concept for. This way the brand gets to assess and make improvements in a precise manner.

Identify threats and opportunities:

Surveying your market to point out threats and opportunities is another important benefit that market research offers. Tools such as SWOT analysis serve to identify and take advantage of opportunities before the competition as well as realize threats through early warning signals. Brands can optimally strategize to take advantage of opportunities and make changes to tackle threats. Capitalizing on opportunities can help the brand in expansion and growth beyond their current presence. They can also prevent losing out on market share by avoiding the uncertain challenges through regular market research.

Increase awareness

Customers sometimes miss out on certain features of a product, service or any other offering that the brand puts across. It is while conducting market research that not only customers get to increase their foray of knowledge about the brand and its products, but even the brands get to grasp the customer's point of view in a holistic manner.

The customer is able to express themselves completely keeping in mind the entire information about the concept being tested. The increased amount of customer awareness also makes them trust the brand due to increased transparency. This makes the information collected reliable and actionable. The brand walks away after gaining insights into customer psychology while the customer becomes more aware about what they engage with. Win-Win

2.3 PACKAGING RESEARCH

Great packaging contributes to good brand identification. It clearly distinguishes your goods from the competition and, more importantly, favorably affects purchasing decisions, ensuring your product makes it from the shelf to the basket. A skillfully designed box may provide one a significant edge in terms of sales and can also boost the chance of shops stocking one's goods in the first place. It is the most visible touchpoint and, as such, is frequently considered as the face of one's brand. The consequences of improper packing may be significant, resulting in mass customer alienation and massive revenue losses.

The packaging that holds a product is the first point of contact that a customer has with it in-store, and contrary to popular belief, we all judge a

book by its cover. Packaging research assists companies in understanding how effectively their packaging works on the shelf, as well as precisely identifying what motivates consumers to choose one product over another. First impressions matter in product packaging just as much as they do in everyday life, and it's something that all businesses should incorporate into their designs.

2.3.1 Importance

- **Information and safety:**

Above all, the packaging is critical in keeping its contents and customers secure. Packaging should provide critical information about the product and its safety. For food goods, for example, the packing date, best before date, and ingredient list must be displayed on the packaging. No toxic chemical, odor, or taste should be transferred from packing materials to food, whether they are made of virgin or recycled material. Furthermore, if it includes dangerous compounds, it must be made clear on the box. All of this information contributes to the product's safety for the consumer. It is always preferable to have too much knowledge than not enough information.

- **Compare in context:**

In today's retail environment, customers are confronted with a wide variety of alternatives and brand contact points. Numerous decisions are made along the customer journey, but the ultimate and most important decision is made at the shelf. Measuring package efficiency in a real-world purchasing situation, next to rivals, is only valid. Understanding shelf standout and findability is a critical component of this.

- **Display:**

Product package designs nowadays assist to advertise and highlight the product within, which is a feature that many consumers search for. Some items provide component and nutritional value explanations, while others include instructions on how to set up and utilize the product, and still, others just let the product speak for itself. Incorporating all necessary information and providing openness aids in the management of consumer expectations and improves customer happiness. Creating a packaging design that accurately showcases and promotes your goods can assist buyers interested in your product from a favorable first impression. Transparent packaging appeals to today's consumer market. Other aspects which attract buyers are appealing typography, graphics, and colors in trend.

- **Cultivate a connection:**

Surprisingly, the relevance of product packaging is sometimes overlooked and overlooked when evaluating the purchasing experience and the importance of a first impression. Creating an appealing packaging design improves the customer experience right away and offers potential buyers a

sense of what your products and business are all about. It's critical to think about product packaging as a tool for connecting with potential consumers and strengthening your brand's identity. Try to include one-of-a-kind components that appeal to the customer's interests and expectations, such as an exciting unpacking process or links to major global movements.

- **Showcase Reusability and Convenience:**

The consumer market seeks resealable packaging that promotes reusability and is convenient for the customer. Finding methods to include resealable elements into your packaging will encourage conservation and allow your customers to utilize your product for a longer amount of time.

- **Eco-Friendly and Low Waste:**

The popularity of sustainable and environmentally friendly products and packaging is growing. When determining which things to buy, many customers search for these aspects. If your packaging is built with these two components in mind, you will most likely build a stronger relationship with customers since they will understand the importance of the environment and recycling.

2.4 SUMMARY

- Brand research is a process of formal data collection and empirical analysis that explores both your reputation and your visibility to help you better understand the marketplace and your firm's role in it.
- Your brand identity is how you want your brand to be perceived.
- A well-designed packaging may entice potential clients and set the product apart from the competitors.
- Brand culture refers to your company's core values and how you set an example for those values.
- Social media is an incredibly effective way to build your brand image, whether it's by sharing content with consumers, keeping consumers up to date on the latest news and product launches, spreading awareness of your message, and engaging with consumers on a personal level.

2.5 EXERCISE

Short Answers:

1. Explain the concept of brand research.
2. What do you mean Brand Identity?
3. Describe the term Competitive analysis.
4. Discuss the term Customer research
5. Explain the term testing.

Long Answers:

1. Explain the Components of a Brand.
2. Explain in detail Packaging Research.
3. What are the Importance of Packaging Research?
4. Explain in Importance of brand research
5. Analysis the term Brand Personality.

B. Multiple Choice Questions:

1. _____ helps the brand to maintain a stronger competitive footing by defying major and upcoming industry rivals.
a. Product research b. Competitive analysis c. Maintaining competitive edge d. Marketing assessment
2. _____ inquires about the customer preferences and how close the brand comes to meeting these.
a. Pricing research b. Marketing research c. Product research d. Customer research
3. Product related research mainly entails the understanding of customer perception of _____.
a. brand products b. brand image c. brand name d brand loyalty
4. _____ is critical in keeping its contents and customers secure.
a. packaging b. labeling c. pricing d. promotion
5. _____ should provide critical information about the product and its safety.
a. Packaging b. Labelling c. Branding d. Pricing

Answer: 1-b , 2-d , 3-a , 4-a , 5-a

C. Fill in the blanks:

1. _____ is a process of formal data collection and empirical analysis that explores
2. _____ is means want your brand to be perceived.
3. _____ is an incredibly effective way to build your brand image, whether it's by sharing content with consumers
4. Content will help to increase brand awareness by bringing in more _____

5. _____ refers to your company's core values and how you set an example for those values

Answer: 1. Brand research 2. brand identity 3. Social media 4. web traffic
5. Brand culture

D. State whether the following sentence are True / False:

1. Surveying your market to point out threats and opportunities is another important benefit that market research offers
2. Great packaging contributes to good brand identification
3. The popularity of sustainable and environmentally friendly products and packaging is growing
4. Surveying your market to point out threats and opportunities is another important benefit that market research offers
5. Customer focus way customers are able to communicate their ideas and suggestions in a way that is openly accepted and implemented by the brand

Answer: True- 1, 3, 4, 5 False- 2



APPLICATIONS OF MARKETING RESEARCH-III

Unit Structure

3.0 Objectives

3.1 Introduction

3.2 Price Research

3.3 Methods of price research

3.4 Summary

3.5 Exercise

3.0 OBJECTIVES

- To understand the concept of Price Research
- To discuss various factors influencing pricing,
- To explain the importance of price research,
- To analyze the various Methods of price research

3.1 INTRODUCTION

Pricing is one of the most important elements of the marketing mix, as it is the only element of the marketing mix that generates a turnover for the organisation. Pricing involves determination of the optimum price for a product by the marketer.

Price is nothing but the value that is put to a product or service and is the result of a complex set of calculations, research and understanding and risk-taking ability. Price is the only element in the marketing mix that leads to generation of revenue for the firm. All other elements of marketing mix represent costs.

3.2 PRICE RESEARCH

Pricing research measures the fluctuations in demand of a product or service to different changes in price and uncovers the optimal level of price for new products in order to maximize sales revenue. The data gathered from pricing research will help businesses make informed decisions on pricing strategy such as the effects of a price increase on profits.

Pricing is one of the most important factors in the field of Trade. Pricing to a commodity means attaching value to the product. To purchase or sell it both the consumer taking the product and the seller giving off the product benefits from the 'value' in return for some bearing. Like the customer gives the money to the seller to take up the 'value' of the product and the seller gives off the product to earn the 'value' of money selling the product.

It is a process in which we decide the value a manufacturer or a seller gets when he offers his goods or services. In this process, both the producer and consumer negate to mutually benefit at an equitably profitable price. It is dependent on various things like how much the company has spent on the inputs, what is the value of a product in the market, what is the need of the product to the customer etc., All the producers and businessmen want to earn profits when they start a business. But, the expected price might vary according to the market conditions, prices of supplementary and complementary goods, changes in input cost like hike in raw materials, labour cost etc.,

Definition "Price is the amount of money charged for a product or service or the sum of the values that the consumers exchange for the benefits of having or using the product or service." -Philip Kotler

3.2.1 Factors influencing pricing

Pricing decision are influenced by many factors. These factors can be classified under two heads:

1. Internal Factors:

Internal factors are those factors that work from within the organization.

Such factors include:

(i) Organisational Factors:

In the organization pricing decision happens at two levels. At the higher level management, decisions like price range and the pricing policies are decided. The actual price is then determined by the lower level management. It must be noted, however, that such actual price decisions must keep into consideration individual product strategies and the pricing policies decides by the top level market.

(ii) Marketing Mix:

Pricing is only one element of marketing mix. All other elements hold equal importance to the success of marketing strategies of the firm.

Any shift in any of the elements has an impact on the other elements of the marketing mix. A firm must make suitable changes to all the elements of marketing mix to succeed with a change in any element, e.g. an increase in price will become acceptable only if it is coupled with adequate upgradation in the product features as well.

(iii) Product Differentiation:

Price of the product very much depends upon the nature and characteristics of the product. A differentiated product with value added features like quality, size, color, attractive packaging, different uses of the product, utility etc. always forces the customers to pay more price as compared to any other product.

(iv) Cost of the Product:

Cost and price of a product are closely related and are independent. The firm must decide a realistic price based on current demand, competition, buying capability, etc. The firm must also keep into consideration its cost of production as it would not want to sell below the cost of production on a long term basis.

(v) Objectives of Firm:

Pricing contributes its share in attainment of the objectives of the firm. The firm may have a variety of objectives including – sales revenue maximisation, profit maximisation, market share maximisation, maximisation of customer value, maintaining image and position, maintaining stable prices etc. Pricing policy must be established only after objectives of the firm have been decided and understood.

2. External Factors:

External factors are those factors which affect all the firms of a given industry almost uniformly and are usually beyond the control of the firm. They include:

(i) Demand:

Market demand of a product obviously has a major impact over its pricing policy. If the demand is inelastic then higher price may be fixed but if the demand is elastic then prices must be competitive.

Demand is affected by factors like, number and size of competitors, buying capability and willingness of prospective buyers, their preferences etc.

(ii) Competition:

In a market with many competitors, prices have to be competitive without compromising on the quality. But in a monopolistic kind of market, prices can be determined by the market leader, irrespective of the pricing strategy of its competitors.

(iii) Supplies:

If prices of raw material go up then the price of finished goods are bound to go up. Also, suppliers pricing policy has a direct impact on the prices. Scarcity or abundance of raw material will also determine its prices' thereby affecting the overall price.

(iv) Economic Conditions:

Overall economic conditions have a very important role to play in the pricing decision. During recession prices have to be reduced considerably to sustain. On the other hand, during boom time, prices can be increased to reap the benefits of improved economy.

(v) Buyers:

The nature and behaviour of buyers will also have an influence on the pricing decisions. Their buying capability and willingness to pay a certain price cannot be ignored by the marketer.

(vi) Government:

Government may exercise some measure of price control through enactment of certain legislations etc. Such measures are taken to protect the interest of people at large.

3.2.2 Importance of price research

1. Price is essential to marketing –

Price is a matter of great importance to both the buyer and the seller in the market place. In money economy without prices there can be no marketing. Price denotes the value of a product or service expressed in monetary terms. Only when a buyer and a seller agree on the price, does exchange and transfer of ownership take place.

2. Price allocates resources –

In a free-market economy and to some extent in a controlled economy, the resources can be allocated and reallocated by the process of price reduction and price increase. Price is used as a weapon, to realise the goals of a planned economy, and to allocate resources towards sectors, which have priority from the planning point of view.

3. Price determines the general standard of living –

Price influences consumer purchase decisions. It reflects the purchasing power of money and thus reflects the general standard of living. The lower the prices in an economy, the greater will be the purchasing power in the hands of the consumer and the higher will be the standard of living.

4. Price regulates demand –

Price is the strongest ‘P’ of the four “Ps” of the marketing mix. The marketing manager can regulate the demand of a product by increasing or decreasing its price. To increase demand, reduce the price and to decrease demand increase the price.

However, as an instrument to control demand, price should be used by those who are familiar with the dangers involved in using price as a

mechanism to control demand, as the damage done by improper pricing can ruin the effectiveness of a well-conceived marketing programme.

5. Price is a competitive weapon –

Price is an important weapon to deal with competition. Any company whether it is selling high- medium- or low-priced products, has to decide as to whether its prices will be above, below or equal to the prices set by the competitors. This is a basic policy issue and affects the entire planning process.

6. Price is a determinant of profitability –

Price influences the sales revenue of a product, which in turn determines the profitability of the firm. Price thus is the basis of generating profits for the firm. A change in the price mix of the marketing mix can be made more easily than a change in any other element of the marketing mix.

Thus, price changes are used more frequently for defensive and offensive strategies of a firm. The impact of price rise and fall is reflected instantly in the rise and fall of the profitability of a product, all other variables remaining the same.

Thus, price is a powerful marketing instrument. Every marketing plan involves a pricing decision. As such all marketing planners should make accurate and planned pricing decisions.

3.3 METHODS OF PRICE RESEARCH

The main methods used to determine the optimal prices of products or services are Gabor Granger and Van Westendorp analysis, which are explained in more detail below.

A - Gabor Granger

Gabor Granger is a regular pricing technique by which a participant is asked to say how likely they are to buy the product or service at a stated price. It's best to use a maximum of 8 to 9 test prices, which should be presented in random order to avoid bias.

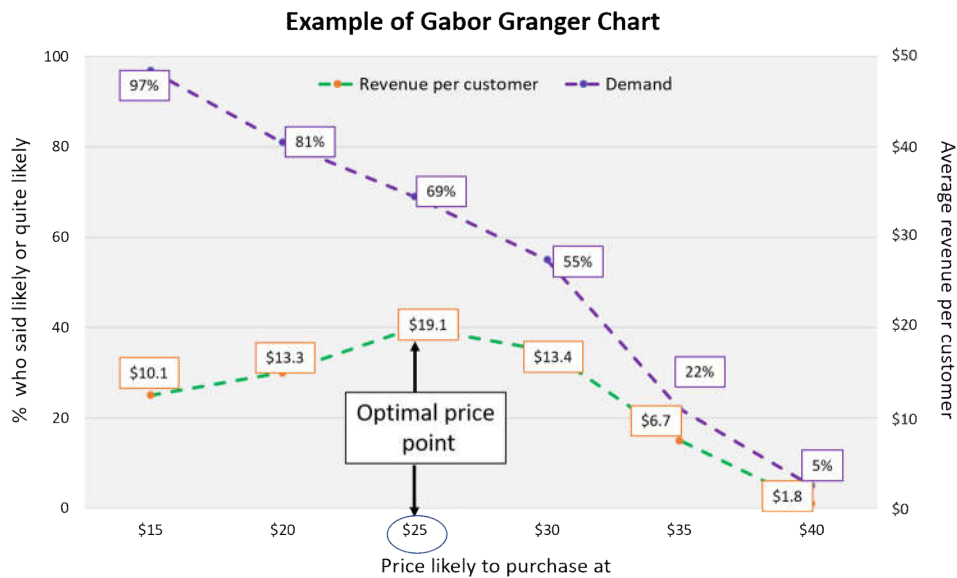
Basically, participants are presented with a concept of a product at a specific price and are then asked if they are likely to buy. The price is then changed and the potential customer is again asked if they would buy or not. This continues systematically until the participants indicates they would not buy that product concept.

Analysis of the findings helps to produce a market projection for demand of the product across the price points. The demand curve you will see, can then be used to estimate the anticipated revenue and recognise the profitability at chosen price points to come to an overall optimal price.

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then be used to estimate the anticipated revenue and recognise the profitability at chosen price points to come to an overall optimal price.

The questions used for Gabor Granger is straight forward and the method can be used on small sample sizes from at least 50 upwards. However, there are limitations you need to be aware of when using Gabor Granger. It's best to use this method with one product on its own rather than comparing alternative options if learning the competitive background is not required.



B - Van Westendorp analysis

The Van Westendorp's Price Sensitivity Meter also known as PSM asks four price-related questions, which are then evaluated as a series of 4 aggregate distributions, one distribution for each question. The question formats can vary, but usually take the following form:

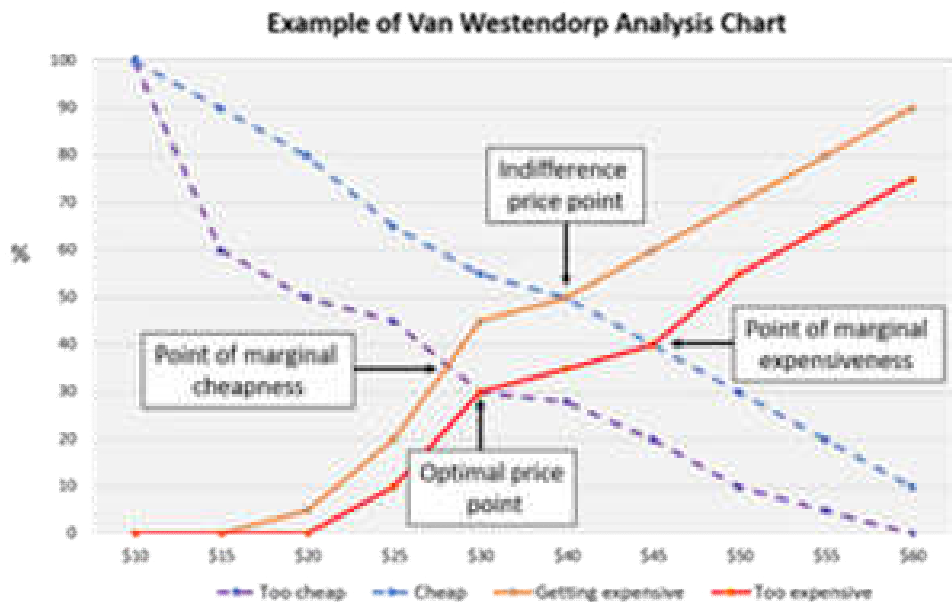
- At what price would you consider the product to be so expensive that you would not consider buying it? (**Too expensive**)
- At what price would you consider the product to be priced so low that you would feel the quality couldn't be very good? (**Too cheap**)
- At what price would you consider the product starting to get expensive, so that it is not out of the question, but you would have to give some thought to buying it? (**Expensive/High Side**)
- At what price would you consider the product to be a bargain—a great buy for the money? (**Cheap/Good Value**)

The cumulative frequencies are plotted, and the Price Sensitivity Meter (PSM) supports claim that reveals qualities exist for any crossing of the cumulative frequencies for each of the four price categories such as point

of marginal cheapness, point of marginal expensiveness or indifference price point as per the illustration below. Note that the standard method requires that two of the four cumulative frequencies must be inverted in order to have the possibility of four intersecting points. Regular practice inverts the cumulative frequencies for "too cheap" and "cheap".

The general explanation of intersecting cumulative figures varies. So basically, between the points where a product is considered too cheap that there may be concerned over the quality to where they find the product too expensive, you will find the optimal price point where these two particular points (too cheap and too expensive) meet.

Van Westendorp analysis is normally used for new products or if there has been a considerable change to a product where no comparative pricing exists. This technique enables you to find the optimum price range, where you can maximise revenue and sales per unit sold.



C - Perceived Value Pricing

It is a basic pricing technique, where the valuation of a product or service is established according to how much participants are willing to pay for it, instead of its delivery and production costs. Although using a perceived value pricing technique might be basic, it can greatly assist in the effective marketing of a product since it sets product pricing in line with its perceived value by potential buyers. This allows for businesses to make certain products to stand out and be unique compared to other products such as Apple.

D - Conjoint Analysis

Compared to the previous methods mentioned earlier, conjoint analysis is a far more advanced technique for pricing research and the most effective in establishing the optimal price point. Conjoint analysis is a technique used to assess the relative importance individuals place on different features of a given product including price. A conjoint study normally involves showing participants a set of features and asking them to reveal how much they like or prefer the different attributes of that feature. It is used to learn how changes to price affect demand for products or services as well as measuring preferences for product features, and to predict the likely acceptance of a product if brought to market.

3.4 SUMMARY

- Competitive research provides brands with the information about the efficacy of their current practices, strategies and methodologies adopted by other brands, benchmarking
- Price is the most adjustable aspect of the marketing mix.
- Intensive study of demand for product and services in the market be undertaken before price fixation.
- Price is also influenced by the marketing method used by the company, e.g., commission which is to be paid to the middlemen for sale of the goods is also added to the price.
- Prices can be changed rapidly, as compared to other elements like product, place or promotion.

3.5 EXERCISE

Short Answers:

1. Discuss the concept of Pricing research.
2. Explain the analysis Perceived Value Pricing
3. What do you mean by Gabor Granger
4. Describe the term Right Level Pricing
5. Describe the term Pricing Perceived Value Pricing

Long Answers:

1. Explain in detail the analysis Van Westendorp
2. Analysis the methods of Conjoint Analysis
3. What are the importance of pricing research?
4. What are the Factors influencing pricing?
5. Explain the Methods of price research.

B. Multiple Choice Questions:

1. In penetration pricing a business firm seeks to access deeper market penetration by keeping prices _____.
a. higher b. Competitive c. Low d. Flexible
2. Two or more complementary products offered together at a single price is known as _____.
a. Bundle pricing b. Transfer pricing c. Full cost pricing d. Going rate pricing
3. The minimum price which can be charged bounded by product cost is also known as _____.
a. Price floor b. Price fixation c. Basic price d. None of these
4. _____ methods best to use a maximum of 8 to 9 test prices.
a. Perceived Value Pricing b. Van Westendorp's Price c. Gabor Granger d. Conjoint Analysis
5. _____ is a far more advanced technique for pricing research and the most effective in establishing the optimal price point.
a. conjoint analysis b. Perceived Value Pricing c. Van Westendorp's Price d. Conjoint Analysis

Answer: 1-c, 2-a, 3-a, 4-c, 5-a

C. Fill in the blanks:

1. _____ is a technique used to assess the relative importance individuals place on different features of a given product including price
2. _____ methods allow for businesses to make certain products to stand out and be unique compared to other products such as Apple
3. The Van Westendorp's Price Sensitivity Meter also known as _____
4. The wrong price decision can bring about the _____ of a company
5. _____ technique enables you to find the optimum price range, where you can maximise revenue and sales per unit sold

Answer: 1. Conjoint analysis 2. Perceived Value Pricing 3. PSM
4. Downfall 5. Van Westendorp analysis

D. State whether the following sentence are True / False:

1. Pricing research measures the fluctuations in demand of a product or service to same changes in price

2. Pricing is one of the most important factors in the field of education
3. Variable Cost have example of Rent of building, Salary of permanent staff, etc
4. Gabor Granger is a regular pricing technique by which a participant is asked to say how likely they are to buy the product or service at a stated price.
5. Van Westendorp analysis is normally used for new products or if there has been a considerable change to a product where no comparative pricing exists.

Answers: True: 4 and 5 False: 1, 2 and 3



APPLICATIONS OF MARKETING RESEARCH-IV

Unit Structure

- 4.0 Objectives
- 4.1 Introduction
- 4.2 Physical Distribution research
- 4.3 Supply Chain Management
- 4.4 Summary
- 4.5 Exercise

4.0 OBJECTIVES

- To understand the concept of Physical Distribution research
- To discuss the types of distribution channels
- To analyse the importance of physical distribution research
- To explain the concept of Supply Chain Management
- To understand the various components of supply chain management

4.1 INTRODUCTION

Physical distribution refers to the movement of finished goods from a company's distribution and fulfillment network to the end user. In ecommerce, physical distribution involves several ecommerce supply chain activities including warehousing, inventory control, order processing, retail fulfillment, and shipping.

Supply chain management (SCM) is the discipline that manages the flow of supplies through all of the stages of a production cycle. SCM applies to any organization that executes projects, produces goods or provides services, as those activities require a supply chain to maintain a steady flow of resources.

4.2 PHYSICAL DISTRIBUTION RESEARCH

Physical distribution (P.D) is an important marketing function describing the marketing activities relating to the flow of raw materials from the suppliers to the factory and the movement of finished goods from the end of production line to the final consumer or user.

Physical distribution is concerned with the physical movement of the goods from the producer to the consumer. It is an important part of marketing activity and a major component of marketing mix. It includes all those activities which help in efficient movement of goods from producer to consumer, such as transportation, warehousing, material handling, inventory control, order processing, market forecasting, packaging, plant and warehouse location and customer service.

Philip Kotler has defined physical distribution as, “Physical distribution involves planning, implementing and controlling the physical flow of materials and final goods from the point of origin of use to meet consumer needs at a profit.”

Physical distribution is the set of activities concerned with efficient movement of finished goods from the end of the production operation to the consumer. Physical distribution takes place within numerous wholesaling and retailing distribution channels, and includes such important decision areas as customer service, inventory control, materials handling, protective packaging, order procession, transportation, warehouse site selection, and warehousing. Physical distribution is part of a larger process called "distribution," which includes wholesale and retail marketing, as well the physical movement of products.

4.2.1 Types of distribution channels

A manufacturer may plan to sell his/her products either directly or indirectly to the customers.

In case of indirect distribution, a manufacturer has again an option to use a short channel consisting of few intermediaries or involve a large number of middlemen to sell his/her goods.

Therefore, there are various forms of channel networks having different number and types of middlemen.

Channels can be long or short, single or multiple (hybrid), and can achieve intensive, selective or exclusive distribution. The length of channel could have any number of intermediaries or be direct to customers.

Some of the types of distribution channels are: -

The channels of distribution, which are sometimes referred to as trade channels, may be broadly classified into two categories:

1. Sale through direct channels; and
2. Sale through indirect channels.

1. Direct Channels:

The producer can sell directly to his customers without the help of middlemen, such as wholesalers or retailers:

- (i) By opening retails shop;
- (ii) Through travelling salesmen;
- (iii) Through mail order business.

These channels take the shortest route to the consumer. Certain goods, like the industrial machinery, are directly sold to the consumers. Costly goods like computers and luxury automobiles, are also directly sold. Some manufacturers open their own retail shops in many localities and sell goods directly to consumers. The best example is that of the Bata Shoe Company Shops. The manufacturers also try to sell through their own mail order departments.

All these indicate that producers are now taking steps to approach the consumers directly. Though this is possible for some types of goods, the fact remains that the services of intermediaries, such as wholesalers and retailers, are often essential in the distribution of goods to consumers.

2. Indirect Channels:

The indirect channels of distribution are:

- (i) Producer-Consumer (industrial goods with high technical content)
- (ii) Producer-Retailer-Consumer (via large department stores)
- (iii) Producer—Wholesaler—Consumer (most industrial products)
- (iv) Producer-Wholesaler-Retailer-Consumer (most consumer goods)
- (v) Producer-Sole Agent -Wholesaler-Retailer-Consumer (usually for a prescribed geographical area).

The first channel, from the producer to the consumer, is preferable when buyers are few and the goods are costly and mostly purchased by industrial users. In this category fall such goods as complex machinery involving high technology, computers and luxury cars. In this case, buyers can be directly contacted and goods can be sold by direct personal approach.

The second channel, from the producer-retailer to the consumers, is preferable where the purchasers of goods are big retailers like department stores, chain stores, super markets or consumer co-operative stores. In these cases, the wholesalers may be by passed because the bulk of the goods are purchased by these large retail distributors to be sold to the consumers.

Goods like electrical appliances, fans, radios, ready-made garments and a host of other articles fall in this category. This channel is also suitable when the goods are of a perishable nature, and quick distribution is essential. However, the manufacturer will have to undertake such functions as transportation, warehousing and financing.

The third channel, from the producer-wholesaler to the consumer, can be successfully used in distributing industrial goods. Under industrial goods are included goods which are used for further production and not for resale. This is a shorter channel, and the producer eliminates the retailer in

this channel link. In this case, the buyers are business houses, government agencies, consumer co-operative stores, etc.

The fourth channel, from the producer-wholesaler-retailer to the consumer, is the longest route in the distribution link but is very popular. It is used for the marketing of a variety of consumer goods of daily use, particularly where the demand is elastic and a large number of similar products are available. This channel is preferable when the market for the goods is highly competitive.

This channel is also suitable when the producer operates under the following conditions:

- (a) The producer has a limited line of products.
- (b) The finance available to the producer is limited.
- (c) The wholesalers handle specialised goods.
- (d) Products are not subject to change due to changes in fashion.
- (e) Wholesalers and retailers can provide good promotional support.

The last channel, from the producer-sole agent-wholesaler- retailer to the consumer, the used by some producers. The entire production of goods is delivered to the sole agent for further distribution. The sole agent, in turn, may distribute to wholesalers who, in their turn, distribute to retailers. The manufacturer may appoint a single sole selling agent or he may appoint sole agents area-wise.

He wants to pass on the risk of marketing the goods to the selling agents. He avoids the risk involved in selling and, wants to concentrate on production. He cuts down on his marketing expenditure and the expenditure incurred on maintaining a sales organisation and a sales force.

But, in doing so, he takes a big risk of relying only on the sole selling agents, he places himself at the mercy of his selling agent. If the relations between the producer and the selling agent become strained, or if the selling agent fails to distribute the goods, the producer will be put to a great loss. In the marketing of agricultural goods, however, it is a common practice to sell through selling agents.

4.2.2 Importance of physical distribution research

1. Creating Time and Place Utility:

Physical distribution activities help in creating time and place utility. This is done through transportation and warehousing. Transportation system creates place utility as it makes available the goods at the right place where they are required. Warehousing creates time utility by storing the goods and releasing them when they are required.

2. Helps in Reducing Distribution Cost:

Physical distribution cost account for a major part of the price of the product. If these costs are handled systematically, decrease in costs of product can be there. Proper and systematic planning of transportation schedules and routes, warehousing location and operation, material handling, order processing, etc. can easily bring in cost economies.

3. Helps in Stabilisation of Price:

Physical distribution helps in maintaining stable prices. Even customers expect price stability over a period of time. Proper use of transportation and warehousing facilities can help in matching demand with supply and thus ensure stabilisation of price.

4. Improved Consumer Services:

Consumer service in physical distribution means making products in right quantity available at right time and right place i.e. place where customer needs.

4.3 SUPPLY CHAIN MANAGEMENT

Supply chain management is the heart of every organization. It consists of all the processes that are involved in the life cycle of material in the organization from raw material to the final product and delivery to the customer. The effectiveness of supply chain management plays an essential role in the success of every business.

Companies are required to create a network of different suppliers to obtain different types of raw material that they need for the production process. Moreover, companies must have suppliers that can meet the demand of the material and can provide material in any quantity whenever it is required in the organization.

The role of supply chain management (SCM) has even increased more because of cut-throat competition in every market segment. Now several companies are providing similar products, which gives more options to the consumers to choose from. As a result of that, it becomes difficult for companies to survive in the market and is required to continually think about innovative ideas to stay ahead in the competition.

Definition

Supply chain management can be defined as a system that handles the entire production flow of goods and services in the organization. It monitors the life cycle of material as they enter the organization and move out of the organization.

4.3.1 Components of supply chain management

Planning

Planning starts with nailing down the details of your operation strategy. First is deciding where you'll set up shop to make your product – either domestically or internationally – and whether you make the entire product yourself or purchase some components elsewhere. There are benefits and challenges with either so this should be done strategically.

Next, decide how you will produce and store your product. Will you make them in advance and store them to await order? Or, will you make them once the customer orders? You could also have a portion of the final product made in advance and complete production upon order, or offer order customization. You can use any combination of these strategies and the method for performance measurement is established before planning begins.

Sourcing

The next phase is procuring your raw materials and any components you intend to outsource. This needs to happen at the best possible price, at the right time, in the right quantity. It's important that all suppliers are thoroughly vetted and all contracts are negotiated to get the best value without sacrificing quality. Delivery scheduling is critical, too.

Assessing supplier performance is a continuous requirement for optimal supply chain management, as well as scheduling payments and ensuring import/export requirements are met.

Location

Location is critical for successful supply chain management. A suitable location that is convenient to your resources and materials is ideal.

For example, a carbonated drink company that is set up in a location where water is scarce could hamper the vitality of the business.

Making

This is where assembling, testing, and packing activities happen. This stage also includes establishing rules for performance measurement, how you'll store data, your production facilities, and regulatory compliance.

Delivery

Also called logistics, this component encompasses all the steps for processing customer orders, distributing them, and transporting them. Warehousing and inventory, or paying a service provider to manage both, are also included in this stage.

This is also where you factor in trial and warranty periods and invoicing once the final product is delivered.

Returns

You'll need a smooth and easy process for customers to return defective products. This will also include how to handle "end of life" products when the time comes for you to discontinue making, selling, and supporting certain products.

For defective products, this stage includes your company's established rules for monitoring performance, costs, and inventory for the returned product. This means:

- Identifying the product condition
- Authorizing returns
- Scheduling replacement product shipments
- Providing refunds

4.4 SUMMARY

- Physical distribution is the set of activities concerned with efficient movement of finished goods from the end of the production operation to the consumer.
- The first channel, from the producer to the consumer, is preferable when buyers are few and the goods are costly and mostly purchased by industrial users.
- The second channel, from the producer-retailer to the consumers, is preferable where the purchasers of goods are big retailers like department stores, chain stores, super markets or consumer co-operative stores.
- The third channel, from the producer-wholesaler to the consumer, can be successfully used in distributing industrial goods.
- The fourth channel, from the producer-wholesaler-retailer to the consumer, is the longest route in the distribution link but is very popular.
- The role of supply chain management (SCM) has even increased more because of cut-throat competition in every market segment.
- Location is critical for successful supply chain management.

4.5 EXERCISE

Short Answers:

1. Explain the term Physical distribution
2. What do you mean by SCM?
3. Define Supply chain management
4. Explain the Direct channels
5. Describe the term Sourcing.

Long Answers:

1. Explain the difference between Physical distribution and SCM
2. Explain the types of Physical distribution.

3. What are the Importance of physical distribution research?
4. Discuss the Components of supply chain management.
5. Describe difference between direct and indirect channels.

B. Multiple Choice Questions:

1. What ensures that products reach the ultimate customers from the manufactured.
a. Selling b. Marketing c. Sales promotion d. Physical distribution
2. _____ starts with nailing down the details of your operation strategy.
a. planning b. sourcing c. location d. making
3. Actual distribution of products takes place through channels of distribution or directly. Deciding how many channels would be preferred or how the goods will be transported form one place to another are the main concerns. Identify the function of marketing.
a. Promotion b. Physical distribution c. Transportation d. Storage or warehousing
4. Physical distribution channels include _____
a. Retailers b. Wholesalers c. Both a and b d. None of the above
5. _____ stage also includes establishing rules for performance measurement, how you'll store data, your production facilities, and regulatory compliance
a. making b. sourcing c. planning d. Delivery

Answer: 1-d , 2-a , 3-b , 4-c, 5-a

C. Fill in the blanks:

1. _____ is concerned with the physical movement of the goods from the producer to the consumer.
2. _____ is the discipline that manages the flow of supplies through all of the stages of a production cycle
3. SCM stands for _____
4. _____ is when businesses transport materials from supply to stock
5. _____ carriers will often not provide special handling, such as when the business needs a product transported with a special truck

Answer: 1. Physical distribution 2. SCM 3. Supply chain management
4. Supplying distribution 5. Hired

D. State whether the following sentence are True / False:

1. Sales and distribution modules focus on the process of getting in contact with government.
2. Price distribution activities help in creating time and place utility
3. Consumer service in physical distribution means making products in right quantity available at right time and right place
4. Physical distribution helps in maintaining stable prices
5. Assessing supplier performance is a continuous requirement for optimal supply chain management, as well as scheduling payments and ensuring import/export requirements are met

Answer: True- 1 and 2 False-3, 4 and 5



APPLICATIONS OF MARKETING RESEARCH-V

Unit Structure

- 5.0 Objectives
- 5.1 Introduction
- 5.2 Promotion Research
- 5.3 Advertising Research
- 5.4 Summary
- 5.5 Exercise

5.0 OBJECTIVES

- To Discuss the concept of Promotion Research
- To explain the elements of promotion
- To understand the importance of promotion research
- To discuss the concept of Advertising Research
- To analyze the scope of Advertising Research
- To highlight the Pre & post testing methods of advertising effectiveness

5.1 INTRODUCTION

Sharing your research with a wider audience can make you more visible in your field. Greater visibility will enhance your reputation and the impact of your research, which is increasingly important in obtaining extramural funding. Research Promotion products help you communicate your research quickly and easily by providing a snapshot of the key findings from your study. If you've ever struggled to summarize your results or if you simply want to communicate your research to a broader audience, our Research Promotion products can help. Advertising research is needed in order to determine the effectiveness of a campaign or commercial based on the feedback of a consumer. This kind of research is vital as it analyzes whether or not the ROI of an advertisement has been achieved, which is one of the goals in advertising.

5.2 PROMOTION RESEARCH

Marketing promotion is a group of outbound communication activities which are used to inform customers about the product and service features and offers in order to create awareness, increase demand and drive sales. Based on the activity, marketing promotion can be driven by personal selling, advertising, sales promotion, direct marketing & PR. It is a critical business activity as it promotes the product benefits, attracts customers & increases business revenue.

Promotion is the voice of your company which send out your brand's message loud and clear to the audience. Various media platforms can be used to promote your company and brand. They include television, radio, shopping outlets, billboards, magazines, and social media.

Promoting your brand will help you in many different ways:

- Increase brand awareness
- Provide appropriate information
- Increase Customer Traffic
- Build sales and profits

5.2.1 Elements of promotion

1. Personal Selling

It is a promotional activity wherein an individual is involved in interacting with customers/ clients in order to achieve sales. Example: Salesman

2. Advertising

Advertisements are a form of marketing promotion such as commercials on TV, ads on internet, hoardings, print medium like newspapers, magazines, fliers etc. which is intended to influence the public viewing it and which is paid for.

3. Sales Promotion

It can be of two types- Trade or Consumer. Example is coupon or price discounts which stimulates sales

4. Direct Marketing

Directly selling to customers without any retailer in between They have a call to action. Example is selling through newspaper advertising, magazines, mailers, fliers, catalogues, targeted TV commercials etc.

5. Public Relations (PR)

PR is managing information flow between an organization and public. It is aimed at maintaining a particular image in the minds of customers,

investors and other stakeholders. Example: Sponsoring events, newspaper articles etc.

5.2.2 Importance of promotion research

1) Increasing brand awareness –

Promotions help in creating brand awareness. With the help of various media like the television, billboards, radio or local newspaper news, you can spread across information about your brand and company, which helps people to find out more about you and look into your products and make purchases.

2) Segment Identification –

If your promotional and marketing strategy is loosely structured, it might not be successful in targeting the “right” audiences. Having a full-proof and well-thought-out promotional strategy and marketing plan can help you identify different segments of consumers in the market and offer suitable solutions for your clients.

3) Increasing customer traffic –

Promotion also helps in increasing customer traffic. The more you promote your brand, the more will the customers know about you and your company and the more will they be interested in your products. Promotion can be done even by giving out free samples which work wonders for customers! They try your product and ultimately, come to you and make purchases.

While promotional strategies are very much important, marketers and businesses must take into account a few aspects of their marketing mix plan. It is essential that businesses make use of the right media tool to target their customers. These days, when social media is the most effective tool on the online platform, promotional strategies need to extend beyond radio, television and print.

4) Understanding Your Clients

Promotional and marketing strategies can also assist your business in understanding and connecting with clients and customers. If your marketing plan is loosely structured, you might not have much success at targeting products to the "right" demographics. Having a solid and well-thought-out marketing plan can help you identify gaps in the marketplace and provide feasible solutions for your clients.

5) Strategic Business Planning

Another important aspect of promotional and marketing strategies involves strategic planning. Strategic planning is a concept that encompasses marketing, promotion, sales, and financial goals and is essentially about developing goals for your business. Having a strategic

plan for your business means having plans in place to deal with both expected and unexpected situations.

6) The Marketing Plan

Promotional and marketing strategies are often first brainstormed and written as part of an organization's marketing plan. If your small business doesn't have a marketing plan, you should seriously consider developing one. Most marketing plans include the current or expected strategies you have for your products, the price points of those products, how you intend to distribute the products, and your advertising and marketing tools.

5.3 ADVERTISING RESEARCH

Advertising research is a detailed and systematic gathering, recording, and analysis of data to improve the efficiency of advertising. Advertising research also decides the success of an advertising campaign to know how customers respond to particular advertising.

The purpose of advertising research is to establish a brand image, create Awareness, Knowing the consumer's attitude, develop creative ads, effective ads to influence consumers, improve brand image, etc.

Advertising research is a detailed study on a particular subject, which leads to a successful and effective campaign. Advertising research also decides the success of an advertising campaign by measuring the impact over its audience. The purpose of advertising research is to either establish a brand image or to improve one. Research also helps in arriving at a creative idea. A creative advertisement is one that engages the target audience. And what helps in developing advertisement creative is the advertising research that takes place before its creation. Before entering the markets, the idea may go through many iterations and improvements until it's ready for the market.

The advertising research is an application of marketing research aimed at the measurement of advertising effectiveness. Advertising research is better defined by history and practice than anything else. Research comes into the advertising process at several points. Early in the process, it is sometimes used to help a marketer determine which segment of the market to target.

5.3.1 Scope

1.) Increases awareness

Advertising's purpose is to make the customer aware of the company and its products. Advertising research on the opposite side is to make the company aware of its target market and target customer, which helps in building effective advertising.

2.) Analyzes changing market

If a company want to grow in the long run the company needs to know their customer. Customer attitude also changes with the change in the market or environment, because new and innovative products are launched by the companies on a daily basis. Advertising research helps the company to analyzes these changes to know about the changing attitudes of customers.

3.) Advertising Communication

Advertising's purpose is to communicate the product or brand with its target or prospective customer. Successful communication of messages can be measure by increasing awareness about the product, changing the attitude of the customer, taking some action by the customer regarding the product.

4.) Provide Feedback

Advertising does not end after execution company has to check that they got the desired result or not. It is an attempt to measure that the investment in creating the advertising has resulted in attaining the goals and provide satisfaction to the consumers. Advertising research provides feedback to the company about the effectiveness of advertising.

5.) Provide Results

Evaluation of advertising refers to the activity of comparing the actual results of advertising to the established standard to know the real value of the advertising performance.

It helps to know that message reached the target customers or not. It can be done at any stage, in starting, in the middle, or at the end of the advertising.

5.3.2 Pre & post testing methods of advertising effectiveness

There are primarily two broad types of advertising research viz. Pre-testing and Post-testing. Pretesting is testing the advertisement before running it so that the likelihood of preparing most effective ads, by allowing an opportunity to detect and eliminate weaknesses or flaws increases. Post-testing is done after the advertisement is run on the media. This is more expensive and elaborate but most realistic as well because the advertisements are tested in real life setting.

In another way of advertisement research can be classified into two types of research, customised and syndicated. Customised research is conducted for a specific client to address that client's needs. Only that client has access to the results of the research. Syndicated research is a single research study conducted by a research company with its results available, for sale, to multiple companies.

I - Pre-Test Methods Pre-test method refers to testing the potentiality of a message or copy before printing or broadcasting. It is useful because the concepts in advertising may appear to be simple and effective to the advertiser or advertising agency. It may be difficult from the layman's point of view. All the elements in the advertising copy requires careful pre-testing to see that the matter it intends to be conveyed has been really conveyed, „prevention is better than care“. Pre testing methods are adopted on this basis. The following are some of the pre-testing methods.

a. Checklist Method:

The copywriters use checklist method to test the effectiveness of advertising copy. The purpose of this method is to ensure that all elements of the advertising copy are included with due importance in the advertisement. As it is a pretest method omission can be included in the copy before release of the advertisement. A checklist is a list of good qualities to be possessed by an effective advertisement. The researcher has to compare the advertisement with the checklist and tick the items present in the advertisement copy. Accordingly, a copywriter can draw specific conclusions and make suitable changes in the advertising copy.

b. Consumer Jury method:

This method essentially involves the exposure of alternative advertisements to a sample of jury; of prospects and the securing of their opinion and reactions to the advertisements. This test is designed to learn from a typical group of prospective customers gathered in one place or a sample of prospects that are independently, visited by interviewers or contacted by mail their preference for one advertisement over the other or for several advertisements out of a group. Advertisements which are unpublished are mocked up on a separate sheet and these are presented before the consumer jury either in personal interviews or group interviews.

c. Sales Area Test:

Under this method advertising campaign is run in the markets selected for testing purposes. The impact of the campaign is evaluated by actual sales in the selected markets. The market with high sales is considered the best market for effective sales campaign. In other markets suitable changes are made in the advertising campaign.

d. Questionnaire Method:

It is a list of questions related to an experiment. It contains questions and provides space for answers. The draft of an advertisement along with some relevant questions is to be sent to a group of target consumers or advertising experts. Their opinions are collected and analysed to find out whether the proposed advertisement is satisfactory or not.

e. Recall test Method:

Under this method, advertising copies are shown to a group of prospects. After few minutes they are asked to recall and reproduce them. This method is used to find out how far the advertisements are impressive.

f. Reaction test:

The potential effect of an advertisement is judged with the help of certain instruments, which measure heartbeats, blood pressure, pupil dilation etc. Their reactions reveal the psychological or nervous effects of advertising.

g. Readability test:

All the listeners of advertisements cannot read it equally. So respondents are drawn from different socio economic and geographical backgrounds. This method is used to find out the level of effectiveness when and advertisement is read.

II - Post-Test Techniques

The following are the post-test techniques for measuring the effectiveness of the advertisements –

(1) Recognition Test –

It determines the readership of the advertisement in the newspapers and journals. This test is conducted by personal interviews with readers, and magazines or newspapers. The interviewers locate the readers of the particular issue of the magazine in question. They, then, go through the magazine page by page with the respondent indicating those advertising elements which he or she recognise as having read.

(2) Recall or Impact Test –

The recognition test measures the stopping power of the advertising but does not tell us what the readers understood or retained of the advertisement. The recall test is designed to measure the impression of readers or viewers of the advertisement. If a reader has a favorable impression of the advertisement, he will certainly retain something of the advertisement. The measures of interest would be obtained by interviewing the readers or viewers or listeners, days after the advertisement or commercial is appeared in the newspaper, or on T.V. Interviewer asks the questions from the readers / viewers and in response to the question asked, the reader reveals the accuracy and depth of his impression by his answers.

(3) Psychological Analysis –

The whole process of advertising is psychological in character. It is therefore, natural to apply some psychological tests to measure the effectiveness of the advertising.

Four psychological testing techniques are most commonly used –

- a. Tests of readability and comprehension;
- b. Tests of Believability
- c. Attitude tests; and
- d. Triple Associates Test.

(a) Tests of Readability and Comprehension:

It this technique, by means of a series of penetrating questions and by other techniques developed by psychologists, the ease of readability and comprehension is determined, in advance of publication. It is determined by the interviewer under this method whether and to what extent the readers have gone through the advertisement.

(b) Tests of Believability:

An advertisement message effective. ness can be measured by the degree of credibility the readers have in the product. A scale technique is generally employed to measure the credibility by putting several statements or product claims before. the consumers and are created by them. The statement or product Claims gets the highest priority votes may be taken as the most effective statement or claim.

(c) Attitude Tests:

A number of attitude tests are developed by the psychologists who can be applied to copy testing. Typical consumers are exposed to sample advertising messages, either printed or oral. The interviewer then asks series of penetrating questions, to determine the attitude produced by these various messages. Psychological reactions such as age, involvement, the eye of person who would use the product and the personality of the product reflected by the advertisement being tested, are obtained. The researcher looks especially for elements in the advertising which arouse psychological hostility

(d) Triple Hostility Tests:

These ties in advertising with recall by seeking to learn the extent of the consumer association with the product, the brand name and copy theme. The test is useful only when the advertising features a specific theme or slogan, which the reader may remember. This procedure is sometimes known as theme penetration.

5.4 SUMMARY

- Marketing promotion is a group of outbound communication activities which are used to inform customers about the product and service features and offers in order to create awareness, increase demand and drive sales.
- Promotion is the voice of your company which send out your brand's message loud and clear to the audience.
- Directly selling to customers without any retailer in between.
- If your promotional and marketing strategy is loosely structured, it might not be successful in targeting the “right” audiences.

- Advertising research is a detailed and systematic gathering, recording, and analysis of data to improve the efficiency of advertising.
- Advertising's purpose is to make the customer aware of the company and its products.
- Pre-test method refers to testing the potentiality of a message or copy before printing or broadcasting.
- The recognition test measures the stopping power of the advertising but does not tell us what the readers understood or retained of the advertisement.

5.5 EXERCISE

Short Answers:

1. Explain the concept of Promotion research
2. Describe the term Advertising research
3. What do you mean by post testing methods?
4. Describe the term Pre-Test Methods
5. Analyse the method of Checklist Method

Long Answers:

1. What are the elements of Promotion research?
2. Discuss the Importance of promotion research
3. Describe the scope of Advertising research.
4. Explain the Pre & post testing methods of advertising effectiveness
5. What are the techniques are their Post-Test?

B. Multiple Choice Questions:

1. Which of these are not an element of promotion?
a. Sales Promotion b. Personal Selling c. Advertising d. Public Networking
2. Which of the following is a correct feature of personal selling?
a. One to one contact b. Indirect communication c. Planning d. Planning
3. Which of the following is not a sales promotion tool
a. Joint promotion b. Finance deal c. Salesman trying to make a Sale
d. Free gifts
4. Which of the following is not an objective of advertising?
a. Building relationship b. Introducing a new product c. Developing a brand image
d. Developing a brand image

5. A type of marketing that is an approach used to develop activities aimed at changing or maintaining people's behavior for the benefit of individuals and society as a whole is called _____.

- a. Sustainable marketing b. Social marketing c. Consumerism d. Rural marketing

Answers - 1-d, 2-a, 3-c, 4-a, 5-b

C. Fill in the blanks:

1. _____ tests determine the readership of the advertisement in the newspapers and journals.
2. _____ recognition test measures the stopping power of the advertising but does not tell us what the readers understood or retained of the advertisement.
3. _____ test is designed to measure the impression of readers or viewers of the advertisement.
4. _____ is a list of questions related to an experiment. It contains questions and provides space for answers.
5. _____ method essentially involves the exposure of alternative advertisements to a sample of jury; of prospects and the securing of their opinion and reactions to the advertisements.

Answer: 1. Recognition 2. Recall or Impact Test 3. Recall 4. Questionnaire Method 5. Consumer Jury method

D. State whether the following sentences are True / False:

1. Sharing your research with a wider audience can make you more visible in your field.
2. Promotion is the voice of your company which sends out your brand's message loud and clear to the audience.
3. Promotional activity wherein an individual is involved in interacting with customers/ clients in order to achieve sales.
4. Indirectly selling to customers without any retailer in between.
5. Directly selling is managing information flow between an organization and public.

Answer: True- 1, 2 and 3 False: 4 and 5



APPLICATIONS OF MARKETING RESEARCH-VI

Unit Structure

6.0 Objectives

6.1 Introduction

6.2 Consumer Research

6.3 Motivation Research

6.4 Summary

6.5 Exercise

6.0 OBJECTIVES

- To understand the concept of Consumer Research
- To explain the objectives of Consumer Research
- To discuss the methods of Consumer Research
- To understand the concept Motivation Research
- To analyze the importance Motivation Research

6.1 INTRODUCTION

Companies observe focus group responses behind a one-way mirror. A focus group is usually run by a moderator or experienced focus-group interviewer. Companies use focus groups to gather initial information about consumers. For example, a small food manufacturer may be introducing a new drink. Company marketing professionals may want to get help naming the product or narrowing their choice flavors down to two.

Motivation Research allows them to understand why people may or may not buy their product, allowing them to tailor marketing. In addition, it can help in identifying a target audience for different products and services.

6.2 CONSUMER RESEARCH

Customer research is conducted so as to identify customer segments, needs, and behaviors. It can be carried out as part of market research, user research, or design research. Even so, it always focuses on researching

current or potential customers of a specific brand or product in order to identify unmet customer needs and/or opportunities for business growth.

Customer research can focus on simple demographics of an existing or potential customer group (such as age, gender, and income level). Indeed, these considerations are vital determinants of a product's target audience. However, such research also often seeks to understand various behaviors and motivators—factors which place a product's use and potential on a higher level of study. Thus, the goal of such research is to expose clear details about who is—or will be—using a product as well as the reasons behind their doing so and how they go about using it (including the contextual areas of “where” and “when”). Customer research may be conducted via a variety of quantitative and qualitative methods such as interviews, surveys, focus groups, and ethnographic field studies. It also commonly involves doing desk research of online reviews, forums, and social media to explore what customers are saying about a product.

While customer research is usually conducted as part of a design project, it is also often conducted in other departments of an organization. In some cases, customer research is part of marketing—for instance, to ensure that marketing campaigns have the right focus. In other cases, it can be carried out as part of concept development or ideation so as to identify opportunities for future products, services, or features. In any case, such research is an essential ingredient in keeping the end users in clear sight long before the end of any design phase.

6.2.1 Objectives

There are generally **4 objectives you should set for your consumer research process** to improve your products or marketing process:

1. Understanding new inclinations and behaviors of consumers
2. Find out new concerns of customers
3. Identify neglected needs of consumers that have arisen
4. Find out where your business stands in your current market

Consumer research objectives vary, but there are some common scenarios when consumer research may be used:

1. Understanding new inclinations and behaviors of consumers

Noticed something unusual in the behaviors of customers regarding your brand? Or have their needs and inclinations changed? With the Covid-19 keeping outdoor activities to a minimum level, consumers have adjusted to new social norms, prioritized spending on home accessories and electronics, and are increasingly looking for home entertainment.

It's critical to utilize consumers' data while developing buyer personas to help you toward developing customer experiences and marketing

strategies that engage and resonate. You can utilize social data to analyze the following elements:

- Key subjects of interest
- Opinions and emotions
- Buying intentions and barriers to sell
- Product feedback
- Complaints and suggestions for each specific product

At this point, you should match data assembled from social listening tools with other sets of data, such as socio-demographic data, with the intent of personalizing approaches to best serve and engage your consumers.

2. Find out new concerns of customers

While advertisers and consumer insights teams tend to associate "social media listening" and checking clients' conversations on social media networks, don't forget that there are certain tools that are capable of monitoring mentions on public forums too! And that's a good place to start analyzing the consumer discussions.

When paying special attention to customers' new concerns, behaviors, and preferences that have emerged, make sure to look for these signals on your social listening platform:

- What topics did consumers previously not talk about, and are now trending on social media?
- What new factors have arisen to change or impede the customer's journey?

Focusing on these questions will be critical to driving customer loyalty and satisfaction. This brings us to the next point.

3. Identify neglected needs of consumers that have arisen

Along these lines, identifying neglected client needs is also among consumer research objectives that are Important for your marketing research process. As pandemic has shown us, it's not a matter of if, but when consumer behaviors will change. Also, these newly found behaviors and needs will likely stick around for quite a while.

To be truly effective, consumer insights gathered should be disseminated to relevant teams, so they can begin to improve your products and services. This is much more significant in the 'Age of the Customer', when customers are faced with tons of choices, and can easily take their dollar to a competitor.

Consumer research can help to detect new changes that are on a deeper level, develop strategies from crucial talking points, and improve product

and service innovations ahead of your competitors. All the more significantly, it can empower brands to deliver personalized user experiences designed to meet their needs.

4. Find out where your business stands in your current market

Ultimately, it's important to find out your brand positioning on the market to gauge the effectiveness of your brand campaigns when coordinated with the overall market visibility and receptivity. Using a comparison chart helps you to create social figures for benchmarking, which lets you put into perspective the success of your advertising efforts.

Notice where your brand stands among key players in the market by utilizing key statistics in terms of share of voice, sentiment, and reach.

6.2.2 Methods

Small businesses and larger corporations conduct marketing research to determine the needs of customers and consumers in general. Companies do research on existing customers to determine their satisfaction levels with current products or the interest level in new products. Consumer research is extremely important, because consumers may purchase competitive products if a company fails to garner customer feedback. Companies employ varied techniques to garner important consumer information.

Focus Groups

Companies observe focus group responses behind a one-way mirror. A focus group is usually run by a moderator or experienced focus-group interviewer. Companies use focus groups to gather initial information about consumers. For example, a small food manufacturer may be introducing a new drink. Company marketing professionals may want to get help naming the product or narrowing their choice flavors down to two. Hence, the marketing department may conduct focus groups with individuals from different demographic groups, such as people who make over \$75,000 per year or women between the ages of 35 and 54. Most focus groups are conducted with eight to 10 participants, according to Microsoft. Companies will sometimes run multiple sessions of focus groups.

Phone Surveys

Telephone surveys are usually conducted in large volume, which makes the results more representative of the population. For example, a small food manufacturer may survey 300 or more customers in several markets to determine how much it is willing to pay for a new cereal. Statistically, the results of the 300 surveys would be similar to how the entire population would respond to the survey.

Observation

Companies may observe the behavior of consumers rather than talk to them on the phone or in person. For example, a small manufacturer may observe whether consumers choose a particular product on the shelf because of special packaging. A company may use cameras or have researchers stand in the aisles and record actions of customers.

Market Segmentation

Companies use market segmentation to identify consumers that are most likely to purchase their products. For example, a marketing research manager may study demographic information from customers to determine the average age, income level and attitudes of his company's customers. The marketing manager may then identify where these clusters of customers reside within certain markets and target his advertising toward them.

6.3 MOTIVATION RESEARCH

Motivation research is a form of consumer research which has gained ground over the recent years. Motivation Research is the currently popular term used to describe the application of psychiatric and psychological techniques to obtain a better understanding of why people respond as they do to products, ads and various other marketing situations.

It concentrates on emotional or hidden stimuli to consumer action.

Thus, motivation research is an attempt to uncover the consumer's suppressed (conscious) and repressed (unconscious) motives. In suppression, the consumer remains aware of his motives but does not care to admit their existence to others for the fear of ridicule, punishment or being ostracized.

Information about the motivating factor remains in the conscious mind, however. Repression implies a more serious rejection of knowledge about a motive because; the individual will not admit motive's existence even to himself.

Today, the most challenging task of marketing research is to predict how people will react and why they react in a particular way in a given situation. "How they react"? Can be answered with ease and confidence. Say, how the consumers receive the new product, package advertising message and the like where surveys cross tabulations and analysis can help to find the answers. However, more difficult task is one of finding out "why people" react in a particular way? By merely asking consumers why they like or dislike a product or an advertisement or a package, one cannot get satisfactory answers.

6.3.1 Importance

1. Motivation Research leads to useful insights and provides inspiration to creative person in the advertising and packing world.

2. Knowledge and measurement of the true attitude of customers help in choosing the best selling appeal for the product and the best way to represent the product in the sales talk, and in determining the appropriateness and weight age of various promotional methods.
3. Motivation Research can help in measuring changes in attitudes, thus advertising research.
4. Knowledge and measurement of attitudes provides us with an imaginative market segmentation tool and also enables estimating market potential of each additional segment.
5. Strategies to position the offer of the company in a particular market segment should be based on the findings of motivation research.

6.4 SUMMARY

- Customer research may be conducted via a variety of quantitative and qualitative methods such as interviews, surveys, focus groups, and ethnographic field studies.
- Consumer research can help to detect new changes that are on a deeper level, develop strategies from crucial talking points, and improve product and service innovations ahead of your competitors.
- Small businesses and larger corporations conduct marketing research to determine the needs of customers and consumers in general.
- Telephone surveys are usually conducted in large volume, which makes the results more representative of the population.
- Companies observe focus group responses behind a one-way mirror. A focus group is usually run by a moderator or experienced focus-group interviewer.
- Companies use market segmentation to identify consumers that are most likely to purchase their products.
- Companies may observe the behavior of consumers rather than talk to them on the phone or in person.

6.5 EXERCISE

Short Answers:

1. Explain the concept of Consumer Research.
2. What do you mean by Motivation research?
3. Explain the definition of consumer
4. How to understanding new inclinations and behaviours of consumers
5. Write note on Focus Groups

Long Answers:

1. What are the objectives of consumer research?
2. Discuss the methods of consumer research.
3. Analysis the Importance of Motivation research.

4. What are the different between consumer research and Motivation research?
5. Explain in detail of motivation research.

B. Multiple Choice Questions:

1. Motivation Research is a type of research.
a. Quantitative b. Qualitative c. pure d. applied
2. _____ is the set of forces that energize, direct, and sustain behavior.
a. Motivation b. Expectancy c. Empowerment d. Socialization
3. _____ is a group of outbound communication activities which are used to inform customers about the product and service.
a. Marketing promotion b. product promotion c. Sales promotion
d. Consumer promotion
4. _____ can help to detect new changes that are on a deeper level, develop strategies from crucial talking points, and improve product and service innovations.
a. Motivation research b. Marketing research c. Sales research
d. Consumer research
5. Motivation research is concerned with _____ motives.
a. brand name b. government c. employees d. human

Answer: 1-a, 2-a, 3-a, 4-d, 5-d

C. Fill in the blanks:

1. _____ attempts to discover, underlying feelings, attitudes, and emotions concerning product, service, or brand use.
2. _____ is focused on what consumers do, but the focus of motivation research is on why they do it.
3. Customer research is conducted so as to identify _____ segments, needs, and behaviors.
4. Customer research can focus on _____ demographics of an existing or potential customer group.
5. _____ designed to uncover consumers of the subconscious or hidden motivation.

Answer: 1. Motivation research 2. Marketing research 3. Customer
4. Simple 5. Motivation

D. State whether the following sentence are True / False:

1. Companies observe focus group responses behind a two-way mirror.
2. Companies use focus groups to gather initial information about employees.
3. Motivation research is conducted so as to identify customer segments, needs, and behaviors.
4. Customer research may be conducted via a variety of quantitative and qualitative methods such as interviews, surveys, focus groups, and ethnographic field studies.
5. Motivation research is qualitative research, so it is very difficult to generalize the findings.

Answers - True- 4 and 5 False: 1, 2 and 3



APPLICATIONS OF MARKETING RESEARCH-VII

Unit Structure

7.0 Objectives

7.1 Introduction

7.2 Sales Research

7.3 Summary

7.4 Exercise

7.0 OBJECTIVES

- To understand the concept of Sales Research
- To explain the significance of Sales Research
- To analyze the Scope/areas of Sales Research

7.1 INTRODUCTION

Sales Control Research comprises substantial proportion of research work conducted by various companies' marketing research departments. This encompasses the marketing studies pertaining to sales forecasting, market potentials, market share analysis, and determination of market characteristics and sales analysis.

Clark and Clark define marketing research as “The careful and objective study of product design, markets and such transfer activities as physical distribution, warehousing advertising and sales management.

For every company, Sales is the ultimate revenue generator which takes care of all costs and expenses. While Sales may be achieved easily or in some cases in a very difficult way, analysis of the Sale that has materialized is very important.

7.2 SALES RESEARCH

Marketing management depends heavily on Sales Control Research (Sales Research) for formulating marketing policies, planning and controlling marketing operation. Sales Control Research is the identification and measurement of all those variables which individually and in combination have an effect on sales.

Sales Control Research comprises substantial proportion of research work conducted by various companies' marketing research departments. This encompasses the marketing studies pertaining to sales forecasting, market potentials, market share analysis, and determination of market characteristics and sales analysis.

These are the four most common sales control research activities undertaken by a marketing research department of a company. Sales Control Research heavily relies on secondary data and expert opinion. Techniques such as multiple regression analysis, multiple discriminant analysis, factor analysis and cluster analysis are widely used in such studies.

Most of the research activities of marketing research departments of companies is confined to market and sales analysis studies.

7.2.1 Significance

As the name suggests, sales analysis involves analysing the sales made by a company over a period of time. Many companies have a weekly sales analysis, a monthly sales analysis or a quarterly sales analysis. A regular sales analysis helps the company understand where they are performing better and where they need to improve.

Every company has a sales target which its salesmen have to achieve. If the target was to be achieved in a month, then on the 15th day of that month, the salesmen should know where they stand. This is where sales analysis plays its role. It helps determine where the company stands in terms of sales and then helps in sales strategy to reach a predetermined goal.

Sales analysis is done from the bottom level to the top level of the company. Even the CEO of the company does a sales analysis to understand segments where the company is gaining in sales and segments where it is dropping in sales. Such sales analysis can also help product development.



1) Missed opportunities :

Analyzing the available data can show the company where it has missed the opportunity and if or not that can be claimed. Market research will play an important role in this presenting data to compare while the field force will prove of valuable assistance in informing the practicalities of the situation.

2) Future decisions :

Sales data will help a company to take a future decision in terms of inventory management, marketing activities, schemes or offers to be rolled and changes in manufacturing processes if applicable. Based on Sales data, major decisions like continuing or discontinuing a product is taken. Those future decisions will help the external stakeholders of the company to decide whether or not to invest in the company.

3) Market Trends :

Sales analysis will also show the current market trends to the company. While the company may be preparing to launch a new product, Sales Analysis would show a drastic increase in Sales of the earlier product after an activity, showing that it was the lack of awareness which was a hindrance in realizing Sales and not the product. Also, Sales of a certain product may skyrocket during a festival or decrease seasonally.

4) Customer analysis :

Effectively, Sales Analysis is nothing but Customer Analysis. Answering why did a particular customer buy the product in a particular month may give crucial customer insights which will help with the planning of the company.

5) Detailed analysis :

A detailed Sales Analysis is broken down product wise, customer wise, year and month wise and geography wise is a source of huge information for the company.

7.2.2 Scope/areas

Scope of marketing research refers to the areas covered or the aspects studied under marketing research. In other words, it implies where or on which areas marketing research can be applied. In fact, marketing research concerns with almost each and every activity of marketing management. It has a wide and comprehensive scope.

The scope of marketing research covers following areas:

1. Research on Products:

Products involve goods and services. This branch of marketing research covers all the issues related to firm's products.

It studies and solves the product-related problems, such as:

- i. Study of products' qualities and performance
- ii. Study of physical and psychological characteristics of product
- iii. Determining uses of the existing products
- iv. Comparative study of competitive products
- v. Detecting consumers' problems related to the products
- vi. Determining need for developing new products
- vii. Assessing success of a new product in market, including market testing
- viii. Product life cycle and consumer adoption study
- ix. Study of branding, packaging, labeling, after-sales services, and remarking

2. Research on Market:

This area of marketing research deals with market/consumers. It studies characteristics and compositions of the target markets. It covers both current as well as potential markets.

This branch includes:

- i. Defining and selecting target market
- ii. Studying needs and wants of target market
- iii. Study of size and location of current market
- iv. Assessing the current market trends and projecting the future trend
- v. Analysis of territorial sales opportunities and potential
- vi. Setting sales territories and sales quotas
- vii. Market share analysis
- viii. Studies on relative profitability of different markets
- ix. Estimating demand of a new product

3. Research on Sales Methods and Policies:

This area of marketing research, particularly, concerns with study and analysis of the sales- related activities.

Various aspects covered under this head may be listed as below:

- i. Study and analysis of sales records

- ii. Analysis of sales territories in terms of products, size of orders, times, terms and conditions and methods
- iii. Study on activities and effectiveness of salesmen
- iv. Evaluating existing selling methods
- v. Sales force management including size, compensation, training, control, etc.
- vi. Study on effect of various promotional tools such as advertising, personal selling, sales promotion, and publicity tools on sales
- vii. Study on organisation structure of sales department

4. Research on Advertising:

Advertising is one of the powerful methods of market promotion. Major part of promotional budget is devoted to advertising activities. Therefore, it is imperative to conduct research on various aspects related to advertising.

Under this area, at least following aspects are covered:

- i. Comparative study of various elements of promotion
- ii. Study on advertising objectives, media and media selection, advertising message, theme, copy, and advertising agency
- iii. Social aspects of advertising – negative and positive effects of advertising on society at large
- iv. Advertising role in different stages of product life cycle
- v. Government restrictions on advertising
- vi. Study on costs and contribution of advertising or evaluating advertising effectiveness
- vii. Study of competitors' advertising practices and strategy

5. Research on Pricing:

Price is an important element of marketing mix. In developing and underdeveloped countries, price plays a vital role. Suitable pricing policies and methods can contribute positively in attainment of marketing goals. It is clear that price has remained a major determinant of buying decision.

This branch covers:

- i. Study on pricing objectives
- ii. Study on effectiveness of pricing policies and strategies
- iii. Study of various methods for setting price

- iv. Quality v/s value analysis
- v. New product and pricing policies
- vi. Study on effect of discount, allowance, and seasonal variables
- vii. Pricing strategies on different stages of product life cycle

6. Research on Distribution:

In today's marketing, distribution has unique role to determine success of product. A marketer can contribute to total consumer satisfaction by designing appropriate distribution network. Physical distribution and distribution channel are two important components of such research.

This area includes:

1. Assessing role of distribution decisions in achieving marketing goals
2. Comparative study of between direct and indirect distribution
3. Physical distribution and ancillary services
4. Study on various types of channels of distribution
5. Study on relevant factors affecting channel decision/selection
6. Comparing company's distribution strategies with competitors
7. Relevance of online marketing
8. Legal issues related to distributions

7. Research on Business Environment and Corporate Responsibility:

This area is not concerned with solving any marketing problem directly. In order to collect and analyze data related to broad business environment, such research is conducted. The study on the area helps manager formulate strategies for the current and the future market as well. It also helps assess strengths and weaknesses of marketing department in relation to business environment. In today's dynamic business environment, the study on various economic, social, and cultural variables is extremely important. Similarly, it is necessary to analyze corporate responsibility.

Main aspects covered under the head include:

- i. Business analysis including demand, national income, per capita income, trade and industry, economic growth rate, fiscal monetary policies, and export-import policy.
- ii. Short-term and long-term business forecasting.
- iii. Technological aspects.
- iv. Availability and quality of productive resources.

- v. Impacts of legal provisions and Acts.
- vi. Study on consumerism and the consumer rights.
- vii. Social and cultural values affecting business policy.
- viii. Pollution and ecological imbalance, and social responsibility of business.

7.3 SUMMARY

- Research is the identification and measurement of all those variables which individually and in combination have an effect on sales.
- Every company has a sales target which its salesmen have to achieve. If the target was to be achieved in a month, then on the 15th day of that month, the salesmen should know where they stand.
- Sales data will help a company to take a future decision in terms of inventory management, marketing activities, schemes or offers to be rolled and changes in manufacturing processes if applicable.
- Sales Analysis is nothing but Customer Analysis. Answering why did a particular customer buy the product in a particular month may give crucial customer insights which will help with the planning of the company.
- Advertising is one of the powerful methods of market promotion. Major part of promotional budget is devoted to advertising activities. Therefore, it is imperative to conduct research on various aspects related to advertising.

7.4 EXERCISE

Short Answers:

1. What is market trends?
2. What do you mean by sales?
3. Definition of sales research.
4. How sales affect the promotion?
5. Mention the different name of sales research.

Long Answers:

1. What is the Significance of sales research?
2. Discuss the scope of sales research.
3. Describe the areas covered under Research on Pricing.
4. What are the aspects that are covered under Research on Advertising?
5. What are the main aspects of Research on Business Environment and Corporate Responsibility?

B. Multiple Choice Questions:

1. Sales call report is a type of _____.
 - a. Monitoring information
 - b. Recurrent information
 - c. Customized information
 - d. None of these
2. A database in which the customer product and sales database are included is called _____.
 - a. mega database
 - b. data warehouse
 - c. Information center
 - d. data center
3. _____ is exactly what it sounds like: it markets and sells products to individuals directly.
 - a. Direct selling
 - b. Indirect selling
 - c. Email selling
 - d. Paid media selling
4. Sales promotion, advertising, and personal selling are the primary sources of _____.
 - a. revenue
 - b. payment
 - c. purchase
 - d. buy
5. How can we reduce, or totally eliminate post- purchase dissatisfaction of consumer?
 - a. By offering him the same product at a low price in the next sales deal
 - b. By giving him a cents-off coupon
 - c. By promoting our product through media campaigns and telling the customer that his purchase was the best one
 - d. By informing the customer that he can return the product and take his money back if he has not liked it.

Answer: 1-d , 2-a , 3-c , 4-d , 5-d

C. Fill in the blanks:

1. The corporation remarkets the product as improved in order to rekindle interest and, hopefully, increase _____
2. The plan that show time, date and frequency of an advertisement is _____
3. Point of Purchase Ads are also known as _____
4. A is a promotion strategy that calls for using the sales force and trade promotion to move the product through channels _____
5. _____ is a department within a company that is responsible for producing some or all of that company's marketing communication.

Answer: 1. Sales 2. media schedule 3. in-store advertising 4. Push strategy 5. Full service agency

D. State whether the following sentence are True / False:

1. Marketing management depends heavily on Sales Control Research (Sales Research) for formulating marketing policies, planning and controlling marketing operation.
2. Sales Control Research is the identification and measurement of all those variables which individually and in combination have an effect on sales.
3. Purchase Control Research comprises substantial proportion of research work conducted by various companies' marketing research departments.
4. Sales Control Research low relies on primary data and expert opinion.
5. Product management depends heavily on Sales Control Research for formulating marketing policies, planning and controlling marketing operation.

Answer: True- 1 and 2 False- 3, 4 and 5



APPLICATIONS OF MARKETING RESEARCH-VIII

Unit Structure

8.0 Objectives

8.1 Introduction

8.2 Rural Marketing Research

8.3 Summary

8.4 Exercise

8.0 OBJECTIVES

- To discuss the concept of Rural Marketing Research
- To understand the features of Indian rural market
- To discuss the Sources of data used in Rural Marketing Research
- To analyses the Research tools used in Rural Marketing Research
- To understand the Do's and don'ts in rural marketing research

8.1 INTRODUCTION

Rural marketing research means the careful and objective study of product design, markets and transfer activities such as physical distribution and warehousing, advertising and sales management in rural areas.

Rural marketing research helps to know the demographics, psychographic and behavioural characteristics of the target market in rural areas.

In short, we can say that rural marketing research is the systematic design, collection, analysis and reporting of data and findings relevant to a specific marketing situation facing by the company in the rural market.

8.2 RURAL MARKETING RESEARCH

The term 'rural marketing' used to be an umbrella term for the people who dealt with rural people in one way or other. This term got a separate meaning and importance after the economic revaluation in Indian after 1990. So, before venturing into the other aspects of rural marketing let us discuss the development of this area in different parts which is briefly explained here.

Part I (Before 1960): Rural marketing referred to selling of rural products in rural and urban areas and agricultural inputs in rural markets. It was treated as synonymous to ‘agricultural marketing’.

Agricultural produces like food grains and industrial inputs like cotton, oil seeds, sugarcane etc. occupied the central place of discussion during this period. The supply-chain activities of firms supplying agricultural inputs and of artisans in rural areas received secondary attention. The local marketing of products like bamboo baskets, ropes, window and door frames, small agricultural tools like ploughs by sellers like black smiths, carpenters, cobblers, and pot makers were emphasized in general. This was totally an unorganized market where all banias and mahajans (local business people) dominated this market.

Part II (1960 to 1990): In this era, green revolution resulted from scientific farming and transferred many of the poor villages into prosperous business centers. As a result, the demand for agricultural inputs went up especially in terms of wheats and paddies. Better irrigation facilities, soil testing, use of high yield variety seeds, fertilizers, pesticides and deployment of machinery like powder tillers, harvesters, threshers etc. changed the rural scenario. In this context, marketing of agricultural inputs took the importance. Two separate areas of activities had emerged- during this period ‘marketing of agricultural inputs’ and the conventional “Agricultural Marketing”. During this period, the marketing of rural products received considerable attention in the general marketing frame work. The formation of agencies like Khadi and Village Industries Commission, Girijan Cooperative Societies APCO Fabrics, IFFCO, KRIBHCO, etc., and also the special attention government had paid to promote these products were responsible for this upsurge. Village industries flourished and products like handicrafts, handloom textiles, soaps, safety matches, crackers etc. hit the urban market on a large scale from rural areas.

8.2.1 Features of Indian rural market

There goes a saying that the proof of the pudding lies in the eating. So also, the proof of all production lies in consumption/marketing. With the rapid pace of technological improvement and increase in peoples buying capacity, more and better goods and services now are in continuous demand. The liberalization and globalization of the Indian economy have given an added advantage to sophisticated production, proliferation and mass distribution of goods and services. Taking these into consideration, the question may arise whether marketers should concentrate their activities in urban India consisting of metros, district headquarters and large industrial townships only, or extend their activities to rural India. Rural India is the real India. The bulk of India’s population lives in villages. In terms of the number of people, the Indian rural market is almost twice as large as the entire market of the USA or that of the USSR.

1. More Prospective:

With the initiation of various rural development programmes, there has been an upsurge of employment opportunities for the rural poor. One of the biggest causes behind the steady growth of rural market is that it is not exploited and also yet to be explored.

2. Size:

The rural market in India is vast and scattered, and offers a plethora of opportunities in comparison to the urban sector. It covers the maximum population and regions, and thereby, the maximum number of consumers. Rural market is account for about 74% of total Indian population.

3. Nature:

The social status of the rural regions is precarious (uncertain) as the income level and literacy is extremely low along with the range of traditional values and superstitious beliefs that have always been a major impediment (obstacle) in the progression of this sector.

4. Response to Products:

Product-related features of rural segment are:

- i. Rural markets (buyers) believe in product utility rather than status and prestige. However, they like novel products with distinctive features.
- ii. Most village customers consider tastes rather than usefulness in long run.
- iii. They like simple and long-life products. They are interested in immediate results. Products must offer immediate benefits.
- iv. They respond to those products that suit their religious faith, and social norms and customs.
- v. They ask for such products which can assists in their traditional occupations and life style.
- vi. They have minimum urge for individuality. They prefer family-used products than personal- used products.
- vii. They strongly prefer such products that can change and improve their life-style.
- viii. They are less concerned with product services associated with products like after-sales services, guarantee and warrantee, home delivery, and other similar services. Branding, packaging, and labeling have less influence compared to urban segments.

5. Response to Price:

Price-related features of rural segments include:

- i. Rural customers are price-sensitive and highly influenced by level of pricing. Price is the strongest factor that affects their buying decision.
- ii. They buy those products which are low in price and medium in quality.
- iii. They are easily attracted by price discounts and rebates.
- iv. They prefer credit facility. They normally have strong desire to postpone payment for certain period.
- v. Some middle class rural customers are attracted by installment and loan facility.

6. Response to Promotion:

Promotion-related features of rural segment include:

- i. Rural customers are highly attracted by local and regional promotional efforts.
- ii. Their reference groups consist of educated and non-educated family members and relatives living in urban areas and foreign countries as well.
- iii. Personal selling seems more influential to convince rural mass.
- iv. They are attracted by such sales promotional tools or articles which are useful in their routine life such as knife, gas lighter, rings, key-chains, caps, photos of local actors, calendars and cards with religious impression, etc.
- v. They have a strong faith on local religious and spiritual leaders. Such leaders are among the most influential reference groups.
- vi. Publicity efforts related to local vocational and agricultural activities can impress them.
- vii. They can be appealed by visual or pictorial advertisements published in local and regional languages.

7. Response to Distribution:

Distribution-related features of rural segment include:

- i. Normally, they buy from familiar retailers and salesmen. They are hesitant to buy from big shopping malls or departmental stores. However, situation is changing gradually.
- ii. Rural customers strongly favour relations. They continue buying from known and established retailers who maintain close family relations with them.

- iii. Mostly they buy from retail outlets situated in rural or sub-urban areas. However, some rural customers like to buy products from nearby cities also.
- iv. Normally they place frequent orders of small in size. They lack storage facilities.
- v. They are not interested in home-delivery. They want immediate possession. They lack patience. They are found eager to possess and use the products immediately.
- vi. Caste, religion, political party, relations, etc., play important role in selecting the retailers.
- vii. Online and direct marketing are not much popular in rural areas. Sometimes, a few of them are interested in network marketing.

8. Predictability:

Unlike urban markets, the rural markets are difficult to predict, and possess special characteristics. The featured population is predominantly illiterate, have low and irregular income, lack of monthly income, and flow of income fluctuating with the monsoon winds. They don't have a stable pattern of reacting due to income factors.

9. Role of Government:

Demand of products depends on availability of basic facilities like electricity, transportation, schools, hospitals, etc. The steps taken by the Government of India to initiate proper irrigation, infrastructural developments, prevention of flood, grants for fertilizers, and various schemes to cut down the poverty line have improved the condition of the rural masses. Rural market depends on government's contribution to the rural sector.

10. Rigidity:

Most rural customers are illiterate, backward, and orthodox. It is very difficult to convince them to buy the products. They believe in the present and lack ambitions.

11. High Level of Heterogeneity:

We find different types of buyers in rural areas. Some are simple, while some are sophisticated; some are extreme rich, while some are extreme poor; some are highly educated, while some are complete illiterate; some are dynamic and modern, while some are very rigid and orthodox; some believe in quality and status, while some believe in availability and price.

8.2.2 Sources of data

Next step in conducting marketing research is to decide the research methods; the marketer is to decide from where to collect data, either from primary sources or from secondary sources.

i. Primary Source of Data (Primary Research):

Primary source of data refers to the first-hand original data collected by the investigators through observation, experimentation and field survey. It is not a published source of data, but has to be collected by the researcher. This data can be collected at a huge cost, but it is useful as it is collected for a specific objective. The information may be collected directly from the customers, dealers and salesman.

ii. Secondary Source of Data (Secondary Research):

Primary data are in the shape of raw materials to which statistical methods are applied for the purpose of analysis and interpretation. But secondary data are usually in the shape of finished products as it has already been treated statistically. The significance of secondary data lies in the fact that it is available at a very low cost. It can be collected within a short period of time.

The secondary data include facts and figures which are already collected by other individuals and institutions. The sources of secondary data include publications of Government, private institutions like Trade Association and Chambers of commerce, international institutions like IMF, World Bank and data collected by other research agencies etc.

Selection of Sample Design:

It is a rare phenomenon that total population is taken for the purposes of analysts. The use of sample (a sub set of population) is commonly occurrence. In selection of sample design, two important decisions are taken. One is to choose the sampling method and second is to decide the sample size.

Designing the Research Instrument:

The research instrument can be of two types – discussion guide in the case of qualitative research and questionnaire in the case of quantitative research. A discussion guide is an unstructured measurement from that permits a range of possible responses. It includes an open-ended question with a lot of prints for probing a particular area.

On the other hand, a questionnaire is a more structured research instrument. It involves close-ended questions and seeks definitive responses in a particular format. For example, how satisfied are you with the usage of the new tractor? Please rate your satisfaction on the following scale – completely satisfied, somewhat satisfied, neither satisfied nor dissatisfied etc.

Organising the Field and Collecting the Data:

Once the research instrument is decided, data must be collected from the respondent member of the sample. In qualitative research, the researcher uses discussions guides to conduct focus groups in-depth interviews. Interviews in qualitative research in rural areas are always held within the

natural setting of the villages, rather than at a location that is central for the researcher and the respondent.

Interactions with respondents are mostly audio recorded for the purpose of analysis. Focus groups are conducted at caste-neutral and common village points. As far as possible, in-depth interviews are conducted at the respondent's house or at an isolated place as villagers tend to crowd around stranger.

Data Analysis:

In the case of qualitative research, the data collected in the form of notes, audio recordings is transcribed and collected in a set format. Further, content analysis is done using filters and specific colour codes to find similarities and variations in the data.

In quantitative research, data input frames are prepared in excel or SPSS software where the data captured in the questionnaires is transferred for analysis.

Interpretation of Findings:

The selection of an appropriate statistical tool helps in carrying out interpretation of findings. Interpretation provides specific meaning to the data and helps convert into information. The information so generated is used to relate the findings with the work/studies that already exist. The interpretation should take place in the light of research objectives, limitations of the samples etc.

Reporting the Findings:

As the last step in the marketing research process, the researcher presents the findings relevant to the marketing decision to the rural marketer.

The report of the findings is prepared around the research objective of the study:

- i. The executive summary provides the snapshot and key highlights of the research findings.
- ii. The objective provides business and research objectives.
- iii. The research methodology describes the methodology used to conduct the research study.
- iv. The findings provide the detailed findings of the research.
- v. The conclusion and recommendations sum up the findings and provide the way forward.
- vi. Appendices provide important, additional and detailed information used in the analysis.

8.2.3 Research tools

1. Survey Method:

The survey is non-experimental, descriptive research method. Surveys can be useful when researcher wants to collect data on phenomena that cannot directly observe. Surveys are used extensively in marketing research. Data are usually collected through the use of questionnaire, although sometimes researchers directly interview subjects. With concise and straight forward questionnaire market researchers can analyze a sample group that represents their target market. The larger the sample, the more reliable their results.

2. Focus Group Method:

A focus group is a form of qualitative research in which people of a group are asked about their perceptions, opinions beliefs and attitude towards a product service, concept, advertisement idea, or packaging. Companies use focus group as a qualitative marketing research methodology to understand how people make decisions about their use of products or services. Focus group method of marketing research is more reliable for exploring new product or service ideas, understanding an organization's brand image testing effectiveness of advertising etc.

3. Personal Interview:

Personal interviews include unstructured open-ended questions. They usually last for about an hour and are typically recorded. Personal interview is normally conducted as a preliminary step in the research process to generate ideas about the subject being investigated so that these might be tested later in the survey proper. Such interviews are entirely informal and are not controlled by a specific set of detailed questions. Rather the interviewer is guided by a pre-defined list of issues. These interviews amount to an informal conversation about the subject.

4. Observation:

Observation forms another class of techniques that are particularly well suited to the rural market. It involves human or mechanical observation of what people actually do or what events take place during a buying or consumption situation. Popular forms of observational techniques include the mystery shopper or mystery customer technique to test quality of the customers experience or quality of customer service.

Others included the disposable camera technique, where respondents are asked to take the snapshots of their friends behaving naturally interacting with products being researchers.

5. Field Trial Method:

Field trial method is a kind of experimental research. Placing a new product in selected stores to customer's response under real life selling conditions can help company to make product modifications, adjust prices

or improving packaging. For example, in a sales test a new product might be tried in one store, city, state, and region. While the marketing mix was held constant elsewhere. If a sales change take place in all territories, only the net changes in the trial territory will be attributed to the new factor.

Other sources are

- Ensuring the support of opinion leader '
- Behaving in a manner to be liked by rural people '
- Being at right places:
- Village Chou pal
- Retail outlet
- Fairs
- Huts

8.2.4 Do's and don'ts in rural marketing research

- Wears simple clothes
- Familiar with local language or accompany a known person
- Spent time with villagers even though it is not needed to his research
- Purpose and its benefits to villagers should be explained in order to get correct data's.
- Issues sensitive to respondents should be carefully handled
- Male researchers should approach a woman through her husband or guardian of the woman.
- Avoid one- to-one interact as they gather as crowd.
- Researcher always carry food, water and first aid kit to avoid health problems

8.3 SUMMARY

- Marketing Research techniques and tools always have had to be adapted to the target group that is being addressed.
- Rural marketing research is undergoing a major transition as the scope of the research is expanding with the rising size and potential of the rural market.
- The mostly quantitative approach followed so far is giving way to behavioural and qualitative studies.
- In view of the illiteracy and lower exposure of rural consumers, however, tools are required to be specifically adapted or designed.
- This unit addresses the main issues in rural research, introduces you to the major organizations in the field and outlines the routes that rural research is likely to take.

Short Answers:

1. What do you mean by rural marketing?
2. Discuss the primary research.
3. Explain the secondary research.
4. Describe the term Survey Method
5. How to Select of Sample Design?

Long Answers:

1. Explain the features of Indian rural market
2. Which are the sources of data in rural marketing?
3. How to analysis the Data in rural marketing?
4. What are the Research tools in rural marketing?
5. Analysis the do's and don'ts in rural marketing research

B. Multiple Choice Questions:

1. _____ is called the Mecca of rural advertising.
a. Sri Lanka b. Africa c. Pakistan d. India
2. _____ media have a greater effect than the impersonal ones in the rural marketing context?
a. Personal b. Impersonal c. Indirect d. Direct
3. Which of these is not an objective of rural development?
a. To improve wages for the urban population b. To work on removing unemployment in rural areas c. To enhance the living standards of rural people d. To improve wages for the rural population
4. The process of assembling, storage, grading, packaging and distribution of different agricultural products is known as _____.
a. Agricultural marketing b. Agricultural diversification c. Agricultural management d. Agricultural banking
5. _____ are in the shape of raw materials to which statistical methods are applied for the purpose of analysis and interpretation.
a. Primary data b. secondary data c. formal data d. informal data

C. Fill in the blanks:

1. India is a land of agriculture and most of the population resides in _____

2. _____ refer to the first hand original data collected by the investigators through observation, experimentation and field survey
3. _____ - used to be an umbrella term for the people who dealt with rural people in one way or other.
4. _____ term got a separate meaning and importance after the economic revaluation in Indian after 1990
5. In rural quantitative research, data is collected using a _____ questionnaire

Answer: 1. Village 2. Primary source of data 3. Rural marketing 4. Rural marketing 5. structured

D. State whether the following sentence are True / False:

1. The survey is experimental, descriptive research method.
2. Surveys are used extensively in marketing research.
3. Focus group method of marketing research is more reliable for exploring new product or service ideas, understanding an organization's brand image testing effectiveness of advertising etc
4. Personal interviews include unstructured close ended questions.
5. Observation forms another class of techniques that are particularly well suited to the rural market.

Answers: True: 1 and 4 False: 2, 3 and 5



APPLICATIONS OF MARKETING RESEARCH-IX

Unit Structure

9.0 Objectives

9.1 Introduction

9.2 Global Marketing Research

9.3 Summary

9.4 Exercise

9.0 OBJECTIVES

- To understand the concept of Global Marketing Research
- To discuss the various factors affecting Global Marketing
- To explain the need and scope of Global Marketing Research

9.1 INTRODUCTION

Global Marketing Research is a comprehensive text that tracks the dynamic world of global marketing and undertakes a systematic approach in discussing the steps involved in the process of conducting marketing research. Market research is **vital to sustainable export success in international markets**. It is a process that can help you avoid costly expansion mistakes and identify extraordinary business opportunities, allowing you to minimize risk before you enter a foreign market through proactive data collection and analysis.

9.2 GLOBAL MARKETING RESEARCH

Marketing research can be defined as the systematic study and evaluation of all factors bearing on any business operation relative to marketing of goods and service. Logically, marketing research begins before production starts-in fact, even before the factory is built or the plant is set up,' and continues as long as the business remains in operation. Although marketing research is invaluable in the solution of business and marketing problems, it is by no means a substitute for sound business judgement based on knowledge, experience or even intuition. It is an aid and a guide to the managerial decision-making process. It eliminates or reduces guess work by providing facts and throwing light on the areas of enquiry. Objectivity is at the heart of marketing research. There is no difference

between the fundamentals of international and domestic marketing research.

The research process is basically the same wherever it is applied. Generally, the tools and techniques in foreign and domestic marketing research remain more or less the same but the areas of its application are divergent, creating a variety of operational problems. The environmental factors, for example, that are relevant for marketing may vary from country to country or specific information needed in one country may not be required in another. Within a foreign environment, the changing emphasis on the kinds of information needed, the research tools and techniques required to collect the information and the difficulty in implementing the research process constitute the real problems in global marketing research.

Global marketing can, therefore, be defined as, “marketing carried on across national boundaries.”

The Global marketing is different from domestic marketing both in the way of exchange and needs and requirements of Global buyers. Therefore, the knowledge of and the ability to perceive basic pattern in consumer behaviour in different environments is a particularly vital element in the makeup of the Global marketing.

9.2.1 Factors affecting Global Marketing

These factors can be divided in two ways:

- (1) Controllable factors
- (2) Uncontrollable factors.

The controllable factors refer to those variables which are under the control of company's management. It includes the control and design of elements of marketing mix. The Company is in a position to control and design product, price, place and promotion. All marketing activities relating to these factors can be well controlled and managed by the company's management.

On the other hand, uncontrollable factors are those, which are beyond the control of the company. It consists of total environment in which the marketing mix elements operates.

Some of the relevant factors to international marketing are given as under:

1. Social Factors:

The social factors of a nation determine the value system of the society, which in turn affect the International Marketing mix. Social factors are culture, caste, customs, languages, life style, standard of living, climate and marketing infrastructure etc. The demand for goods and services is affected by all these factors.

There is a lot of change in quality of life style of the people. They are willing to purchase many consumer durables like T.V., Fridge, Computer etc., even when they cannot afford to buy it. It became possible because of availability of hire purchase system or installment basis.

Cultural factors also influence every aspect of International Marketing. International marketing decisions are based on recognition of needs and wants of the customers. The cultural factors help to understand the behaviour patterns and life style of the societies culture, in which individual has grown up. Thus, an individual's perception is groomed and influenced by cultural factors.

2. Economic Factors:

The economic factors are the most significant determinants of International Marketing. They also affect the survival of a business organization and its success.

The economic factors can be studied under following categories:

- **Exim Policy of the Country**
- **Commercial Policy**
- **Financial system**
- **Monetary system**
- **Currency restrictions**
- **Inflation/ Deflation.**

The decision regarding international marketing mix is taken by keeping in mind the above stated economic factors which determine the economic environment of a country. Therefore, before going for export business or before going for any decision regarding international marketing mix, it is necessary to examine the economic factors, which determines the economic environment of a country.

3. Competition:

Competition is an important determinant of international marketing mix. The business firm has to face competition in his home market as well as in the international market. The international marketing mix is decided by keeping in mind the strategies of the competitors for the product, price, place and promotion.

4. Political Factors:

The Global Marketing mix is strongly affected by the political environment of the country. A marketer has to operate its business activities in a given political factors. The business operations are greatly affected by the political constraints at different levels. The change in political scenario leads to change in the government policies.

The following impact is associated with the political factors-

- (i) If the government is stable, it leads to stable policies relating to the business
- (ii) If frequent changes are there in the government, then it leads to frequent changes in the policies of the government relating to the business operations.

The political factors play a major role in deciding the operation of a business organization in the international business. Thus, a business organization has to study and analyse the political environment of a particular country, if it has decided to carry out its business operations.

Before going for any decision relating to the international business the business organization has to carry out swot analysis and cost benefit analysis of international marketing mix. It must be analyzed, keeping in mind the political scenario of a particular country. The government policy of a country must be assessed and the role of private sector, small scale industry is also important. Finally, it must be analysed that what significant role of Multinational Corporation is there in the national economy.

5. Legal Environment:

Global Marketing decisions are influenced by legal environment pertaining to competition, price setting, taxation, law etc. The legal system of a particular country should be studied well before doing business with that country.

6. Logistics:

International Marketing mix is influenced by the logistics. It includes mode of transportation, cost of transportation, inventory management, material handling and warehousing etc. It is necessary to study all these factors, before go in for any decision regarding global marketing mix.

7. Cultural differences

Culture refers to widely shared norms or patterns of behavior of a large group of people. Culture comprises of the values, attitudes, beliefs, artifacts and the other symbols represented in the pattern of life adopted by people that help them interpret, evaluate and communicate as members of a society.

A country which is operating in the international market is in need of cross cultural awareness. Cross cultural differences such as different forms of values, norms, rituals, non-verbal communication and language are to be carefully viewed and incorporated in the strategic decisions. A few examples of the cultural blunders in the marketing mix are:

Example: When a soft drink was launched in Arabian countries, it had label with six pointed stars. The sale of the product was very low as the stars were associated with Israel.

1. Climatic Differences

These are the meteorological or climatic conditions such as temperature range or degree of rain etc.

Example: Bosch-Siemens adapted their washing machines to the markets they sell. In Scandinavia, where there are very few sunny days, they sell washing machines with a minimum spin cycle of 1,000 rpm and a maximum of 1,600 rpm, whereas in Italy and Spain a spin cycle of 500 rpm is enough

2. Language Differences

The correct translation and language adaptation is very important.

Example: when Proctor & Gamble entered the Polish markets it translated properly its labels but failed. Later they found out that imperfect language must have been used in order to show that the company fits in.

Besides the differences mentioned above, there may be differences in the way that products or services are used, differences in the criteria for assessing products or services across various markets and differences in market research facilities and capabilities which influence the strategic decisions.

3. Risks:

The analysis of the risk factor is an important task to be performed before taking the decisions relating to the global marketing mix.

9.2.2 Need and scope of Global Marketing Research

The scope of international marketing research covers a wide range of marketing and environmental factors that can affect a product's success in a foreign market. These factors can be broadly classified as

- 1) Socio-economic and political profile of the country
- 2) Size and trend of the market
- 3) Structure of competition
- 4) Rules and regulations

Socio-economic and Political Profile Information under this category includes a wide variety of data on factors like size of the population, national income and principal sources, per capita income, standard of living, cultural attributes, geographic and climatic conditions, political system and policy etc.

It is also necessary to find out political and economic relations of the country with other countries, including the country of the exporting company, and the country's political status among the international trading community.

Size and Trend of the Market

Several factors enter into the analysis of the size and growth trend of the market for specific product groups. These include: data on indigenous production and product mix; direction and sources of export and import, size and trend of foreign trade, proportion of national consumption of the product supplied by the domestic industry, price behaviour of the market, future growth prospects, etc.

9.2.3 Structure of Competition

The study of competitive structure of the market is very important for an intending exporter. The strength of competition is a key factor that must be taken into account before an exporter decides to enter a foreign market. The competition may come from the domestic supplies as well as from other exporters into the same market. Competition may come not only from similar products but also from substitute products. For example, for a coffee exporter, other coffee suppliers would be direct competitors and tea or cocoa suppliers would be indirect competitors.

In studying the strength and structure of competition, a number of specific factors are to be taken into consideration; such as:

- What are the competitors' shares of the market?
- Is the market dominated by a small group of large-scale suppliers or a large number of small suppliers? • What are the marketing strategies of the competitors, including product range, pricing strategy, distribution channels, promotional techniques and the like?
- What are infrastructural and institutional facilities available in the market and their cost; for instance, transportation, warehousing, finance, insurance etc.?
- What are the commercial and business practices, norms, ethical standards etc.

These and many more similar factors are required to be considered in order to chalk out a competitive profile of the market, highlighting the strengths and weaknesses of the competition.

9.2.4 Rules and Regulations

Rules and regulations governing a foreign market are many and diverse. The rules could be broadly divided into two areas, namely (a) rules governing entry conditions of foreign goods into the country and (b) rules governing internal business practices. All countries regulate import of foreign goods by various means such as, imposition of complete ban or of

quantitative quotas on imports; tariff barriers; non-tariff barriers of a wide variety; currency and licensing restrictions; internal tax structure; product specifications and standards; health and safety regulations; promotional methods; branding, trademark and patent regulations; and various kinds of restrictions on business relationships and dealings between the exporting and importing organisations.

It is important to examine the impact and implications of these factors on the conduct of export business. Following is a checklist of information required for assessing market potential in a foreign country

1) Socio-economic and Political Profile -

Population-size, growth, composition, Gross national product, Per capita income, Balance of payments, Industrial structure, Cultural attributes, Climatic conditions, Political system

2) Size and Trend of the Market:

- Indigenous production, volume and growth Direction and composition of foreign trad
- Consumption patterns and trends Marketing Planning
- Market Segmentation pattern
- Demand trends

3) Structure of Competition

- Direct and indirect competition
- Nature of competition
- Competitive shares of the market
- Standards and specifications of competitive products
- Competitive marketing strategies
- Business and commercial practices
- Trademarks and patents

Rules and Regulations

- Market entry regulations
- Tariff and non-tariff barriers
- Foreign exchange regulations
- Internal taxes
- Health and safety regulations
- Trademarks and patents regulations
- Regulations on marketing practices and promotional methods.

In addition to collection and analysis of information on markets and marketing conditions prevailing in foreign countries, it is necessary to conduct research on consumer characteristics and consumption habits of people; product preferences in terms of attributes like size, shape, style, colour, taste, materials, performance, packaging and-the like. Marketing practices with regard to sales and distribution channels, pricing mechanism, advertising and sales promotion, after-sales service etc. are important areas of research.

9.4 SUMMARY

- Marketing research can be defined as the systematic study and evaluation of all factors bearing on any business operation relative to marketing of goods and service.
- The research process is basically the same wherever it is applied.
- Although marketing research is invaluable in the solution of business and marketing problems, it is by no means a substitute for sound business judgement based on knowledge, experience or even intuition.
- Objectivity is at the heart of marketing research. There is no difference between the fundamentals of international and domestic marketing research.
- Marketing can be concerned as an internal part of two processes, viz. technical and social. Global marketing and Domestic marketing are identical, so far as technical process is concerned.

9.5 EXERCISE

Short Answers:

1. Explain the term Global marketing.
2. Definition of Marketing research
3. Explain the factor Controllable factors
4. How Social Factors affect global marketing?
5. Discuss the factor Uncontrollable factors

Long Answers:

1. What are the Factors affecting Global Marketing?
2. In Cultural differences what are the factor affect the global marketing?
3. Discuss the needs of global marketing.
4. Describe the scope of global marketing.
5. Explain in detail point economic factor affect global marketing.

B. Multiple Choice Questions:

1. _____ strategy is used by a company that tries to sell a single type of product in multiple markets.
 - a. Horizontal Integration b. Vertical Integration c. Aggressiveness Integration d. Market Dominance Integration

1. Defense strategy is suitable for the organization that wants to _____.
 - a. Increase Market Share b. Maintain steady market share c. Decrease Market Share d. Tap new market

2. Stronger skills of product engineering are a pre-requisite for _____.
 - a. Cost Leadership Strategy b. Market Challenger c. Market Follower d. Differentiation Strategy

3. What involves tailoring the marketing mix to the specific needs of only one or two sectors of the market?
 - a. Market Propagator b. Market Leader c. Market Niche d. Market Bumper

4. In _____ when keywords linked to a company's product or service are searched, a corporation buys or "sponsors" a link that displays as an ad in search engine results.
 - a. SEO b. SEM c. POP d. Co-Branding

Answers: 1 – a; 2 – b; 3 – d; 4 – c; 5 – b;

C. Fill in the blanks:

1. 1. without a _____.
2. _____ is a plan to sell services or products in such a way that any firm can achieve long-term profitable growth

3. To gain a _____, brands that wish to be known as pricing leaders should provide lower costs

4. _____ may create a distinct identity in the ever-changing, competitive market by following a comprehensive and consistent marketing strategy.

5. _____ is a computer-assisted procedure that targets individual prospects and consumers in order to influence their purchasing decisions.

Answers: 1 – plan; 2 - marketing strategy; 3 - **competitive advantage**,
4 – **Brands**; 5 - Email marketing

D. State whether the following sentence are True / False:

1. 1. To maximise brand visibility and promote products and services, social media networks may be included in the Internet Marketing.
2. 2. The corporation pays a heavy charge to the search engine (or another third-party host site) for each visitor who clicks on the ad – a literal "pay per click."
3. 3. Conversational marketing is particularly beneficial for B2C organisations because it scales customer service and reduces the amount of time consumers spend in the sales funnel.
4. 4. Earned media is publicity generated with the use of paid advertising.
5. 5. A global segment strategy is used by a corporation that decides to target the same segment in same countries

Answers: 1 – T; 2 – F; 3 – T; 4 – F; 5 – F;



MANAGING MARKETING RESEARCH - I

Unit Structure

10.0 Objectives

10.1 Introduction

10.2 Organizing Marketing Research activity

10.3 In house marketing department

10.4 Summary

10.5 Exercise

10.0 OBJECTIVES

- To explain Organizing Marketing Research activity
- To understand the factors involved in organizing Marketing Research activity
- To analyze methods of organizing Marketing Research activity
- To discuss in house marketing department
- To discuss the Structure of in house marketing department
- To explain merits and demerits of in house marketing department

10.1 INTRODUCTION

"Marketing research does not make decisions and it does not guarantee success". Marketing managers may seek advice from marketing research specialists, and indeed it is important that research reports should specify alternative courses of action and the probability of success, where possible, of these alternatives.

10.2 ORGANIZING MARKETING RESEARCH ACTIVITY

Market research is one of the most essential things that every company must take into account before launching new products or services. Ensuring that new products are aligned or respond to what consumers want is key to predicting the success of new launches. However, there are many marketing research factors that directly influence the end result. In this article, we review in detail what they are.

Market analysis is specific research that is widely used by companies to study the economic context and sector in which they operate and the behavior of their target audience.

Well-conducted market analysis allows projects to respond effectively to the opportunities or risk factors present in a given market. Doing so is essential to defining a winning business plan and developing effective marketing strategies.

The most common methodology for conducting market analysis involves the integration between quantitative and qualitative approaches. All market research information represents a perfect example of effective collaboration between statistical and analytical tools, as well as sociological and psychological factors.

10.2.1 Factors involved in organizing Marketing Research activity

Marketing research is the term used to cover the concept, development, placement and evolution of your product or service, its growing customer base and its branding – starting with brand awareness, and progressing to (everyone hopes) brand equity. Like any research, it needs a robust process to be credible and useful.

Marketing research uses four essential key factors known as the ‘marketing mix’, or the Four Ps of Marketing:

- **Product** (goods or service)
- **Price** (how much the customer pays)
- **Place** (where the product is marketed)
- **Promotion** (such as advertising and PR)

1. Goals

Before you start any market research project, it’s essential that you define very specific goals. By identifying just one or two goals for your study, the questions you ask will be more focused. You’ll eliminate the need to ask too many questions, which can annoy respondents and cause them to abandon your survey before they complete it. Only ask questions that you need to know the answers to in order to reach your one or two defined goals. AYT helps reduce survey fatigue by limiting the number of questions and length of questions that can be included in every survey.

2. Data

What are you looking for? Determine the specific data you need to collect in order to meet your goals, and then create survey questions that will prompt respondents to give you that data.

3. Budget

How much money do you have to invest in a market research study? Fortunately, quantitative market research doesn't have to be expensive with tools like AYTAM, but you do need to consider a few more things before you move forward. Do you know what questions to ask to collect the data you need? Do you know how to analyze and interpret the results? If not, you might need to hire someone to help you, which will add to your budget.

4. Timing

How quickly do you need data? Traditional offline market research studies can take weeks or months to complete (they also tend to be quite expensive). Online surveys conducted using a do-it-yourself survey tool like AYTAM are much quicker. For example, a survey of 1,000 American adults could be fulfilled within hours.

5. Audience

When you conduct a market research survey, the audience of people you want to take the survey should be extremely well-defined. Be specific and identify gender, age, education, income, marital status, geographic location, and other demographic traits as well as personality traits such as hobbies, publications they read, and so on. If you're not asking the right people to take your survey, then the results you get could be meaningless. In fact, the results could point you in the wrong direction, so always define your target market very specifically.

6. Survey Questions

Writing survey questions takes some thought. First, you need to determine what questions you should ask in order to gather the data you need to meet your goals. Second, you need to make sure you write those questions in a language respondents will understand. Most often, it's best to avoid using jargon, abbreviations, and slang unless you're certain your target audience is familiar with those terms.

Third, be certain the phrasing of your questions doesn't create bias among your respondents. For example, a leading question might ask, "Do responsible parents allow their children to get vaccinations?" The question is phrased in a way that suggests parents who don't support childhood vaccinations are irresponsible. It creates a negative connotation that is likely to deliver biased results. Instead, the question could simply say, "Do you believe children should be required to get vaccinations?"

Finally, you should have multiple people review your survey for clarity. When you write survey questions, they all make sense to you, but you'd be surprised how others might interpret them!

7. Analyse and Interpret

Here's where things get tricky. If you don't know how to analyze and interpret market research data, then all of the time and money invested in your survey so far will have been for naught. It doesn't matter how much data you collect; all of those numbers are useless if you don't know what they mean to your goals and your business. You have two options here. First, you can hire a market research expert or company to help you if you don't have the skills on your team. Alternately, you can use a do-it-yourself market research tool like AYTМ which extrapolates all of the collected data for you and presents it in easy-to-understand reports.

8. Get Help

You might need help writing your survey, administering your survey, analyzing the data, and interpreting the results. You might not have the expertise in house to do all of these things, but market research tools like AYTМ actually make it possible to do it yourself. With that said, there are times when it can help to have an expert keep you on track so you know your investment is yielding usable results. At that point, working with a full-service market research intelligence team is a great option.

9. Decisions and Action

Research is useless if you don't take action based on the results. The hard part can be when the results don't match your original hypothesis. Often, people go into a market research study with a predetermined outcome in mind. If the results don't affirm their original opinions or the results uncover faults in a product or business, they'll ignore them and claim the data is flawed.

Trust me, I've been in many corporate executive meetings where this has happened, or I've been asked to focus only on specific results that affirm a CEO's desires and ignore the other data. Bottom-line, if you're not going to listen to what the data tells you, don't bother investing in market research. The key is to be prepared to learn that your original assumptions were not correct, and then, make the changes needed to rectify problems and seize opportunities.

10. Repeat

Market research should be an ongoing process. When you complete a survey and launch a new product as a result, follow up with customer satisfaction research. When a survey tells you how to position your brand against competitors' brands, don't assume those results will hold true forever. Follow-up to ensure consumers' perception of your brand and other brands haven't changed.

Every time you invest in market research, you learn more about your customers, your competitors, and the market. This data is so valuable, so make sure you're collecting it and using it!

10.2.2 Methods of organizing Marketing Research activity

Facts and information required in order to make a specific decision end in need for market research. Depending upon the final data to be gathered from research and financial resources at hand to determine which technique to be used for a business, there are many ways to perform market research, and most businesses use one or more of these methods: surveys, focus groups, personal interviews, observation, and field trials to conduct market research after considering the cost and benefits factors of such methods. Marketer decides the qualitative or quantitative methods for market research solely depends on the pros and cons of different contact methods for survey.

1. Defining the marketing research problem

Defining a problem is the first step in the research process. In many ways, research starts with a problem facing management. This problem needs to be understood, the cause diagnosed, and solutions developed.

However, most management problems are not always easy to research, so they must first be translated into research problems. Once you approach the problem from a research angle, you can find a solution. For example, “**sales are not growing**” is a management problem, but translated into a research problem, it becomes “**why are sales not growing?**” We can look at the expectations and experiences of several groups: potential customers, first-time buyers, and repeat purchasers. We can question whether the lack of sales is due to:

- **Poor expectations** that lead to a general lack of desire to buy, or
- **Poor performance experience** and a lack of desire to repurchase.

This, then, is the difference between a management problem and a research problem. Solving management problems focuses on actions: Do we advertise more? Do we change our advertising message? Do we change an under-performing product configuration? And if so, how?

Defining research problems, on the other hand, focus on the whys and hows, providing the insights you need to solve your management problem.

2: Developing a research program: method of inquiry

The **scientific method** is the standard for investigation. It provides an opportunity for you to use existing knowledge as a starting point, and proceed impartially.

The scientific method includes the following steps:

- Define a problem
- Develop a hypothesis
- Make predictions based on the hypothesis

- Devise a test of the hypothesis
- Conduct the test
- Analyze the results

This terminology is similar to the stages in the research process. However, there are subtle differences in the way the steps are performed:

- **the scientific research method** is objective and fact-based, using quantitative research and impartial analysis
- **the marketing research process** can be subjective, using opinion and qualitative research, as well as personal judgment as you collect and analyze data

3: Developing a research program: research method

As well as selecting a **method of inquiry** (objective or subjective), you must select a **research method**. There are two primary methodologies that can be used to answer any research question:

- **Experimental research:** gives you the advantage of controlling extraneous variables and manipulating one or more variables that influence the process being implemented.
- **Non-experimental research:** allows observation but not intervention – all you do is observe and report on your findings.

4: Developing a research program: research design

Research design is a plan or framework for conducting marketing research and collecting data. It is defined as the specific methods and procedures you use to get the information you need.

There are three core types of marketing research designs: **exploratory, descriptive, and causal**. A thorough marketing research process incorporates elements of all of them.

- **Exploratory marketing research**

This is a starting point for research. It's used to reveal facts and opinions about a particular topic, and gain insight into the main points of an issue. Exploratory research is too much of a blunt instrument to base conclusive business decisions on, but it gives the foundation for more targeted study. You can use secondary research materials such as trade publications, books, journals and magazines and primary research using qualitative metrics, that can include open text surveys, interviews and focus groups.

- **Descriptive marketing research**

This helps define the business problem or issue so that companies can make decisions, take action and monitor progress. Descriptive research is naturally quantitative – it needs to be measured and analyzed statistically,

using more targeted surveys and questionnaires. You can use it to capture demographic information, evaluate a product or service for market, and monitor a target audience's opinion and behaviors. Insights from descriptive research can inform conclusions about the market landscape and the product's place in it.

- **Causal marketing research**

This is useful to explore the cause and effect relationship between two or more variables. Like descriptive research, it uses quantitative methods, but it doesn't merely report findings; it uses experiments to predict and test theories about a product or market. For example, researchers may change product packaging design or material, and measure what happens to sales as a result.

5: Choose your sample

Your marketing research project will rarely examine an entire population. It's more practical to use a sample - a smaller but accurate representation of the greater population. To design your sample, you'll need to answer these questions:

- **Which base population is the sample to be selected from?** Once you've established who your relevant population is (your research design process will have revealed this), you have a base for your sample. This will allow you to make inferences about a larger population.
- **What is the method (process) for sample selection?** There are two methods of selecting a sample from a population:

1. Probability sampling: In probability sampling, the choice of the sample will be made at random, which guarantees that each member of the population will have the same probability of selection and inclusion in the sample group. Researchers should ensure that they have updated information on the population from which they will draw the sample and survey the majority to establish representativeness.

2. Non-probability sampling: In a non-probability sampling, different types of people are seeking to obtain a more balanced representative sample. Knowing the demographic characteristics of our group will undoubtedly help to limit the profile of the desired sample and define the variables that interest the researchers, such as gender, age, place of residence, etc. By knowing these criteria, before obtaining the information, researchers can have the control to create a representative sample that is efficient for us.

What is your sample size?

When a sample is not representative, there can be a margin of error. If researchers want to have a representative sample of 100 employees, they should choose a similar number of men and women.

The sample size is very important, but it does not guarantee accuracy. More than size, representativeness is related to the sampling frame, that is, to the list from which people are selected, for example, part of a survey.

If researchers want to continue expanding their knowledge on how to determine the size of the sample consult our guide on sampling here.

6: Gather data

Your research design will develop as you select techniques to use. There are many channels for collecting data, and it's helpful to differentiate it into O-data (Operational) and X-data (Experience):

- **O-data** is your business's hard numbers like costs, accounting, and sales. It tells you what has happened, but not why.
- **X-data** gives you insights into the thoughts and emotions of the people involved: employees, customers, brand advocates.

When you combine O-data with X-data, you'll be able to build a more complete picture about success and failure - you'll know why. Maybe you've seen a **drop in sales** (O-data) for a particular product. Maybe customer service was lacking, the product was out of stock, or advertisements weren't impactful or different enough: X-data will reveal the **reason why** those sales dropped. So, while differentiating these two data sets is important, when they are combined, and work with each other, the insights become powerful.

With mobile technology, it has become easier than ever to collect data. Survey research has come a long way since market researchers conducted face-to-face, postal, or telephone surveys. You can run research through:

- Email
- SMS
- Slack
- WhatsApp
- Social media (polls and listening)

Another way to collect data is by observation. Observing a customer's or company's past or present behavior can predict future purchasing decisions. Data collection techniques for predicting past behavior can include market segmentation, customer journey mapping and brand tracking.

Regardless of how you collect data, the process introduces another essential element to your research project: the importance of **clear and constant communication**.

And of course, to analyze information from survey or observation techniques, you must **record your results**. Gone are the days of spreadsheets. Feedback from surveys and listening channels can automatically feed into AI-powered analytics engines and produce results, in real-time, on dashboards.

7: Analysis and interpretation

The words ‘statistical analysis methods’ aren’t usually guaranteed to set a room alight with excitement, but when you understand what they can do, the problems they can solve and the insights they can uncover, they seem a whole lot more compelling.

Each of the points of the market research process is linked to one another. If all the above is executed well, but there is no accurate analysis of the results, then the decisions made consequently will not be appropriate. In-depth analysis conducted without leaving loose ends will be effective in gaining solutions. Data analysis will be captured in a report, which should also be written clearly so that effective decisions can be made on that basis.

Analyze and interpret the results is to look for a wider meaning to the obtained data. All the previous phases have been developed to arrive at this moment.

How can researchers measure the obtained results? The only quantitative data that will be obtained is age, sex, profession, and number of interviewees because the rest are emotions and experiences that have been transmitted to us by the interlocutors. For this, there is a tool called empathy map that forces us to put ourselves in the place of our clientele with the aim of being able to identify, really, the characteristics that will allow us to make a better adjustment between our products or services and their needs or interests.

When the research has been carefully planned, the hypotheses have been adequately defined and the indicated collection method has been used, the interpretation is usually carried out easily and successfully. What follows after conducting market research?

Statistical tests and data processing tools can reveal:

- Whether data trends you see are **meaningful** or are just chance results
- Your results in the **context** of other information you have
- Whether one thing affecting your business is more **significant** than others
- What your **next** research area should be
- Insights that lead to **meaningful changes**

There are several types of statistical analysis tools used for surveys. You should make sure that the ones you choose:

- **Work on any platform** - mobile, desktop, tablet etc.
- **Integrate** with your existing systems
- **Are easy to use** with user-friendly interfaces, straightforward menus, and automated data analysis
- **Incorporate statistical analysis** so you don't just process and present your data, but refine it, and generate insights and predictions.

8. Make the Research Report

When presenting the results, researchers should focus on: what do they want to achieve using this research report and while answering this question they should not assume that the structure of the survey is the best way to do the analysis. One of the big mistakes that many researchers make is that they present the reports in the same order of their questions and do not see the potential of storytelling.

To make good reports, the best analysts give the following advice: follow the inverted pyramid style to present the results, answering at the beginning the essential questions of the business that caused the investigation. Start with the conclusions and give them fundamentals, instead of accumulating evidence. After this researcher can provide details to the readers who have the time and interest.

9. Make Decisions

An organization or a researcher should never ask "why do market research", they should just do it!

Market research helps researchers to know a wide range of information, for example, consumer purchase intentions, or gives feedback about the growth of the target market. They can also discover valuable information that will help in estimating the prices of their product or service and find a point of balance that will benefit them and the consumers.

10.3 IN HOUSE MARKETING DEPARTMENT

10.3.1 Structure of in house marketing department

The type and number of new marketing positions that emerge depend on the structure of the in-house marketing team. Five of the most common structures are as follows:

- Small marketing team structure
- Traditional marketing team structure
- Digital marketing team structure
- Integrated marketing team structure
- Enterprise marketing team structure

SMALL MARKETING TEAM STRUCTURE

A small marketing team structure involves hiring one to three people to oversee all of the marketing outreach. For example, one employee may be the designer, who is responsible for the creative work. The other employee could focus on marketing and analytics, including social media and webpages. The third is the manager or business owner, who oversees all the tasks and directs the vision of the team. Alternatively, you may have one employee that works directly from concept to completion, speaking directly with the CEO to develop applicable content.

This structure is common in small-businesses. Its size means that much of the marketing is controlled and consistent because one or few people are responsible for its content. However, it also means that there are limited resources that are available. In addition, your employees may have a lot of breadth, or insight, into different tasks or roles, but no real depth; they're versatile, but not specialists in any specific skills. One way that small businesses resolve such issues is to outsource their marketing to other agencies that specialize in certain areas or can at least lighten the team's load

TRADITIONAL MARKETING TEAM STRUCTURE

A traditional marketing team structure is usually product- or function-centric. However, it can be geographic-, segment-, or channel-centric. Product-centric means that each individual product has an individual marketing team. The roles that emerge in this structure are aimed at supporting that specific product. This structure incorporates deep-marketing expertise and enhances the ability to create product feedback loops. However, it can make cross-selling or up-selling difficult.

Function-based marketing means that teams are divided based on their jobs. For instance, a sales representative would be in the same team as a sales manager, regardless of the product being sold. This structure helps employees to gain deep insight into their specialized roles. The decision to divide groups, though, can lead to rigidity and make it difficult for organizations to integrate new channels, create internal competition, and make it difficult for their employees to expand their outreach or grow.

DIGITAL MARKETING TEAM STRUCTURE

A digital marketing team structure is customer-centric and is common in today's hyper-connected world. It is driven by a customer's insights, desires, needs, and feedback. It requires its team to not only deeply understand its customers/audience, but also be able to grow with the customers, while maintaining the company's overall business goals. This may mean shifting a marketing channel or product to target the same audience over time, such as joining the latest social media trend.

The advantage behind this structure is that you can effectively increase audience engagement while maintaining control over a message. Digital resources are also more accessible, offering the team unique avenues and

channels for your business. However, following this structure can be an expensive undertaking as it's heavily reliant on specialized-roles and online ads. It also can be difficult to garner support from business leaders. One way to mitigate these issues is to create a role that involves measuring performance with analytics, which will provide direct, quantitative data to business leaders and some direction for future campaigns.

INTEGRATED MARKETING TEAM STRUCTURE

An integrated-marketing team structure is also customer-centric. Its structure involves using an interconnected approach to create positive, personal relationships with customers. This means that its teams aren't divided based on products, skills, or functions. Rather, the teams are cross-functional and meld all the aspects of marketing to cater to the customer needs or channels. For example, a social media content manager could be on the same team as a sales manager, public relations specialist, or advertising coordinator.

This structure is designed to ensure that a consistent, unified message is being reinforced across all channels. It's a structure that is cost-effective. The advantage to this structure is that there is little to no division in such a group. This enables employees to be an expert in their domains, but also have opportunities to influence the organization's strategic direction, rather than simply carrying out misinformed decisions.

ENTERPRISE MARKETING TEAM STRUCTURE

An enterprise-marketing structure involves specialists with deep-expertise. Oftentimes, it is used by large companies—about 250 people or more—looking to push its customer growth across the entire organization. The structure can have several layers of management that each have groups with team leads and specialists. For example, a public affairs role may be divided among several leads (community outreach, social media outreach, corporate affairs, congressional affairs, etc.)

The new tactics and team structures invite innovation and efficiency. However, every group is different. Some companies may have only one, talented employee in the marketing department. Other companies may have a small, but less-skilled group that can work. Establishing a structure that successfully works depends on the group's specific capabilities and goals. This can result in new positions that are unique to this modern demand, but keep your organization thriving now and in the future.

10.3.2 Merits of in house marketing department

1. Cost

When you work with an agency, not only are you paying for their staff, but their overheads and a mark-up so they can make a profit.

This is not the case with an in-house agency, meaning that the cost of running in-house advertising is generally lower. The mark-up you'd pay to an agency can instead be invested in talent and advertising spend.

With that being said, it can be more difficult to manage inflating costs when running your own inhouse team; sometimes it is easier agreeing on a set fee with an agency that is easier to forecast over time.

2. Productivity

Agency staff are often required to split their time across multiple clients and campaigns. While this helps with knowledge-sharing and experience, it can mean that your advertising campaigns don't receive the proper care and attention you might like.

In contrast, managing a full team of inhouse staff with one client means that your entire workforce is dedicated and focused toward the same goal. This laser-targeted focus on a single cause can mean increased productivity

3. Control

It can sometimes be difficult to exercise control over your marketing activities when these are spread across multiple agencies and departments.

Managing everything in-house means complete control over your advertising spend, marketing activities and strategy.

4. Communication

Agency teams are often positioned as 'an extension of your own team'.

The reality can often be quite different – and despite working in a digital age of interconnectivity, it can be difficult to ensure efficient lines of communication.

An inhouse agency will likely work out of the same offices, with all the same lines of communication that exist within your business. This can make it easier to conduct internal meetings and prevent any potential breakdowns in communication that may lead to marketing issues.

5. Company Values

Hiring an inhouse marketing team means taking on a team of people who are fully embedded within the company – and who therefore understand company values, culture and philosophy.

Agency staff will also have a better understanding of your product and service than would be possible with an external consultant.

This will be reflected in the quality and performance of your marketing campaigns.

This should also make it easier to motivate your team, who will likely feel a better sense of dedication to the brand than if they were hired as an external agency.

6. No Conflict Of Interest

When you outsource work to an external agency, the agency may have existing relationships with one of your competitors (or they might establish new relationships without your knowing).

Usually, agencies will utilise separate staff to prevent any cross-over, but it's difficult to justify working with an agency where they may be a conflict of interest.

Taking your agency activities in-house can negate any conflicts and help to ensure that the team working on your account is fully dedicated to the end-cause.

7. Attracting Talent

It may be something of a generalisation but there is a trend of more experienced workers moving from agency to inhouse roles.

If you are a prestigious, well-recognised brand then you may find it a little easier to attract the best talent to your business. This talent is also then owned within your business – rather than being rented temporarily.

8. Transparency & Control

The marketing team structure allows for transparency, allowing companies to be included in the entire marketing process.

9. Access to First Party Data

Companies have complete control of data when working with an in-house marketing team. They have ownership of first-party data but tend to lack expert knowledge in interpreting that information. In comparison, agencies have highly skilled marketers trained in understanding and delivering the given data.

10. Consistent Messaging & Branding

Your brand message gives customers an impression of what your brand represents. Since in-house marketing teams work solely with one company, they have extensive knowledge of the products and services.

11. Being Agile & Faster

An in-house marketing team can quickly communicate with the company because the team is working together in one place. Agencies may require you to schedule meetings or have a slower response time.

12. In-house Technology

Technology is the foundation of today's marketing industry. Creative management platforms (CMPs) provide digital marketing solutions for companies. For larger companies, this is ideal, but for smaller businesses, this is costly.

13. Lower Costs

Companies can take ownership of their brands and have transparency over their marketing budgets. However, there is a costly initial investment.

14. Help Client-Agency Relationships

Having an in-house marketing team will complete your company by providing in-house branding and first- party data.

15. Dedicated team

An in-house marketing team works solely with your company, so they're able to place all their attention on your business.

16. Increased ROI

By having ownership over spending and in-house talent, companies can begin to see a positive effect on their ROI

10.3.3 Demerits of in house marketing department

1. No Economies of Scale

Big agencies benefit from economies of scale, including lower costs for industry tools, advertising costs and business overheads.

These savings can sometimes mean that working with an agency is actually more cost-effective than taking the services inhouse.

2. HR Headaches

There are undoubtedly HR headaches that come with hiring your own inhouse staff, including employee retention, shortage of talent and candidate screening. Not to mention that each employee will require resources for management, benefits and potentially agency fees! When you work with an agency, this becomes their problem to deal with – which takes a real load off of your plate.

It's definitely worth checking out the true cost of an employee (or employees) before making a decision either way.

3. No Shared Learning

Inhouse teams often work in-silo on your account. While this may have productivity benefits, it can result in tunnel vision and it's easy for your teams to become insulated from industry developments.

In an agency environment, there is nearly always a lot of shared learning – whether that be via industry updates or campaign case studies that are shared with the wider team. Successful campaigns are shared across business accounts, thereby benefitting everyone in the agency. This experience and knowledge are then utilised by the agency staff that work on your account.

If you do take your marketing activities inhouse, you need to make sure that learning and development is a continuous consideration for your agency team.

4. Limited Skillsets

Even if you hire some of the best candidates in your industry, it's unlikely you're going to be able to match the wealth of skills, resources and experience available to a large advertising agency. The advantage of an agency partner is in the sum of their parts – the range of disciplines they are able to bring together as a coherent service.

You should consider carefully what skills and experience you're likely to miss by bringing one or more advertising channels in-house.

5. Routine

Routine can hurt a business more than help it. When marketing teams only focus on one marketing area, it can produce less creativity and miss possible growth opportunities.

6. Lack of Experience & Knowledge

In comparison to marketing agencies, in-house marketing typically lacks having a diverse range of marketing skills. While their advantage is having a lot of marketing experience, it's usually in one area.

In contrast, a marketing agency has a wide range of experience in various industries. This helps create effective marketing strategies for your company.

7. Lack of Resources & Ramping Up

To get the results you want when marketing, you need to work with experts. While there are many marketers, very few are talented in what they do.

When you don't have the talent in-house, you look to outsource a marketing network. Agencies are composed of the best in the industry and can provide you the results you want.

8. No New Perspectives & Creativity

With an in-house team, it's the same employees working on the same marketing campaigns. This can create a lack of inspiration and stale ideas from the marketing team. An agency like etribal works with best in class digital marketers that are a fresh pair of eyes and a competitive edge in the industry.

9. Less Brain Power

Most in-house marketing teams don't have the knowledge a full-service agency has. Whether it's script writing or digital PR, agencies have additional resources that in-house marketers lack.

10. Talent Recruitment

Finding the right team for an in-house marketing department isn't easy. And not hiring the right people could cost you a lot of money while searching for the right people.

10.4 SUMMARY

- Market analysis is specific research that is widely used by companies to study the economic context and sector in which they operate and the behavior of their target audience.
- Marketing research is the term used to cover the **concept, development, placement and evolution** of your product or service, its growing **customer base** and its **branding** – starting with brand awareness, and progressing to (everyone hopes) brand equity.
- Research design is a plan or framework for conducting marketing research and collecting data. It is defined as the specific methods and procedures you use to get the information you need.
- Descriptive research is naturally quantitative – it needs to be measured and analyzed statistically, using more targeted surveys and questionnaires.
- The words ‘statistical analysis methods’ aren’t usually guaranteed to set a room alight with excitement, but when you understand what they can do, the problems they can solve and the insights they can uncover, they seem a whole lot more compelling.

10.5 EXERCISE

- **Short answer**

1. How to Organizing Marketing?
2. Explain the meaning Organizing Marketing
3. Discuss the term in house marketing department
4. Defining the marketing research problem
5. How to make Research Report?

- **Long Answer**

1. Explain the factors involved in organizing Marketing Research activity
2. What are the methods of organizing Marketing Research activity?
3. Describe the Structure In house marketing department
4. Analysis the demerits of in house marketing department
5. What are the merits of in house marketing department?

- **Multiple choice questions**

1. Which Ngo had raised time and cried over the issue of contamination of Pepsi and Coke with pesticides?
a. Green Peace b. Center for science and environment c. Center for development of advanced computing d. None of these
2. Marketing is a process that creates, communicates, and delivers.
a. Services to customers b. Products to customers c. Value to customers d. Materialistic benefits to the customer
3. The major focus of the societal marketing concept is –
a. Profit only b. Society's wellbeing only c. Satisfaction of customers only d. All of these
4. Which one of the following is not a feature of a strategic business unit?
a. Distinct mission b. Separate identify under the umbrella of the parent firm c. unlimited powers in the hands of the CEO of SBU d. Separate managing team
5. _____ is specific research that is widely used by companies to study the economic context and sector in which they operate and the behavior of their target audience.
a. Market research b. Market development c. Market analysis d. Market penetration

Answer :1-b, 2-c, 3-d , 4- c, 5-c

- **Fill in the following**

1. Before you start any market research project, it's essential that you define very specific _____.
2. _____ that lead to a general lack of desire to buy.
3. **The scientific research method** is objective and fact-based, using _____.
4. **The marketing research process** can be subjective, using opinion and _____ research.
5. _____ and a lack of desire to repurchase.

Answers: 1. Goals 2. Poor expectations 3. Quantitative 4. Qualitative 5. Poor performance experience

- **True or false**

1. Descriptive marketing research helps define the business problem or issue so that companies can make decisions, take action and monitor progress

2. **Non-experimental research:** gives you the advantage of controlling extraneous variables and manipulating one or more variables that influence the process being implemented
3. Exploratory marketing research used to reveal facts and opinions about a particular topic, and gain insight into the main points of an issue
4. **Experimental research** allows observation but not intervention – all you do is observe and report on your findings
5. **The scientific research method** is objective and fact-based, using qualitative research and impartial analysis

Answers: True: 1 and 3 False: 2, 4 and 5



MANAGING MARKETING RESEARCH II

Unit Structure

11.0 Objectives

11.1 Introduction

11.2 Professional Marketing Research agencies

11.3 Summary

11.4 Exercise

11.0 OBJECTIVES

- To understand Professional Marketing Research agencies
- To discuss the Structure of Professional Marketing Research agencies
- To explain the Merits of Professional Marketing Research agencies
- To analyse the Demerits of Professional Marketing Research agencies
- To understand Professional standards

11.1 INTRODUCTION

Market research firms gather and analyze data about customers, competitors, distributors, and other actors and forces in the marketplace. A large portion of the work performed by most market research firms is commissioned by specific companies for particular purposes. If you lack the technical expertise needed to launch and manage campaigns, marketing agencies can help. Working with a marketing agency gives you access to industry experts who can effectively manage your campaigns, so you can focus on managing your business.

11.2 PROFESSIONAL MARKETING RESEARCH AGENCIES

Professional marketing refers to services and processes, as well as guidance, provided by a marketing specialist or marketing firm team. Marketing professionals have experience and work with communication and sales strategies to craft excellent ad campaigns and marketing strategies on a case-by-case basis. The role of the professional marketing specialist is an important one when it comes to positioning a brand within their respective market, as well as for any form of communication and the financial return on investment that the business owner will expect. Marketing specialists may also try to help a business improve areas of

contact and brand relevance by assisting with digital transformation. Today's marketing specialists (including each of our excellent team members at Distinct) are prepared and educated about new technologies and digital business changes that occur on a regular basis.

11.2.1 Structure

Here are seven of the most common types of marketing organization structures you can use or adapt depending on your business needs:

1. Functional structure

Functional structures organize employees into groups based on their job positions and skillsets. A specialized team or function group is an assortment of employees with similar job aspects. Team leaders may manage function groups and report to senior executives when necessary. Specialized functional groups can promote consistent work and speed up work performance since they don't involve employees outside of their function. This structure is easier to manage on a larger scale because it can easily adjust to changes in the business as it grows.

2. Product-based structure

A product-based structure is mostly ideal for a business selling multiple products or services. This structure separates employees into groups or divisions that focus on each individual product line. Each division can have employees from every specialized function, whereas a functional structure has employees divided into separate groups that focus on one specialized function. A product-based structure can give each division independence from one another, which allows employees to focus on their own division-related tasks since they do not have to communicate with outside groups or departments.

3. Matrix structure

A matrix structure is a combination of a product-based structure and a functional structure. This is best for arranging employee departments or teams based on their job roles and the products they are working with because each department handles one specific product. A marketing organization structure like this can provide more information at a faster rate since multiple specialty teams oversee one project. Having a variety of specialty teams responsible for one project can help employees openly communicate and provide more resources for other employees to use while working toward their goals.

4. Geographical structure

International companies usually are on a much larger scale since they work in multiple countries and languages. Using a geographical marketing structure can be helpful for these companies because it divides employees into teams based on geographical regions or districts. Having teams dedicated to certain geographical regions can assist employees in designing local marketing strategies based on their target audience. This

structure also could allow employees in each division to become familiar with their regions, giving them the ability to connect with their audience on a deeper level.

5. Market-based structure

Some businesses focus on certain industries, markets or types of consumers while creating a marketing organization structure. Industries, markets and consumer types are division segments that outline an organizational structure. Focusing on individual segments gives employees the opportunity to create marketing strategies that appeal to different consumers. These structures are best for a business that aims to provide services to particular parts of a market or industry.

6. Network structure

A business that intends to work with another, separate business to share resources may use a network structure, which is helpful for organizations that want to maintain control and expedite their internal operations. A business that provides one or two specified goods or services might want to outsource tasks that are not performed internally, since the business is most familiar with its internal tasks. For example, a restaurant might want to sell custom merchandise, but outsourcing the job to a graphic designer could allow the restaurant to focus on its core operations while expanding its network with new partnerships.

7. Linear structure

This type of structure refers to the chain of command hierarchy as its organizational structure. The top employee in the chain of command oversees the entire business, and the other employees in the chain of command only oversee one part of the business and refer directly to the employee above them in the hierarchy. This structure can be best for small businesses with few job positions.

11.2.2 Merits

1. Expert Staff

The professional agencies generally appoint highly qualified and expert staff to conduct research activities. Hence the minimum standards of quality of research activities will be maintained. And the information provided by them is also more reliable.

2. Specialization

The professional agencies are specialized in various areas. The specialization of various fields of marketing research is one more benefit provided by the professional agencies. Companies who are producing different commodities will have to face different marketing problems. The specialized professional agencies will provide proper services to the companies.

3. Macro Level Study

A professional agency deals with various problems of marketing and its related problems. The study and observations of these agencies will consider the whole concept rather than limited concept. Hence the conclusions and suggestions would be more practical and rational.

4. Timely Information

Professional agency works on professional lines i.e., to conduct research activities like collecting data, analyzing it and deriving conclusions etc, all these activities will be conducted and timely information is provided by professional agencies. 131

5. Sufficient Freedom

Professional agencies are free from the constraints like financial, administrative, information etc, Hence, the agencies work with freedom and the conclusions derived would be genuine.

6. Network

Professional agencies have good communication and information network. It contributes gathering relevant information in time which enhances the quality of research activities.

11.2.3 Demerits

1. Lack of Personal Touch

A company's profitability not only depends on professional attitude but also personal attachment. But professional agencies work on only professional lines.

2. Higher Consultancy Fee

A professional agency's consultancy fee is generally high which may not be affordable by the small companies.

3. Reputation of Agency

The professional agency selected for conducting research activities should be reputed. Otherwise, the agencies will misguide the companies.

4. Use of Data

The data used by the professional agencies whether it is primary or secondary data also decides the quality of research activity.

11.2.4 Professional standards

Professional standards are a set of practices, ethics, and behaviors that members of a particular professional group must adhere to. These sets of standards are frequently agreed to by a governing body that represents the interests of the group.

Examples of professional standards include:

- Accountability – takes responsibility for their actions
- Confidentiality – keeps all sensitive information private and away from those who shouldn't have access to it
- Fiduciary duty – places the needs of clients before their own
- Honesty – always being truthful
- Integrity – having strong moral principles
- Law-abiding – follows all governing laws in the jurisdictions they perform activities
- Loyalty – remain committed to their profession
- Objectivity – not swayed or influenced by biases
- Transparency – revealing all relevant information and not concealing anything
- Professional standards describe the competent level of care in each phase of the nursing process. They reflect a desired and achievable level of performance against which a nurse's actual performance can be compared. The main purpose of professional standards is to direct and maintain safe and clinically competent nursing practice.
- We can utilize professional standards to identify areas for improvement in our clinical practice and work areas, as well as to improve patient and workplace safety. We must continue to ensure that our—and our peers'—clinical practice meets or exceeds established professional standards to maintain the trust and respect of our patients and the community.
- You can review professional standards by visiting the websites of accredited organizations such as the American Heart Association, the American Nurses Association, The Joint Commission, and the American Association of Critical-Care Nurses, as well as state and national regulatory agencies such as your state's board of nursing. Specialty areas of nursing will typically have a leadership organization that guides or establishes professional guidelines for the specific area of practice, such as the Emergency Nurses Association.

11.3 SUMMARY

- Professional marketing refers to services and processes, as well as guidance, provided by a marketing specialist or marketing firm team.
- Marketing specialists may also try to help a business improve areas of contact and brand relevance by assisting with digital transformation.

- Today's marketing specialists (including each of our excellent team members at Distinct) are prepared and educated about new technologies and digital business changes that occur on a regular basis.
- Functional structures organize employees into groups based on their job positions and skillsets.
- A matrix structure is a combination of a product-based structure and a functional structure.
- Professional standards are a set of practices, ethics, and behaviors that members of a particular professional group must adhere to. These sets of standards are frequently agreed to by a governing body that represents the interests of the group.

11.4 EXERCISE

- **Short answer**

1. Explain the term Professional Marketing Research agencies
2. Describe the term Functional structure.
3. What do you mean by Product-based structure?
4. Describe the term Network structure.
5. Name the Professional Marketing Research agencies.

- **Long Answer**

1. Explain the structure of Professional Marketing Research agencies
2. Explain in detail in Professional Marketing Research agencies
3. Discuss the merits of Professional Marketing Research agencies
4. What are the demerits of Professional Marketing Research agencies?
5. Which are factor affecting Professional Marketing Research agencies?

- **Multi choice questions**

1. _____ type of structure refers to the chain of command hierarchy as its organizational structure.
a. Linear b. network c. online d. Matrix
2. A business that intends to work with another, separate business to share resources may use a _____.
a. Market-base d structure b. Product-based structure c. network structure
d. Matrix structure
3. _____ - structure can be best for small businesses with few job positions.
a. indirect b. Linear c. Non-linear d. direct

4. _____ are best for a business that aims to provide services to particular parts of a market or industry.
- a. Geographical structure b. Market based structure c. Functional structure
d. Network structure
5. Industries, markets and consumer types are division segments that outline an _____.
- a. Geographical structure b. Market-based structure c. organizational structure
d. Network structure

Answer :1-a, 2-c, 3-b, 4- b, 5-c

• Fill in the following

1. _____ which is helpful for organizations that want to maintain control and expedite their internal operations
2. A _____ structure is a combination of a product-based structure and a functional structure
3. _____ companies usually are on a much larger scale since they work in multiple countries and languages
4. Some businesses focus on certain industries, markets or types of consumers while creating a marketing _____
5. A company's profitability not only depends on _____ attitude but also personal attachment

Answers :1. network structure 2. Matrix3. International4. organization structure 5. professional

• **True or false:**

1. A professional agency's consultancy fee is generally high which may not be affordable by the big companies
2. The data used by the professional agencies whether it is primary or secondary data also decides the quality of research activity
3. Professional standards are a set of practices, ethics, and behaviors that members of a particular professional group must adhere to.
4. Accounting sets of standards are frequently agreed to by a governing body that represents the interests of the group
5. Professional agency works on professional lines i.e. to conduct research activities like collecting data, analyzing it and deriving conclusions etc,

Answers: True: 2, 3 and 5 False: 1 and 4



MANAGING MARKETING RESEARCH III

Unit Structure

12.0 Objectives

12.1 Introduction

12.2 Prominent Marketing Research agencies

12.3 Summary

12.4 Exercise

12.0 OBJECTIVES

- To discuss various Prominent Marketing Research agencies
- To understand HTA, ORG, IMRB, NCAER, Nielson

12.1 PROMINENT MARKETING RESEARCH AGENCIES

A- HTA

Health Technology Assessment (HTA) is the systematic evaluation of properties, effects, and/or impacts of health care technology. It should include medical, social, ethical, and economic dimensions, and its main purpose is to inform decision-making in the health area. These assessments look at benefits and efficacy, clinical and technical safety, and cost-effectiveness. Informed decision-making comprises issues surrounding coverage and reimbursement, pricing decisions, clinical guidelines and protocols, and lastly, medical device regulation. The main purpose of HTA is to inform a policy decision making in health care, and thus improve the uptake of cost-effective new technologies and prevent the uptake of technologies that are of doubtful value for the health system.

HTA is used to define which benefits to include while carrying out evidence-based assessments. New technologies are usually costlier than older ones, and contribute to rising health expenditures. In this context the HTA process ensures that a new technology is not added until it is proven to be effective. Meanwhile, an older technology is not removed from the health package until it is shown to be ineffective or not cost-effective. HTA is also concerned with quality, and the role of new technologies to improve health outcomes. PAHO supports HTA activities that emphasize health outcomes that can be measured against a benchmark.

B –ORG

The domain name .org is a generic top-level domain of the Domain Name System used on the Internet. The name is truncated from organization. It was one of the original domains established in 1985, and has been operated by the Public Interest Registry since 2003.

Being part of the .ORG community not only means you have one of the world's most trusted domains, but you also join a world of like-minded people who love to connect, share their ideas, and inspire action that leads to positive impact around the globe. Learn more about how to use .ORG to bring your inspiration to life.

Public Interest Registry (PIR) is a lot like it sounds, serving the public's interest as trusted stewards of the .ORG domain. We operate the .ORG domain where millions of groups and individuals have established and grown their online identities. As a trusted non-profit dedicated to the integrity of the Internet, we take that responsibility to heart.

C- IMRB

Kantar IMRB is a market research, survey and business consultancy firm. It is headquartered in Mumbai, India and has operations in over 15 countries. IMRB is a part of the Kantar Group, WPP's research, insights, and consultancy network.

Kantar IMRB is a highly reputed market research and consumer consulting organization. Kantar IMRB partners its clients across the entire brand life-cycle through a unique mix of innovation and analytical thinking to design customized solutions that deliver the greatest impact.

Kantar IMRB's suites of solutions are designed on frugal, agile innovation and add value, real value, to help clients make impactful decisions. By leveraging on its large array of syndicated services and specialist divisions, Kantar IMRB helps clients in crafting marketing and consumer strategies. Kantar IMRB has created products and frameworks for global clients using the expertise and knowledge of emerging markets.

Kantar IMRB prides itself on developing and setting industry standards and continued focus on innovation. This ability to blend innovation and analytical thinking to design custom solutions for its clients has led to strong and rewarding relationships. Perhaps, this is why its top five clients have been with the company for over 25 years.

D- NCAER

Established in 1956, NCAER is India's oldest and largest independent, non-profit, economic policy research institute. Six decades in the life of a nation is a long time. It is even longer in the life of an institution. But the promise of NCAER—to ask the right questions, gather good evidence, analyse it well, and share the results widely—has endured. India has achieved much, and much remains undone. As the economy has changed, so too has NCAER, to continue to help understand India's rapid economic

and social transformation. As newer and more complex economic challenges emerge, NCAER will have to do more to keep its promise. To do this well, that is NCAER's promise renewed.

The focus of NCAER's work in these areas is on generating and analysing empirical evidence to support and inform policy choices. It is also one of a handful of think tanks globally that combine rigorous analysis and policy outreach with deep data collection capabilities, especially for household surveys.

E- Nielsen

Nielsen is a global leader in audience measurement, data and analytics, shaping the future of media. Measuring behavior across all channels and platforms to discover what audiences love, we empower our clients with trusted intelligence that fuels action.

Nielsen Holdings Inc. is an American information, data and market measurement firm. Nielsen operates in over 100 countries and employs approximately 44,000 people worldwide. The company is listed on the New York Stock Exchange and is currently a component of the S&P 500.

Nielsen is a global, independent measurement and data company for fast-moving consumer goods, consumer behavior, and media. With a presence in more than 100 countries and services covering more than 90% of the globe's GDP and population, Nielsen provides clients with data about what consumers watch (programming, advertising) and what they buy (categories, brands, products) on a global and local basis and how those choices intersect.[6]

12.3 SUMMARY

- Nielsen Holdings Inc. is an American information, data and market measurement firm.
- As the economy has changed, so too has NCAER, to continue to help understand India's rapid economic and social transformation.
- Kantar IMRB's suites of solutions are designed on frugal, agile innovation and add value, real value, to help clients make impactful decisions.
- HTA is used to define which benefits to include while carrying out evidence-based assessments. New technologies are usually costlier than older ones, and contribute to rising health expenditures.

12.4 EXERCISE

- **Short answer**

1. Explain the concept Prominent Marketing Research
2. Definition of Prominent Marketing
3. Analysis the ORG

4. Describe the agencies Nielson

5. Explain term HTA

• **Long answers**

1. What are the features of Prominent Marketing Research?

2. Explain the term IMRB with example

3. Write a note on HTA

4. Discuss the Prominent Marketing Research agencies.

5. What are the different between HTA and ORG?

• **Multi choice questions**

1. HTA stands for _____.

a. Health Technology Assessment b. Health Technical Assessment c. Human Technology Assessment d. Health Transparency Assessment

2. _____ is a market research, survey and business consultancy firm.

a. Kantar IMRB b. ORG c. HTA d. Neilson

3. _____ is India's oldest and largest independent, non-profit, economic policy research institute.

a. HTA b. Neilson c. NCAER d. ORGs

4. _____ is a global leader in audience measurement, data and analytics, shaping the future of media.

a.HTA b. Nielsen c. ORG d. NACER

5. _____ should include medical, social, ethical, and economic dimensions, and its main purpose is to inform decision-making in the health area.

a. HTA b. ORG c. Neilson d. IMRB

Answer: 1-a, 2-a, 3-c, 4-b, 5-a

• **Fill in the following**

1. _____ is the systematic evaluation of properties, effects, and/or impacts of health care technology.

2. Nielsen Holdings Inc. is an _____ information

3. FDA stands for _____

4. PIR stands for _____

5. _____ is a part of the Kantar Group

Answers :1. HTA 2. American 3. Food and Drug administration 4. Public Interest Registry 5. IMRB

• **True or false:**

1. HTA is headquartered in Mumbai, India and has operations in over 15 countries.
2. IMRB is headquartered in Mumbai, India and has operations in over 15 countries
3. HTA is a global, independent measurement and data company for fast-moving consumer goods, consumer behavior, and media
4. ORG operates in over 20 countries and employs approximately 20,000 people worldwide
5. HTA prides itself on developing and setting industry standards and continued focus on innovation

Answers: True: 1, 4, 5 False: 2 and 3

