

# marketing research: from customer insights to actions

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what is marketing research

- the process of defining a marketing problem and opportunity, systematically collecting and analyzing information and recommending actions

the challenge in doing good marketing research

- whatever the marketing issue involved-whether discovering consumer tastes or setting the right price
  - o will consumers really know whether they are likely to buy a product that they have never thought about before
  - o when personal or status questions are involved, will they say they will
  - o will consumers buy the same brand they say they will
    - marketing research must overcome these difficulties and obtain the information needed so that marketers can make reasonable estimates about what consumers want

five-step marketing research approach

- decision
  - o a conscious choice from among two or more alternatives
- managers and researchers have tried to improve the outcomes of decision by using more formal, structured approaches to decision making
  - o the act of consciously choosing from among alternatives
- although the 5 step approach describes the focuses on marketing decisions, it provides a systematic checklist for making both business and personal decision

step 1: define the problem

- every marketing problem faces, its own research challenges
- marketing research shows the two key elements of defining a problem
  - o setting the research objectives
  - o identifying possible marketing actions

set the research objectives

- research objectives are specific, measurable goals the decision maker seeks to achieve in conducting the marketing research
- in setting research objectives, marketers have to be clear on the purpose of the research that leads to marketing actions
- three main types of marketing
  - o exploratory research
    - ideas about a relatively vague problem
  - o descriptive research
    - generally involves trying to find the frequency that something's occur or the extent of a relationship between two or more factors
  - o causal research
    - the most sophisticated, tries to determine the extent to which the change in one factor changes another one

identify possible marketing actions

- measure of success
  - o criteria or standards used in evaluating proposed solutions to problems
- one test of whether marketing research should be done is if different outcomes will lead to different marketing actions
- marketing researchers know that defining a problem is an incredibly difficult task
  - o if objectives are too broad the problem may not be researchable
  - o if they are too narrow, the value of the research results may be seriously lessened

step 2: developing the research plan

- the second step in the marketing research process requires that the researcher
  - o specify the constraints on the marketing research activity
  - o identify the data needed for marketing actions
  - o determine how to collect the data

specify constraints

- constraints
  - o the restrictions placed on potential solutions to a problem

identify data needed for marketing actions

- often marketing research studies wind up collecting a lot of data that are interesting but irrelevant for marketing decisions that result in marketing actions

determine how to collect data

- determining how to collect useful marketing research data is often as important as actually collecting the data
- two key elements in deciding how to collect the data
  - o concepts
  - o methods

concepts

- concepts
  - o are ideas about products or services
- to find out about consumer reaction to potential new product, marketing researchers frequently develop new-product concept
  - o a picture or verbal description of a product or service the firm might offer for sale

methods

- methods
  - o the approaches that can be used to collect data to solve all or part of a problem
- special methods vital to marketing are
  - o sampling
  - o statistical inference