Marketing Research
and
Demand Forecasting

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What is Marketing Research?

Marketing research is the systematic design, collection, analysis, and reporting of data and findings relevant to a specific marketing situation facing the company.

The Marketing Research Process

Define the problem

Develop research plan

Collect information

Analyze information

Present findings

Make decision

Step 1: Define the Problem

- Define the problem
- Specify decision alternatives
- State research objectives

Step 2: Develop the Research Plan

Data Sources

Research Approach

Research Instruments

Sampling Plan

Contact Methods

Data Sources

	Internal	External
Secondary Data (Already Exists)		
Primary Data (Freshly Gathered For A Specific Purpose)		

Research Approaches

- Observation
- Ethnographic
- Focus Group
- Survey
- Behavioral Data
- Experimentation

Focus Group in Session

Research Instruments

➢Questionnaires
➢Qualitative Measures
➢Technological Devices

Question Types—Dichotomous

In arranging this trip, did you contact Indigo Airlines?

☐ Yes ☐ No

Question Types—Multiple Choice

With whom are you traveling on this trip?

☐ No one

☐ Spouse

☐ Spouse and children

☐ Children only

☐ Business associates/friends/relatives

☐ An organized tour group

Question Types—Likert Scale

Indicate your level of agreement with the following statement: Small airlines generally give better service than large ones.

☐ Strongly disagree

☐ Disagree

☐ Neither agree nor disagree

☐ Agree

☐ Strongly agree

Question Types—Semantic Differential

Indigo Airlines

Large …………………………………..……Small

Experienced…………………….……Inexperienced

Modern……………………….……Old-fashioned

Question Types—Importance Scale

Airline food service is _____ to me.

☐ Extremely important

☐ Very important

☐ Somewhat important

☐ Not very important

☐ Not at all important

Question Types—Rating Scale

Indigo Airlines' food service is _____.

☐ Excellent

☐ Very good

☐ Good

☐ Fair

☐ Poor

Question Types—
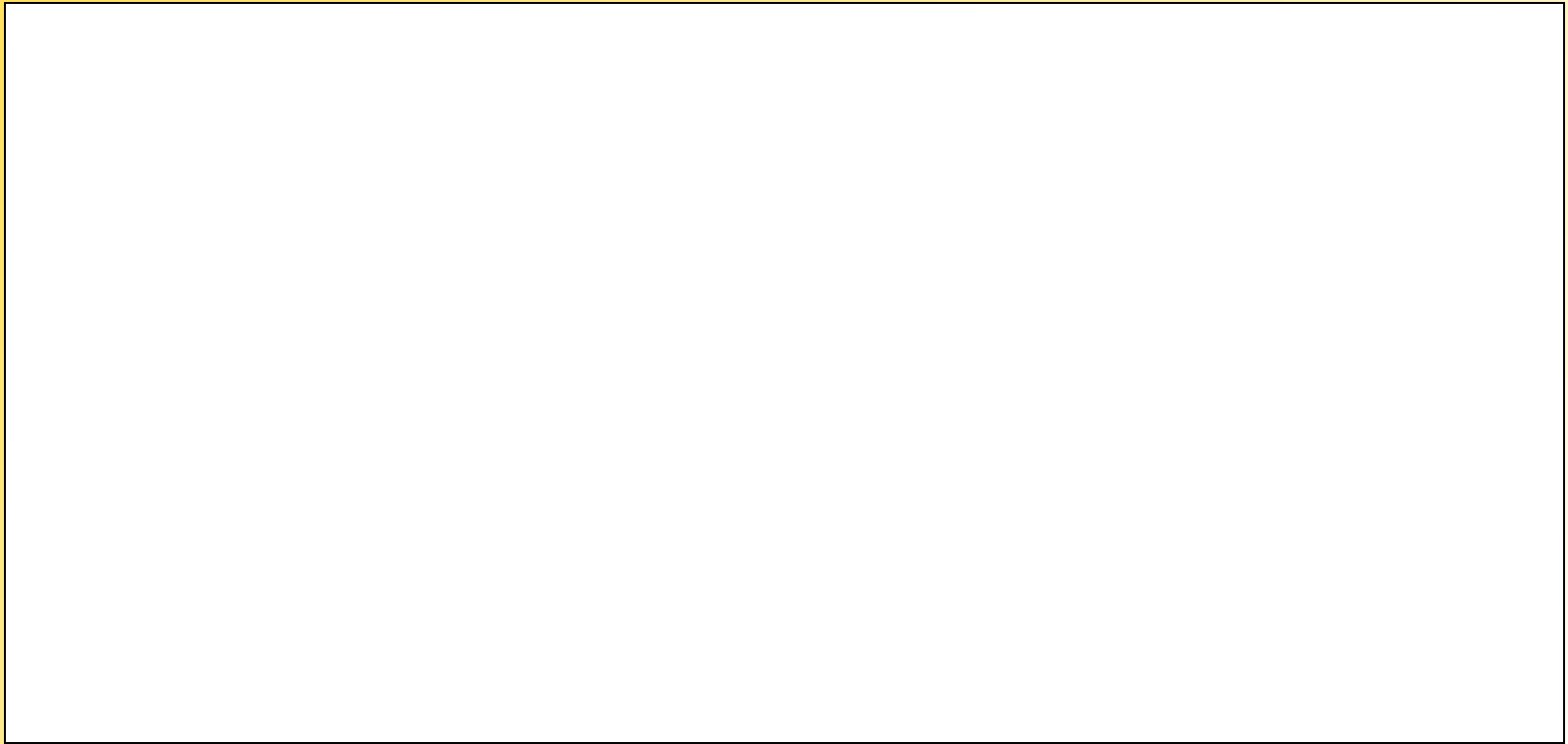# Intention to Buy Scale

How likely are you to purchase tickets on Indigo Airlines if in-flight Internet access were available?

☐ Definitely buy

☐ Probably buy

☐ Not sure

☐ Probably not buy

☐ Definitely not buy

Question Types—Completely Unstructured

What is your opinion of Indigo Airlines?

Question Types—Word Association

What is the first word that comes to your mind when you hear the following?

Airline _____

Indian _____

Travel _____

Question Types—
Sentence Completion

When I choose an airline, the most important consideration in my decision is:

_____

_____

_____

_____

_____

_____.

Question Types—Story Completion

"I flew Indigo a few days ago. I noticed that the exterior and interior of the plane had very bright colors. This aroused in me the following thoughts and feelings." Now complete the story.

_____

_____

_____

_____

_____

Question Types—Picture (Empty Balloons)

Question Types—Thematic Apperception Test

Make up a story that reflects what you think is happening in this picture.

Sampling Plan

- Sampling unit: Who is to be surveyed?
- Sample size: How many people should be surveyed?
- Sampling procedure: How should the respondents be chosen?

Types of Samples

Probability Samples

- Simple random
- Stratified random
- Cluster

Non probability Samples

- Convenience
- Judgment
- Quota

Contact Methods

Mail Questionnaire

Telephone Interview

Personal Interview

Online Interview

This Week's Poll

Now that Ashley knows the truth about Gloria, what should she do next?

○ Go straight to John and tell him the truth. Ashley was right all along; Gloria is a lying, manipulating, gold-digger!

○ Give Gloria the opportunity to tell John the truth herself.

○ Stay out of it! John is happy with Gloria -- why ruin his marriage over who her sons are?

○ Not sure.

Submit your Vote!

Pros and Cons of Online Research

Advantages

- Inexpensive
- Fast
- Accuracy of data, even for sensitive questions
- Versatility

Disadvantages

- Small samples
- Skewed samples
- Technological problems
- Inconsistencies

What is Marketing Metrics?

Marketing metrics is the set of measures that helps marketers quantify, compare, and interpret marketing performance.

Marketing Metrics

External

- Awareness
- Market share
- Relative price
- Number of complaints
- Customer satisfaction
- Distribution
- Total number of customers
- Loyalty

Internal

- Awareness of goals
- Commitment to goals
- Active support
- Resource adequacy
- Staffing levels
- Desire to learn
- Willingness to change
- Freedom to fail
- Autonomy

Figure 4.3 Example of a Marketing Dashboard

The Measures of Market Demand

Potential Market

Available Market

Target Market

Penetrated Market

Product Penetration Percentage

Estimating Future Demand

- Survey of Buyers' Intentions
- Composite of Sales Force Opinions
- Expert Opinion
- Past-Sales Analysis
- Market-Test Method