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college of commerce & management

BBA II Year

Subject- Marketing Research

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Class – BBA II

	SYLLABUS
UNIT -1	Definition, Concept and Objectives of Marketing research. Advantages and limitations of Marketing Research. Problems and precautions in Marketing research. Analyzing Competition and Consumer Markets, Market Research Methodology.
UNIT -2	Types of Marketing Research: Consumer Research, product research, sales research, and advertising research. Various Issue involved and ethics in marketing research. Rural Marketing Research, Institutional Management & Research.
UNIT -3	Problem formulation and statement of research, Research process, research design - exploratory research, descriptive research and experimental research designs. Decision Theory and decision Tree.
UNIT -4	Methods of data collection - observational and survey methods. Questionnaire, Design attitude measurement techniques.
UNIT -5	Administration of surveys, sample design, selecting an appropriate statistical technique. Tabulation and analysis of data, scaling techniques. Hypothesis, Concept, Need, Objectives of the hypotheses, Types of Hypotheses and its uses. Report writing.



Introduction to market research

To run a successful business, it is essential that you know who your customers are, what they need, and how to reach them. Market research can help you get accurate and specific information about your customers and competitors, which is a critical part of starting or expanding your business. Consumer demands impact and direct all aspects of your company's activities and can determine the success or failure of your business.

WHY CONDUCT MARKET RESEARCH?

The environment that your business operates in can be very dynamic. Shifts in economic conditions, demographic changes, new regulations and changes in technology can all affect the way you do business.

Market research can help you:

- better understand the characteristics and preferences of your customers
- identify opportunities to increase sales and grow your business
- monitor the level of competition in your market
- reduce the risk in your business decisions
- develop and complete your business plan

Established businesses thinking about making significant changes, like business expansion or relocation, can also use market research to support their decisions. Some other common situations that might call for market research include:

- launching a new advertising campaign
- increasing production or stock levels
- introducing new lines of products or services

HOW TO CONDUCT MARKET RESEARCH

Before you start, establish clear goals for the market research activity you will undertake. You should define what you need to know and why.

Once you have established your goals, develop a strategy and select the techniques you will use to gather data. The two broad types of research you can use are primary and secondary research:

- **Primary research** consists of data collected directly from potential customers through surveys, focus groups, field testing, etc. You can do the research yourself or hire a



company to do it for you. If you complete the research yourself, you keep the costs down and have the added benefit of getting to know the market for your business.

A drawback of primary research is that it can be time consuming and expensive, particularly if you are hiring a marketing firm to conduct the research. The benefits are that you can target specific groups (such as your customers or the geographic market for your business) and tailor the study to answer specific questions.

- **Secondary research** involves searching existing information that has already been collected, such as demographic data and industry statistics, and using it in your own business or marketing plan.

Secondary research uses existing resources like company records, surveys, research studies and books. It is normally less time consuming than primary research, and can be less expensive.

While secondary research is less targeted than primary research, it can still yield valuable information.

The following are examples of questions that can be addressed through secondary research:

- What are the current economic conditions, and are they changing?
- What are the industry trends?
- Are there international markets for my product or service?
- Who are my customers? (Population, age group, income levels, where they live, etc.)
- What is the state of the labour market?

Another key secondary resource is statistical data from official statistics providers, associations and private organizations.

WHAT DO I NEED TO KNOW?

When conducting research there are some questions you may want to answer, and primary or secondary research will help you find the answers. Some of the questions you can consider include:

- **Who is My Customer?**
Knowing who your customer is will help you choose a location, establish pricing, and plan a selling strategy. Ask yourself: Who will buy my product? What are my customer's habits and preferences?
- **Is There a Demand for My Product/Service?**
Make sure that your product or service is meeting the needs of your customers.



- **Who is My Competition?**

Determine who your major competitors are, try to locate their strengths and weaknesses, and see how your business compares.

- **Where Are My Customers Located?**

Knowing where your potential customers are located will help you choose a location, what kind of promotions to use, and other marketing strategies. It can also help you learn about changes in your industry and how those changes could impact sales.

- **What Will I Charge?**

The goal for your business is to maximize your profits while remaining competitive. Pricing can play a large part in the success of your business, so you will want to consider what your competitors are charging for similar products and services and if you can maintain your prices over time.

- **How Should I Promote My Product/Service?**

Ensure that you are using the most effective methods to promote your business. When deciding on a promotional strategy consider what your competitors are doing and what kind of media would best suit your customer (for example, online media for a teen market).

Finding the data that can help you with your business decisions can be difficult, and some of the data can be expensive to purchase. There are, however, a number of affordable statistical and analytical resources available to you, as well as guidance to help you make sense of all the materials available.

The Research and Statistics section of the Canada Business website offers a number of categorized links to data and analytical resources, many of which are free to access. Other sources of secondary research materials include libraries, universities, industry associations and government departments.

Advantages of Marketing Research:

- i. Marketing research helps the management of a firm in planning by providing accurate and up-to-date information about the demands, their changing tastes, attitudes, preferences, buying
- ii. It helps the manufacturer to adjust his production according to the conditions of demand.
- iii. It helps to establish correlative relationship between the product brand and consumers' needs and preferences.
- iv. It helps the manufacturer to secure economies in the distribution of his products.
- v. It makes the marketing of goods efficient and economical by eliminating all type of wastage.



- vi. It helps the manufacturer and dealers to find out the best way of approaching the potential
- vii. It helps the manufacturer to find out the defects in the existing product and take the required corrective steps to improve the product.
- viii. It helps the manufacturer in finding out the effectiveness of the existing channels of distribution and in finding out the best way of distributing the goods to the ultimate consumers.
- ix. It guides the manufacturer in planning his advertising and sales promotion efforts.
- x. It is helpful in assessing the effectiveness of advertising programmes.
- xi. It is helpful in evaluating the relative efficiency of the different advertising media.
- xii. It is helpful in evaluating selling methods.
- xiii. It reveals the causes of consumer resistance.
- xiv. It minimizes the risks of uncertainties and helps in taking sound decisions.
- xv. It reveals the nature of demand for the firm's product. That is, it indicates whether the demand for the product is constant or seasonal.
- xvi. It is helpful in ascertaining the reputation of the firm and its products.
- xvii. It helps the firm in determining the range within which its products are to be offered to the consumers. That is, it is helpful in determining the sizes, colors, designs, prices, etc., of the products of the firm.
- xviii. It would help the management to know how patents, licensing agreements and other legal restrictions affect the manufacture and sale of the firm's products.
- xix. It is helpful to the management in determining the actual prices and the price ranges.
- xx. It is helpful to the management in determining the discount rates.
- xxi. It is helpful to the management in ascertaining the price elasticity for its products.
- xxii. It helps the firm in knowing the marketing and pricing strategy of competitors.
- xxiii. It is helpful in knowing the general conditions prevailing in the market
- xxiv. It is helpful to the management in finding out the size of the market for its products.

PROBLEMS IN CONDUCTING MARKETING RESEARCH IN INDIA



Though most organizations started recognizing the importance of Marketing Research in Decision Making, it has its own inherent limitations. There are many problems in conducting marketing research in India. The following points elaborate these problems in detail.

1. Non - Availability of Data:

Marketing Research depends on both primary and secondary sources of data. Primary data should be considered only as a last resort. But data collected through secondary sources is very meager and inadequate. Even if data are available mostly it is outdated as the agencies make inordinate delays in gathering and publishing data. To cite an example, despite the best efforts of Government of India through computerization there are inordinate delays in publishing census reports and data becomes redundant by the time they publish.

2. Lack of Trained Enumerators:

Data collection is a specialized job. Marketing Research heavily depends on data collection and analysis. owing to scarcity of trained enumerators reliable data is becoming a scarce. Even if data is available its reliability is highly questionable because the data is not collected scientifically.

3. Problems of Primary Data:

As primary data collection has a limited purpose; these statistics cannot be used repeatedly. They are confined to smaller geographical area and serves limited purpose. These primary studies conducted at different locations can't be strictly comparable for decision making and they may give conflicting results due to divergent methodologies used in different studies. These studies are scattered, not reliable & mostly unorganized.

4. Non-Cooperation of Respondents:

Most Respondents don't respond to the surveys. If at all they agree to furnish information, they don't involve in the survey and mechanically they just furnish information without knowing the implications. Non- cooperation from respondents is really a limiting factor on the reliability of results of Marketing Research.

5. Lack of Trust:

Most respondents do not respond with a fear that the crucial information collected from respondents is misused, more so certain confidential information. This is because of lack of trust on the part of respondents



6. Abuse of Respondents Information:

It has become a practice to abuse crucial lots of the data gathered for the purpose. To cite an example, a credit card holder gets information from many other sales organizations promoting their products and services. Credit card issuing Agencies sell this information to other related business units and inturn they use this information to promote their products for commercial use.

7. Lack of Professionalism:

Most organizations even today feel that Marketing Research is a luxury. Companies are not willing to invest in Marketing Research as it does not give quick and direct results. Companies believe in their intuition. In small business units & family run businesses, Marketing Research does not play a greater role.

8. Lack of Integrated Approach:

Marketing Research should be integrated with marketing function. But in most cases Marketing Research is separated with that of marketing. Even if Marketing Research is used it is used as a piecemeal approach and not with an integration of other functions and also not on a continuous basis. It happens mostly as a onetime activity and crisis management activity.

9. Expensive ::

Marketing Research needs huge sums and the results are only indicative, informative and approximates. They are not accurate. Marketing Research does not solve the problem. It may help in creating alternative possible solutions to the problem. In most of the cases, it is proved that the costs are disproportionately higher than the benefits that accrue to the firms.

10. It Involves Precious Time & Money:

It is a laborious work and consumes lots of time and may not end up in any reliable and fruitful results despite committing valuable resources, efforts and time.

ANALYZING THE COMPETITORS

1. Determine who your competitors are.



First, you'll need to figure out who you're really competing with so you can compare the data accurately. What works in a business similar to yours may not work for your brand.

So how can you do this?

Divide your "competitors" into two categories: direct and indirect.

Direct competitors are businesses that offer a product or service that could pass as a similar substitute for yours, and that operate in your same geographic area.

On the flip side, an indirect competitor provides products that are not the same but could satisfy the same customer need or solve the same problem.

It seems simple enough on paper, but these two terms are often misused.

When comparing your brand, you should only focus on your direct competitors. This is something many brands get wrong.

Let's use an example: Stitch Fix and Fabletics are both subscription-based services that sell clothes on a monthly basis and serve a similar target audience.

But as we look deeper, we can see that the actual product (clothes in this case) are not the same; one brand focuses on stylish everyday outfits while the other is workout-centric attire only.

Yes, these brands satisfy the same need for women (having trendy clothes delivered right to their doorstep each month), but they do so with completely different types of clothing, making them indirect competitors.

This means Kate Hudson's team at Fabletics would not want to spend their time studying Stitch Fix too closely since their audiences probably vary quite a bit. Even if it's only slightly, this tiny variation is enough to make a big difference.

Now, this doesn't mean you should toss your indirect competitors out the window completely.

Keep these brands on your radar since they could shift positions at any time and cross over into the direct competitor zone. Using our example, Stitch Fix could start a workout line, which would certainly change things for Fabletics.



This is also one of the reasons why you'll want to routinely run a competitor analysis. The market can and will shift at any time, and if you're not constantly scoping it out, you won't be aware of these changes until it's too late.

2. Determine what products your competitors offer.

At the heart of any business is its product or service, which is what makes this a good place to start.

You'll want to analyze your competitor's complete product line and the quality of the products or services they're offering.

You should also take note of their pricing and any discounts they're offering customers.

Some questions to consider include:

- Are they a low-cost or high-cost provider?
- Are they working mainly on volume sales or one-off purchases?
- What is their market share?
- What are the characteristics and needs of their ideal customers?
- Are they using different pricing strategies for online purchases versus brick and mortar?
- How does the company differentiate itself from its competitors?
- How do they distribute their products/services?

3. Research your competitors' sales tactics and results.

Running a sales analysis of your competitors can be a bit tricky.

You'll want to track down the answers to questions such as:

- What does the sales process look like?
- What channels are they selling through?
- Do they have multiple locations and how does this give them an advantage?



- Are they expanding? Scaling down?
- Do they have partner reselling programs?
- What are their customers' reasons for not buying? For ending their relationship with the company?
- What are their revenues each year? What about total sales volume?
- Do they regularly discount their products or services?
- How involved is a salesperson in the process?

These helpful pieces of information will give you an idea of how competitive the sales process is, and what information you need to prepare your sales reps with to compete during the final buy stage.

For publicly held companies, you can find annual reports online, but you'll have to do some sleuthing to find this info from privately owned businesses.

You could find some of this information by searching through your CRM and reaching out to those customers who mentioned they were considering your competitor. Find out what made them choose your product or service over others out there.

To do this, run a report that shows all prospective deals where there was an identified competitor.

If this data is not something you currently record, talk to marketing and sales to implement a system where prospects are questioned about the other companies they are considering.

Essentially, they'll need to ask their leads (either through a form field or during a one-on-one sales conversation) to identify who their current service providers are, who they've used in the past, and who else they are considering during the buying process.

When a competitor is identified, have your sales team dive deeper by asking why they are considering switching to your product. If you've already lost the deal, be sure to follow up with the prospect to determine why you lost to your competitor.



What services or features attracted the prospect? Was it about price? What's the prospect's impression of your sales process? If they've already made the switch, find out why they made this decision.

By asking open-ended questions, you'll have honest feedback about what customers find appealing about your brand and what might be turning customers away.

Once you've answered these questions, you can start scoping out your competitor's marketing efforts.

4. Take a look at your competitors' pricing, as well as any perks they offer.

There are a few major factors that go into correctly pricing your product — and one major one is understanding how much your competitors are charging for a similar product or service.

If you feel your product offers superior features compared to those of a competitor, you might consider making your product or service more expensive than industry standards. However, if you do that, you'll want to ensure your sales reps are ready to explain why your product is worth the additional cost.

Alternatively, perhaps you feel there's a gap in your industry for affordable products. If that's the case, you might aim to charge less than competitors and appeal to prospects who aren't looking to break the bank for a high-quality product.

Of course, other factors go into 1. Determine who your competitors are.

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5. Ensure you're meeting competitive shipping costs.

Did you know expensive shipping is the number one reason for cart abandonment?



Nowadays, free shipping is a major perk that can attract consumers to choose one brand over another. If you work in an industry where shipping is a major factor — like ecommerce — you'll want to take a look at competitors' shipping costs and ensure you're meeting (if not exceeding) those prices.

If most of your competitors' offer free shipping, you'll want to look into the option for your own company. If free shipping isn't a practical option for your business, consider how you might differentiate in other ways — including loyalty programs, holiday discounts, or giveaways on social media.

6. Analyze how your competitors market their products.

Analyzing your competitor's website is the fastest way to gauge their marketing efforts. Take note of any of the following items and copy down the specific URL for future reference:

Do they have a blog?

Are they creating whitepapers or eBooks?

Do they post videos or webinars?

Do they have a podcast?

Are they using static visual content such as infographics and cartoons?

What about slide decks?

Do they have a FAQs section?

Are there featured articles?

Do you see press releases?

Do they have a media kit?

What about case studies?



Do they publish buying guides and data sheets?

What online and offline advertising campaigns are they running?

7. Take note of your competition's content strategy.

Then, take a look at the quantity of these items. Do they have several hundred blog posts or a small handful? Are there five white papers and just one ebook?

Next, determine the frequency of these content assets. Are they publishing something new each week or once a month? How often does a new ebook or case study come out?

Chances are if you come across a robust archive of content, your competitor has been publishing regularly. Depending on the topics they're discussing, this content may help you hone in on their lead-generating strategies.

From there, you should move on to evaluating the quality of their content. After all, if the quality is lacking, it won't matter how often they post since their target audience won't find much value in it.

Choose a small handful of samples to review instead of tackling every single piece to make the process more manageable.

Your sampler should include content pieces covering a variety of topics so you'll have a fairly complete picture of what your competitor shares with their target audience.

When analyzing your competitor's content, consider the following questions:

How accurate is their content?

Are spelling or grammar errors present?

How in-depth does their content go? (Is it at the introductory level that just scratches the surface or does it include more advanced topics with high-level ideas?)



What tone do they use?

Is the content structured for readability? (Are they using bullet points, bold headings, and numbered lists?)

Is their content free and available to anyone or do their readers need to opt-in?

Who is writing their content? (In-house team? One person? Multiple contributors?)

Is there a visible byline or bio attached to their articles?

As you continue to scan the content, pay attention to the photos and imagery your competitors are using.

Do you quickly scroll past generic stock photos or are you impressed by custom illustrations and images? If they're using stock photos, do they at least have overlays of text quotes or calls-to-action that are specific to their business?

If their photos are custom, are they sourced from outside graphic professionals or do they appear to be done in-house?

When you have a solid understanding of your competitor's content marketing strategy, it's time to find out if it's truly working for them.

8. Learn what technology stack your competitors' use.

Understanding what types of technology your competitors' use can be critical for helping your own company reduce friction and increase momentum within your organization.

For instance, perhaps you've seen positive reviews about a competitor's customer service — as you're conducting research, you learn the customer uses powerful



customer service software you haven't been taking advantage of. This information should arm you with the opportunity to outperform your competitors' processes.

To figure out which software your competitors' use, type the company's URL into Built With, an effective tool for unveiling what technology your competitors' site runs on, along with third-party plugins ranging from analytics systems to CRMs.

Alternatively, you might consider looking at competitors' job listings, particularly for engineer or web developer roles. The job listing will likely mention which tools a candidate needs to be familiar with — a creative way to gain intel into the technology your competitors' use.

9. Analyze the level of engagement on your competitor's content.

To gauge how engaging your competitor's content is to their readers, you'll need to see how their target audience responds to what they're posting.

Check the average number of comments, shares, and likes on your competitor's content and find out if:

Certain topics resonate better than others

The comments are negative, positive, or a mix

People are tweeting about specific topics more than others

Readers respond better to Facebook updates about certain content

Don't forget to note if your competitor categorizes their content using tags, and if they have social media follow and share buttons attached to each piece of content.

10. Observe how they promote their marketing content.



From engagement, you'll move right along to your competitor's content promotion strategy.

11. Look at their social media presence, strategies, and go-to platforms

The last area you'll want to evaluate when it comes to marketing is your competitor's social media presence and engagement rates.

How does your competition drive engagement with their brand through social media? Do you see social sharing buttons with each article? Does your competitor have links to their social media channels in the header, footer, or somewhere else? Are these clearly visible? Do they use calls-to-action with these buttons?

If your competitors are using a social network that you may not be on, it's worth learning more about how that platform may be able to help your business, too. To determine if a new social media platform is worth your time, check your competitor's engagement rates on those sites. First, visit the following sites to see if your competition has an account on these platforms:

Facebook

Twitter

Instagram

Snapchat

LinkedIn

YouTube

Pinterest

Then, take note of the following quantitative items from each platform:

Number of fans/followers

Posting frequency and consistency



Content engagement (Are users leaving comments or sharing their posts?)

Content virality (How many shares, repines, and retweets do their posts get?)

With the same critical eye you used to gauge your competition's content marketing strategy, take a fine-toothed comb to analyze their social media strategy.

What kind of content are they posting? Are they more focused on driving people to landing pages, resulting in new leads? Or are they posting visual content to promote engagement and brand awareness?

How much of this content is original? Do they share curated content from other sources? Are these sources regular contributors? What is the overall tone of the content?

How does your competition interact with its followers? How frequently do their followers interact with their content?

After you collect this data, generate an overall grade for the quality of your competitor's content. This will help you compare the rest of your competitors using a similar grading scale.

12. Perform a SWOT Analysis to learn their strengths, weaknesses, opportunities, and threats

As you evaluate each component in your competitor analysis (business, sales, and marketing), get into the habit of performing a simplified SWOT analysis at the same time.

This means you'll take note of your competitor's strengths, weaknesses, opportunities, and threats any time you assess an overall grade.

Some questions to get you started include:

- What is your competitor doing well? (Products, content marketing, social
- Where does your competitor have the advantage over your brand?
- What is the weakest area for your competitor?
- Where does your brand have the advantage over your competitor?
- What could they do better with?



In what areas would you consider this competitor a threat?

Are there opportunities in the market that your competitor has identified?

You'll be able to compare their weaknesses against your strengths and vice versa. By doing this, you can better position your company, and you'll start to uncover areas for improvement within your own brand.

RESEARCH METHODOLOGY

WHAT IS RESEARCH METHODOLOGY?

Research methodology is a way of explaining how a researcher intends to carry out their research. It's a logical, systematic plan to resolve a research problem. A methodology details a researcher's approach to the research to ensure reliable, valid results that address their aims and objectives. It encompasses what data they're going to collect and where from, as well as how it's being collected and analyzed.

WHY IS A RESEARCH METHODOLOGY IMPORTANT?

A research methodology gives research legitimacy and provides scientifically sound findings. It also provides a detailed plan that helps to keep researchers on track, making the process smooth, effective and manageable. A researcher's methodology allows the reader to understand the approach and methods used to reach conclusions.

Having a sound research methodology in place provides the following benefits:

Other researchers who want to replicate the research have enough information to do so.

Researchers who receive criticism can refer to the methodology and explain their approach.



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Subject- Marketing Research

It can help provide researchers with a specific plan to follow throughout their research.

The methodology design process helps researchers select the correct methods for the objectives.

It allows researchers to document what they intend to achieve with the research from the outset.