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MARKETING RESEARCH: A CONCEPTUAL APPROACH

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ABSTRACT

Objective: *The requirement of consumers of goods and services are wide and variable. The firms involved in producing goods and providing services always try to fulfill the needs of various consumers and launch new products and apply innovative techniques because their main aim is to satisfy the consumer needs. The main task of marketing management is to fulfill the aspiration of the consumers. It is a human activity directed at satisfying needs and wants through exchange process. It is thus imperative to understand what the consumer want; their sources of information and influences, etc. As such, **marketing research** is the function which provides the necessary information about the consumer to the marketer. In the process an organization can identify new opportunities in the market; evaluate and monitor marketing actions. Marketing research helps the organizations in planning new strategies which are suitable for majority of consumers. The organizations may go for new products and/or concentrate their marketing efforts on a particular product or particular area. In general marketing research evolve better marketing programme to serve the interests of the consumers. Thus marketing research acts as a vital link between the consumer and the marketer by providing information in a systematic manner.*

Design/Methodology: *The research paper is based on secondary data collected from various sources like books, newspaper, journals, magazines, internet.*

Findings: *Marketing research by itself does not arrive at marketing decisions, nor does it guarantee that the organization will be successful in marketing its products. However, when conducted in a systematic, analytical, and objective manner, marketing research can reduce the uncertainty in the decision-making process and increase the probability and magnitude of success. Moreover, the success of marketing research depends on the intention of the management in the implementation of findings of study.*

***Limitations:** Since the research paper is based on secondary data, it would have been more authenticated if based on primary data*

***Practical Implications:** The research paper helps the organizations in planning new strategies which are suitable for majority of consumers. The organizations may go for new products and/or concentrate their marketing efforts on a particular product or particular area.*

***Originality/Value:** This research paper evolve better marketing programme to serve the interests of the consumers.*

Key Words: Consumer, needs, marketer, information

INTRODUCTION:

MEANING &IMPORTANCE:

Marketing Research is defined as the objective and formal process of collecting information; analyses the results and communicates the findings and their implications in terms of marketing actions. Furthermore, marketing research is a systematic collection and analysis of information which is ultimately used in evolving some marketing decisions. All stages of the research study must be carried out in a logical manner. It begins with a concise statement of the issues to be investigated; indicate the information required to study those selected problems; define the methods to be adopted to collect those data; specify the relevant technique to be employed for analyzing the data; and finally state the research findings and their specific implications for marketing decision making.

It is thus evident that marketing research should be conducted for specific issues and it must ensure objectivity in every steps. In other words, marketing research must not be mere collection of statistical information. One must justify the choice of methodology of data collection and analysis and, the researcher must not be too much pre-occupied with techniques; rather he should convey the meaning of the results in the marketing language even when some advanced or sophisticated tool is being used. Likewise, the marketing manager(s) should also provide a clear and detailed scenario of the problems faced by the company before the marketing researchers. They must allow adequate time and necessary budget for conducting the study. The marketing managers must not use marketing research as a fire fighting device or to justify some pre-conceived actions.

Marketing research is the function that links the consumer with the organization through information. It involves systematic and objective search for and analysis of information that can be used for evolving some marketing decisions.

Any research study must clearly state the issues being investigated. It must apply systematic and formal procedure in collection and analysis of information. It must communicate the study findings in a manner which could help in arriving some marketing decisions.

The outcome of a research study will not be fruitful if the marketing research imerely collects some statistical facts or is pre-occupied with techniques or uses data of questionable validity or communicates the findings in too much vague or technical language.

Similarly, a research study will suffer if the marketing manager does not offer full perspective of the research problem; or allows inadequate time; or uses research as a fire-fighting device; or does not really appreciate the value of research. Therefore, it is necessary that the problem must be clearly defined and reasons for undertaking the research from the point of view of marketing decision making should be justified explicitly.

In order to maximize the benefit of marketing research, those who use it need to understand the research process and its limitations.

Marketing Research vs. Market Research

These terms are often used interchangeably, but technically there is a difference. Market research deals specifically with the gathering of information about a market's size and trends. Marketing research covers a wider range of activities. While it may involve market research, marketing research is a more general systematic process that can be applied to a variety of marketing problems. In precise terms marketing research is concerned specifically about marketing processes while market research is concerned specifically with markets.

MARKETING RESEARCH PROCESS:

Once the need for marketing research has been established the process starts with the following steps:

1. Defining the Problem
2. Statement of Research Objectives
3. Planning a Research Design

4. Planning a Sample
5. Collecting the Data
6. Analysing the data
7. Formulating Conclusion
8. Preparing the research report

Defining the problem:

This is the first and most important step of marketing research process. The decision problem faced by the management must be translated into a market research problem in the form of questions that define the information which is required to make the decision and how this information can be obtained. Thus the decision problem is translated into a research problem. For example, a company wants to launch a new product and wants to know the market's response (whether the market would accept it or not). So in this case **decision problem** is launching a new product which may be translated into a **research problem** to assess whether the market would accept the new product.

Clear problem definition is necessary in marketing research because both time and money involved in the process is costly. It also allows the researcher to set the proper research objectives which in turn facilitate relevant and economic data collection.

In order to define the problem more precisely, some sort of exploratory research may be carried out. The methods in use are survey of secondary data, experience survey, etc.

Statement of Research Objectives:

After clarifying and identifying the research problem with or without exploratory research, a formal statement of the research objective has to be done. This may be stated in qualitative or quantitative terms as research questions statement or hypothesis. For example, the research objective expressed as a statement may be "To find out the effect of a sales promotion programme on the volume of sales." Whereas, a hypothesis is a statement that can be refuted or supported by empirical findings. Thus research objective may be stated as "To test the hypothesis that sales are positively affected by the sales promotion programme undertaken this summer." Another example of hypothesis may be "Concentrating marketing efforts like advertisement, periodically rather than regularly would increase sales."

Planning the Research Design:

A research design is a master plan specifying the procedure for collecting and analysing the required information. It represents a framework for the research plan of action. The objectives of the research are included in research design to ensure that data collected are relevant to the objectives. Planning of various activities like; the type of sources of information, the data collection methods (surveys, interviews, etc.), the sampling methodology and the timing and cost involved in research must be determined at this stage. Depending on the research problem, a research design method is selected among various categories (exploratory, descriptive, quasi-experimental or experimental) which again include alternative methods.

Planning the Sample:

Although the sampling plan is included in the research design, the actual sampling is a separate and important stage in the research process. Sampling is a small number of items or parts of the population to make conclusion regarding the whole population. The first sampling question that needs to be asked is who is to be sampled which follow from who is the target population. It is not very simple to identify the target population which is clear from the following example:

In order to know the association between savings and loans, the potential customers in the sample would be from those who have also taken loans and not any customers because it is not necessary that all account holders have taken loans.

The next important task in the process is deciding the sample size. In general larger samples give more reliable information than smaller ones but if probability sampling is used, a small proportion of the population may give a reliable measure of the universe. The sampling frame is the pool from which the interviewees are chosen. The telephone book is widely used as a sampling frame but it has some shortcomings. The telephone book exclude those household who do not have telephone connections and unlisted households. It is also possible that certain percentage of the listed households in the phonebook are out of service. So the selected sample may not represent the actual population. Another type of sampling frame is mail recipients which also have shortcomings as a large number of population does not have access to internet. In designing a sample size potential errors should also be considered. There is a trade-off

between sample size and cost. The larger the sampling size the sampling error will be minimum but the cost will increase. While a larger sampling size may reduce the sampling error but actually it may increase the total error. The reasons for this effect is a larger sample size may reduce the ability to follow up on non-responses; even if availability of larger number of interviewees for follow-ups a large number of interviewers may result in a less uniform interview process.

Data Collection:

The process of data collection follows the formulation of research design including the sampling plan. Both primary and secondary data can be collected using variety of tools. These tools are classified into two broad categories: the observation method and the communication methods, each having their inherent advantages and disadvantages. The choice of application depends on specific situation.

Apart from the intrinsic errors, some errors may occur due to the process of data collection. These errors are called non-sampling errors which may be intentional or unintentional. Intentional error may be on the part of interviewer, who may introduce a bias by leading the respondent to provide a certain response. The interviewer also may introduce unintentional errors due not having clear understanding of the interview process or due to fatigue.

Respondents also may introduce errors. A respondent may introduce intentional errors by lying or simply by not responding to a question. A respondent may introduce unintentional errors by not understanding the question, guessing, and not paying close attention or due to fatigue.

Analysing the Data:

Before performing the data analysis, the raw data has to be converted into right format that will suggest answers to the problems identified in the first step. Data processing begins with the editing of data and coding. Editing involves inspecting the data collection forms for omissions, legibility and consistency in classification.

Before tabulation, responses are classified into meaningful categories. The rules for categorising, recording and transferring the data to data storage media are called codes. This coding process facilitates the manual or computer tabulation.

Analysis represents the application of logic to the understanding of data collected about the subject. In its simplest form, analysis may involve determination of consistent patterns and summerising of appropriate details. The choice of appropriate analytical techniques depend on the informational requirements of the problem, characteristics of the research designs and the nature of the data gathered. The statistical analysis may range from simple immediate analysis to very complex multivariate analysis. The popular analysing methods are; conjoint analysis, hypothesis testing, test of statistical significance(chi square test), factor analysis, etc.

Formulating Conclusion, Preparing and Presenting the Report:

The final stage in the research process is that of interpreting the information and drawing conclusion for use in managerial decisions. The research report should effectively communicate the research findings. It should not necessarily include complicated statement about the technical aspect of the study and research methodology. The management is rarely interested in research design and statistical analysis rather it is more interested in the concrete findings of the research. Therefore the researchers must prepare the report which is technically accurate easily understandable and useful.

Frequently the researchers are required to make an oral and a written presentation of the report. Now a days audio-video techniques are widely used for the purpose. Since the research process is different in each case, presentation in each case require originality. However, the presentation would be good only if the earlier steps taken in the research process are better. While the oral presentation depend on the personal style of the presenter and the management expectation, the written reports should include the following details to become more effective:

1. Title Page
2. Authorization Letter for the Research
3. Table of Contents
4. Introduction
5. Statement of Objectives
6. Methodology
7. Findings or Results
8. Limitations
9. Conclusion and Recommendations

10. Appendices containing copies of questionnaires, etc.

ADVANTAGES OF MARKETING RESEARCH:

Marketing research is a way of getting overview of consumer's wants, needs and beliefs. Its main advantage is that it indicates the current market trends which in turn helps the management to face the market with confidence. In the present scenario of highly competitive market, all business firms have to take up marketing research for their survival. The advantages of marketing research are broadly:

1. It gives proper direction for making marketing plan
2. It provides solution to the problems faced by business
3. It helps in better understanding the market
4. It keeps the firm ahead of competitors

LIMITATIONS OF MARKETING RESEARCH:

Although marketing research is a useful tool for the management it has certain limitations as it is not an ultimate solution to all marketing problem. It deals with human behaviour which cannot be examined in a controlled environment. There are a number of uncontrolled marketing factors which may lead to wrong conclusions. Besides, the process being costly it is considered as luxury. Since the entire process of marketing research and its implementation by the management is time consuming there is possibility that the assumptions may have changed drastically thus reducing the utility of research report. Marketing research requires highly trained staff for carrying the survey. There are limitations of analysing tools and techniques resulting to errors. And, finally its effectiveness depend on the willingness of the management in implementing the findings.

APPLICATIONS OF MARKETING RESEARCH:

Marketing research is mainly done to measure the wants and needs of consumer. It is also done to assess the impact of past marketing actions. Besides, it is also done to understand the competitive, technological, social, economic, cultural, political, or legal environment of the market.

Otherwise, marketing research is focussed towards a particular decision area where the research results are used. Some applications of marketing research are:

Salesanalysis-to measure the market potential and demand projection, market share, etc.

Sales methods and policies-to evaluate the effectiveness of present distribution system.

Product management-for collecting information about existing or new product.

Advertising research-to know the impact of advertisement

Corporate research-to study the image of a firm among different target public. This type of corporate image studies are done periodically to monitor any change in image over time among target public. Social value research like practices on family planning, anti-dowry, smoking, drinking, etc. and to ascertain the public opinion about the election results fall under this category. A large number of banks and industrial houses have resorted to marketing research to know the consumer's changing need for service and possible grievances about existing operations.

Syndicated research-Several research agencies collect and tabulate marketing information on regular basis. Reports are periodically (weekly, monthly or quarterly) sent to the clients who are paid subscribers. Such services are found useful in the spheres of movement of consumer goods through retail outlets. These Reports are also useful in assessment of market potential of a product or service.

CONCLUDING THOUGHTS:

Marketing research by itself does not arrive at marketing decisions, nor does it guarantee that the organization will be successful in marketing its products. However, when conducted in a systematic, analytical, and objective manner, marketing research can reduce the uncertainty in the decision-making process and increase the probability and magnitude of success. Moreover the success of marketing research depends on the intention of the management in the implementation of findings of study. The purpose of the study will be fulfilled only if the results are accepted by the management whole heartedly.

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