

**M. Com. : Part II : Semester - III**

**New  
Syllabus**

# **MARKETING RESEARCH**

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*A Book Of*

# MARKETING RESEARCH

**Advanced Marketing - Paper VI  
M.Com - II (Semester - III)  
Course Code - 318**

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**Dedicated to my  
Beloved son  
"Danish"**

**Dr. Sadia Merchant**



## Preface ...

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This book discusses the tools and techniques used for marketing research as per the new syllabus introduced by Savitribai Phule Pune University, 2019 Pattern. The book will be indispensable for postgraduate students of commerce and management. This book is designed to help readers to embark their research journey in marketing by understanding the different aspects and methodology for undertaking research projects in the field of marketing. The book aims to provide the reader with a concise overview by outlining concepts and approaches in marketing research.

The book covers all the chapters as per the new syllabus.

Simple and lucid language has been used to explain the chapters and concepts clearly.

Likely questions for discussions are covered towards the end of each chapter.

A sincere attempt has been made to explain the concepts with relevant and current examples to facilitate better understanding amongst the students.

We are very much thankful to Shri. Dineshbhai Furia and Shri Jigneshbhai Furia and the entire staff and team of Nirali Prakashan who have extended their timely help in publishing this book.

Views and suggestions of readers are welcome.

**September 2020**

**Authors**  
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**Dr. Sadia Merchant**



# Syllabus ...

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## **1. Introduction to Marketing Research**

**Marketing Research:** Marketing factors involved in marketing research, Types of Marketing Surveys, Role of Marketing Research in Marketing, Implications of Marketing Research on Marketing Mix (7 P's), Ethics in Marketing Research, Career in Marketing Research.

**Research Process:** Formulating the Problem, Finding Basic Research Issues, Developing Hypotheses, Characters of Marketing Research.

## **2. Application of Marketing Research**

Marketing Research Department's Goals - Pragmatic, Selective and Evaluate

Marketing Decision Support System (MDSS) - Scope and Significance, Characteristics, Components, Role in Decision Making.

Applications of Marketing Research: Cluster Analysis for Identifying Market Segments, Conjoint Analysis for Product Research, Multi-dimensional Scaling, Discriminant Analysis and Perceptual Mapping for Brand Positioning Research.

Advertising Research - Copy Testing, Media Selection, Media Scheduling, Industrial Versus Consumer Marketing Research.

## **3. Market Information**

Market Information: Meaning and Importance, Sources of Collecting Marketing Information, Secondary Data Sources, Standardized Sources of Collecting Data - Home Audit, Mail Diary, Shop and Retail Audits, Readership Surveys and Viewership Surveys.

## **4. Use of Internet in Marketing Research**

We Based Marketing Research: Meaning, Advantages and Disadvantages.

Primary and Secondary Data Collection through Internet, Reach Analysis, Marketing Research in Social Media, Online Brand Perception Research, Online Targeted Advertising.



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<b>1. Introduction to Marketing Research</b>	<b>1.1 – 1.24</b>
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# Chapter 1 ...

## Introduction to Marketing Research

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### **Contents ...**

- 1.1 Introduction of Marketing Research
- 1.2 Factors involved in Marketing Research
- 1.3 Types of Marketing Surveys
- 1.4 Role of Marketing research in Marketing
- 1.5 Implications of Marketing research on marketing mix (7 P's)
- 1.6 Ethics in Marketing research
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- 1.8 Research Process
- 1.9 Formulating the Research Problem
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- 1.11 Developing Hypothesis
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- 1.12 Research Methods
- 1.13 Research Design
- 1.14 Sampling
- 1.15 Data Collection Techniques
- 1.16 Data Analysis and Interpretation
- 1.17 Writing a Research Report
  - Questions for Discussion

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### **1.1 Introduction**

In today's world, research has become an indispensable activity in any field of business. As research, solves various problems that arise in the business environment. It is imperative that companies undertake intensive marketing research to meet their goals of profitability and prosperity. The marketing environment is changing at speedy rate, the need for real time market information is critical for the growth of the business.

The purpose of carrying out marketing research is to find out the change in the consumer behavior due to the change in the elements of the marketing mix (product, price, place, promotion).

The marketers need to research about the changing trends in the market viz. Changes in the customer's tastes and preferences, the new products launched in the market, prices of the competitor's product, substitute products, etc. This information will facilitate to develop an effective marketing strategy to reach out to the target customers, to understand business opportunities and threats.

**Various definitions of Marketing Research:**

Marketing Research is "The systematic gathering, recording and analysis of data about problems relating to the marketing of goods and services"

– **The American Marketing Association**

"The systematic objective and exhaustive research for and study of the facts relevant to any problem in the field of marketing."  
– **Richard Crisp**

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

**Marketing Research** in simple words is the systematic collection, analysis, and interpretation of data pertaining to the marketing conditions.

**Marketing Research V/S Market Research:**

Marketing research is a broader term including market research. Marketing research is concerned with all the major functions of marketing. Market research is primarily concerned with identifying the capacity of the market to absorb a particular product. Marketing research is not only concerned with the jurisdiction of the market but also covers nature of the market, product analysis, sales analysis, time, place and media of advertising, personal selling and marketing intermediaries and their relationships etc.

The scope of marketing research is wider as compared to market- research. It is concerned with collection of market information systematically and impartially, analysis and evaluation of relevant data and use such data for the benefit of the organisation.

It is a careful and objective study of various areas of marketing activities. What, when, where and how to sell the end product and the services are four questions to which the marketing research wing provides an answer.

Thus, market research and marketing research are different from each other. Market research is a narrow concept whereas marketing research is a broad one and its scope is much wider.

**1.2 Factors involved in Marketing Research**

The marketing environment is highly volatile and complex. The organisation has to consider various factors while developing a marketing research plan and must continuously monitor the environment in which the company operates.

- 1. Social and Cultural factors:** The socio-cultural factors affect the basic values, behaviours, and preferences of the society-all of which have an effect on consumer marketing decisions. A set of beliefs, customs, practices and behaviour that exists within the population needs a better understanding to devise sound marketing policies. Marketing Research must consider these factors as it will facilitate to have a better understanding of the market.
- 2. Economic Factors:** Demand and supply, Inflation rate, interest rates, taxes and recession, price of the products all influence how much money people are willing to spend on the products. These factors have a direct impact on the market as well as your customers.

3. **Competitive Factors:** Several factors determine the intensity of rivalry, including the extent of exit barriers, amount of fixed costs, number of competitors in the industry, growth rate of the industry and demand conditions. When a successful product is introduced, rival organisations will often respond by trying to undercut it by quickly producing cheaper alternative versions. Marketing research must constantly monitor competitive policies – trends, opportunities and threats.
4. **Political Factors:** The policy framework and regulations imposed by the government can introduce a risk factor that may cause a business to suffer. While conducting Marketing research various regulatory framework of the government has to be considered which will drastically impact the business like the taxation policies, foreign trade regulations, employment laws prevalent in the country.

### 1.3 Marketing Survey

**Marketing Survey** is another most commonly and widely used sales forecasting method to collect information related to the various aspects of the market which cannot be gathered through the internal records or sources of the company.

Marketing survey is primarily undertaken to collect first hand information from the marketing field. The market survey method is typically employed in the situations where the primary data or first-hand data is required to forecast the demand. Specifically when the company introduces new product or a variant in the market, it needs to assess the customers preferences, it then resorts to undertaking a survey of selected sample customers to forecast the future demand or sales. Usually, the companies conduct the marketing surveys among the sample of consumers to understand their purchasing capacity, attitudes and purchasing habits.

#### **Types of Marketing Surveys:**

Survey method is one of the common and simple methods of ascertaining information and gathering responses of a group or community. Survey research needs thorough planning and careful execution at each stage of the survey.

#### **Personal Survey:**

A personal survey is also called a face-to-face survey. The researcher asks questions to the respondents generally through face-to-face contact. The questions are predetermined and asked in a prescribed order. The reactions and behaviour of the respondents is also observed and noted. The questions drafted are generally close ended to ascertain quick responses. For Example: a marketing company has newly launched its product and wants to study the preferences of the customer, it then resorts to conducting personal surveys to note the opinion of its customers by asking specific questions related to the product.

**Telephone Survey:**

In this, the survey is conducted by asking questions on phone. Telephone numbers are utilized by trained interviewers to contact and gather information from possible respondents. This type of survey can lead to valuable brand-building benefits if the interviewer conducts the survey in a professional and skilled way. Telephone interviewing can be cost effective as you can have higher response rate than web surveys.

**Mail Survey:**

A mail survey is one in which the postal service, or another mail delivery service, is used to mail the survey materials to sampled survey addresses. Nowadays email survey through google forms is very commonly used by the marketers to gather views and opinion about the products.

A mailed questionnaire guarantees confidentiality or anonymity, thus perhaps eliciting more truthful responses than would be obtained with a personal survey.

A recent addition of web based survey is also undertaken wherein the questions are administered and surveyed over World Wide Web.

**1.4 Role of Marketing Research in Marketing**

As marketing research is the systematic gathering, recording, and analysis of qualitative and quantitative data about issues relating to marketing products and services. The goal of marketing research is to identify and assess how changing elements of the marketing mix impacts customer behavior. Many firms, whether in production or services, would like to know as to what consumers feel about their products and services. As such information is available with consumers, many marketing research studies are done to collect it. Consumer research is an integral part of marketing research, however marketing research is beyond just collecting the information, it studies the marketing problems, analysis it and draws meaningful conclusions which guides the marketers in devising sound marketing policies, enhancing the brand image and brand position.

As a result of liberalization and globalization there has been a considerable rise in competition. Marketing research is now becoming an increasingly important element of marketing and advertising strategy. As competition in the market place becomes more and more intense in the coming years, marketing research will expand across the Indian Industry.

**1.5 Implications of Marketing Research on Marketing Mix (7 P's)**

The **marketing** mix has been defined as *the "set of marketing tools that the firm uses to pursue its marketing objectives in the **target market**".* It consists of mainly Product Mix, Price Mix, Place Mix and Promotion Mix, there has been an addition of 3 more P's i.e. People, Process and Physical Evidence.

Marketing Research enables a firm to obtain relevant, accurate & updated information about the various elements of marketing mix.



**Fig. 1.1: The 7 P's of Marketing Mix**

#### **Product Research:**

It is concerned with the design, development and testing of new products as well as improvement of the existing ones. It ensures whether the quality confirms with the set standards and desired attributes. Product research is concerned with every stage of product life cycle. Product research about the packaging, after sales-services becomes crucial in development of market segment strategies.

#### **Pricing Research:**

Pricing is one of the major factors that affects the success of the firm. A number of factors are to be considered in order to determine the price: factors such as the nature of demand, extent of competition, technological development, financial status of the consumers etc. If a new product is to be launched, the firm may undertake test marketing. Marketing research may be undertaken to study the extent of acceptability of varying prices at different locations. In case of an established product, the firm may like to investigate how sensitive is its target segment towards the price changes. Marketing research proves helpful in decision making and setting effective pricing strategies.

#### **Place (Physical Distribution) Research:**

Marketing Research examines the physical distribution methods to be adopted from time to time, so that if needed alternative methods may be introduced to ensure the distribution function is more effective. Various sales outlets or territories, channels members, transport, warehousing and logistics facilities are to be examined in terms of sales outcome.

#### **Promotion Research:**

The marketing environment is highly volatile and dynamic, there has been a shift from a seller's market to a buyer's market. With the advent of internet and growth in the number of online shopping, marketing research plays a very critical role in selecting the right channel for promoting and creating awareness of its product or service to the target group.

Marketing research assumes considerable importance in selecting the right media channels i.e. -television, radio, newspapers and magazines and accordingly devising a promotional mix strategy having an appropriate balance of advertising, PR, direct marketing and sales promotion.

**People Research:**

Marketing research probes into understanding human factors that participate in service delivery, interactions between employees and customers. Marketing research will be helpful in understanding the buyer's behaviour, addressing the problems that arise in business. Recruiting and hiring employees with the right skills and abilities is very essential. Industries nowadays know the importance of **holistic marketing** – and how a single person who is in touch with the end customer, can make or break the relation with the end customer. A firm undertaking marketing research will ensure that they recruit the right people who match the companies requirement.

**Process Research:**

*Process* refers to the flow of activities or mechanism that take place when there is an interaction between the customers and the businesses. A consistent marketing research needs to be undertaken to improve the processes in business and thereby reduce the problems in the output and thereby maximize the profits. Marketing research can be carried out in understanding the website user experience, improving delivery time, delivery methods, reducing in-store waiting time, monitoring and tracking service performance.

**Physical Evidence:**

According to Booms and Bitner's framework, the physical evidence is "the service delivered and any tangible goods that facilitate the performance and communication of the service. Physical evidence is important to customers because the tangible goods are evidence that the seller has (or has not) provided what the customer was expecting. Marketing Research facilitates the company to improve the environment in which the service occurs. Marketing research can be undertaken in improving the physical environment- the décor, interior and physical layout of a store, branding and packaging of the product to build brand reputation and to ensure that the physical environment provides a positive and pleasing experience to the customers.

## 1.6 Ethics in Marketing Research

Making good ethical decisions is just as important to business success as mastering marketing, finance and accounting decisions. Marketing ethics is the systematic study of how moral standards are applied to marketing decisions, behaviours and institutions. It is mostly focused on marketing behaviours that are not prohibited by the law but perhaps should not be indulged due to certain moral considerations. Since marketing decisions are often data driven, market research techniques and outputs are frequently used by marketing practitioners. Various professional organizations related to the practice of marketing research such as the Council for Survey Research, the Market Research Society and the European Society of Marketing and Opinion Research have developed detailed codes of ethics addressing common conflicts that occur in the execution of marketing research.

# Marketing Research



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