

## Chapter 6: Consumer Behavior

Marketing research is a set of techniques and principals for systematically collecting, recording, analyzing, and interpreting data that can aid decision makers involved in marketing goods, services, or ideas

### Using Marketing Information Systems to Create Better Value

Marketing information system (MIS) is a set of procedures and methods that apply to the regular, planned collection, analysis, and presentation of information that then may be used in marketing decisions. Information about their customer's, allow them to segment these mofos.

Data mining is the use of a variety of statistical analysis tools to uncover previously unknown patterns in the data stored in databases or relationships among variables. For example, that someone who buys a pencil might also commonly buy paper.

### The Ethics of Using Customer Information

Basically don't use the information for anything other then to produce unbiased, factual information.

### The Marketing Research Process

Marketing research can very expensive, and if the results won't be useful or management does not abide by the findings, it represents a waste of money. Finding out that guys don't like pink shirts, and still selling them pink shirts regardless.

The type of marketing research should depend on what information they need. Will questionnaires get what they need, interviews?

There are five steps in marketing research, however they don't have to be strictly in order. Sometimes, you might find new information, and then go back from a new starting point.

Marketers should look at the project as a whole, and anticipate the type of analysis that might produce meaningful results for decision makers. Sometimes open ended questions are not useful for decision makers who want quick analysis fast.

#### Step 1: Define the Problem and Objectives

If you set up the objectives, or you don't follow through with the process, yo u wont get the right solution. This is important, because market researches devote considerable effort to defining the problem and trying to separate the symptoms of a problem from the actual problem. Example, thinks declining sales was because of bad advertising, but really it's because her products are outdated.

#### Step 2: Design the Research Project

Researchers identify the type of data needed and determine where the get the information from.

##### Secondary Data

pieces of information that have already been collected from other sources and usually are readily available. FIGURE 5.2 is a list of free sources. \*Syndicated data, is data available from commercial research firms. Researchers must be careful if the information is

accurate, depending on the sources.

### **Primary Data**

Collecting research by observing consume behavior, conducting focus group interviews, or surveying customers using the mail, telephone, in-person interviews, or the internet.

Data collected to address specific research needs, which takes longer and is more costly. Marketers often require sophisticated training and experience to design and collect primary data that are unbiased, valid, and reliable.

Reliability is the extent to which you will get the same result if the study is repeated under identical situations.

Validity is the extent to which the study actually measures what it is supposed to measure.

When selecting a sample you should ask

- who should be surveyed
- how big should the sample be
- what type of sampling procedure to use

### **Step 3: Data Collection Process**

exploratory research attempts to begin to understand the phenomenon of interest it also provides initial information when then problem lacks any clear definition. Start reviewing secondary data, or actually collecting your own shit.

Once it's done that, its ready to engage in conclusive research, which provides the information needed to confirm those insights and which managers can use to pursue appropriate courses of action. This also confirms hypothesis of the relationships among variables.

### **Exploratory Research Methods**

#### **Observation**

An exploratory research method that entails examining purchase and consumption behaviors through personal or video camera.

Ethnography is the observational method that studies people in their daily lives and activities in their homes, work, and communities. This type of research needs very skilled individuals who can make sense of it all.

#### **In-Depth Interviews**

Marketers can use the results of in-depth interviews to develop surveys.

#### **Focus Group Interviews**

A small group of persons (8-12) comes together for an intensive discussion about a particular topic. Using an unstructured method of inquiry, a trained moderator guides the conversation on the basis of predetermined general outline.

#### **Projective Technique**

Subjects are provided a scenario and asked to express their thoughts and feelings about it.

## **Conclusive Research Methods**

It is intended to verify insights and to aid decision makers in selecting a specific course of action, it could be descriptive, experimental, or be from merchandise bought by a group of customers.

### **Survey Research**

systematic means of collecting information from people that generally uses a questionnaire and asked unstructured or structured questions. Shit cant be misleading, on issue at a time, general then specific, and demographic questions at the end. Online research has high response rates, they are more truthful, and its inexpensive. The results are processed quickly, and you can use multimedia elements.

### **Experimental Research**

Systematically manipulates one or more variable to determine which variable has a causal effect on another variable. Example: put product in different locations, at different prices, and see which is most profitable.

### **Scanner Research**

readings from UPC codes at checkout. Example: lowering prices 10 cents, increase sales?

### **Panel Research**

collecting information from a group of consumers over time. This may be from surveys or a record of purchases.

## **Step 4: Analyze Data**

The data is useless without analyzing it and making it into information. The temptation to lie with statistics is something market researchers have to always be aware of and try to avoid.

## **Step 5: Present Results**

The report must be short, interesting, methodical, precise, lucid, and free of errors. Furthermore, the reports should use a style appropriate to the audience and devoid of technical jargon and include recommendation that managers can actually implement.