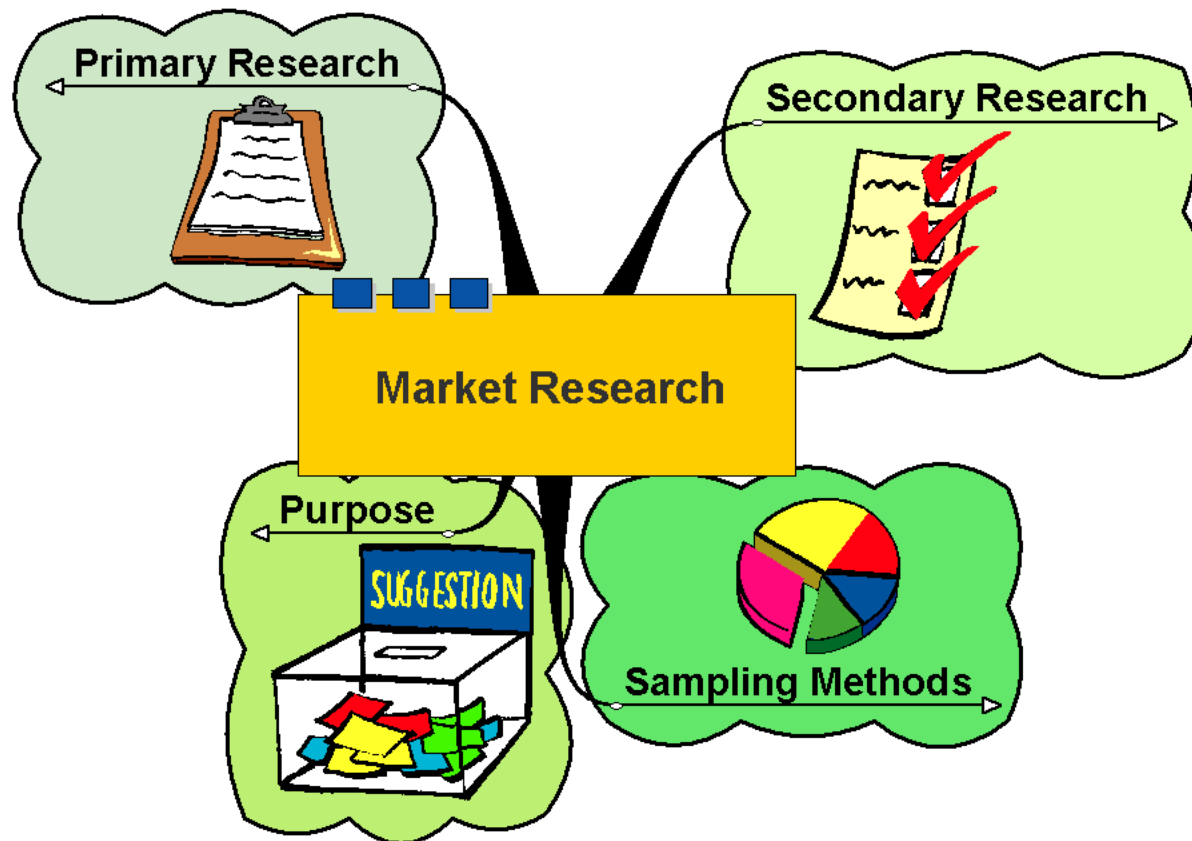
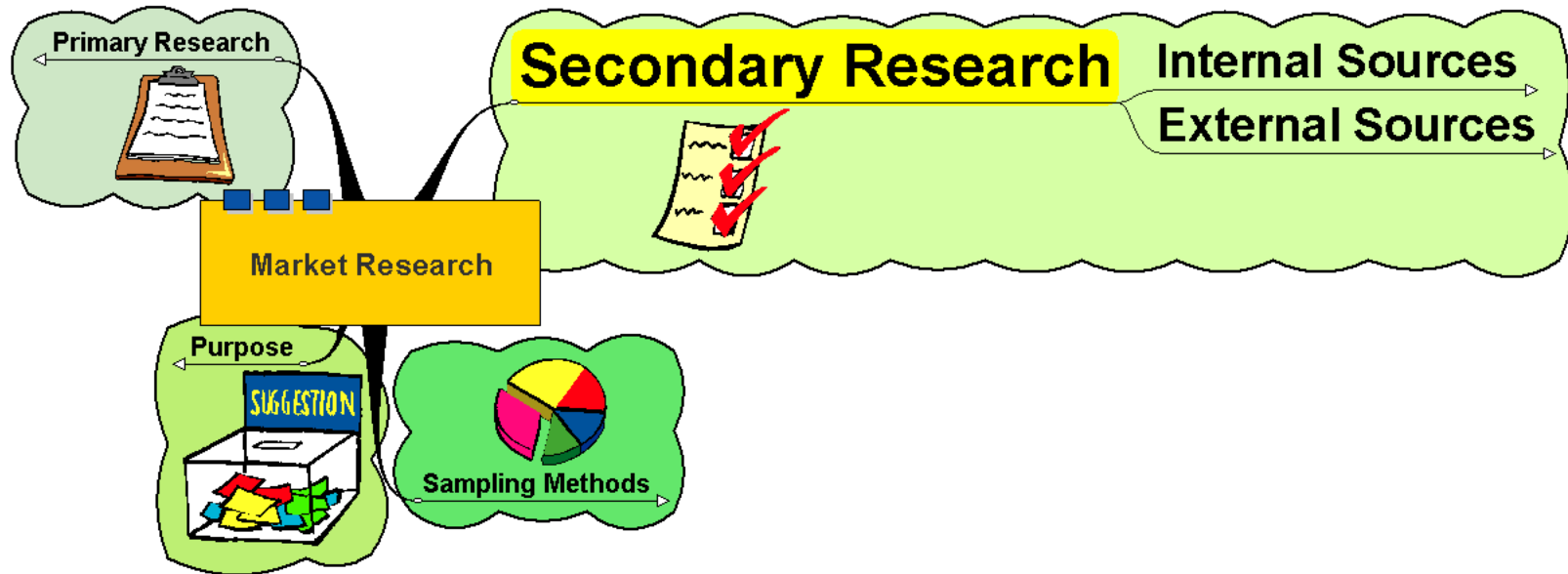


Market Research

Market Research



Secondary Research



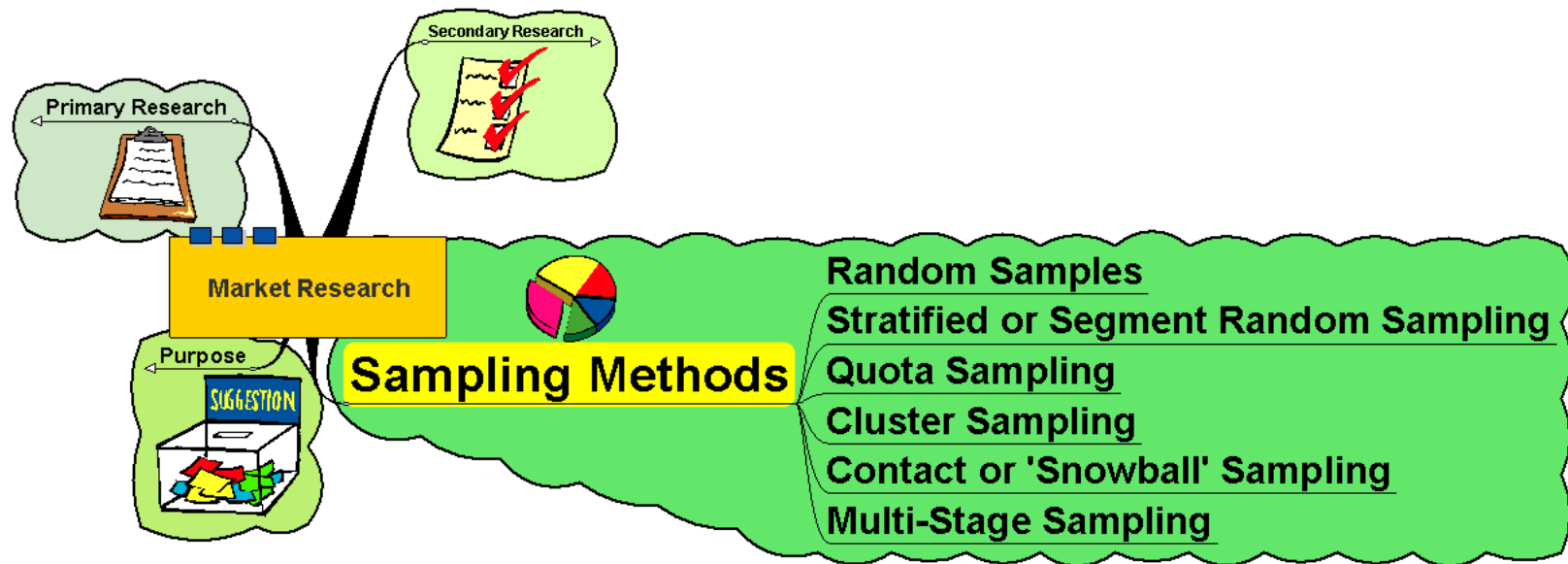
Internal Sources

- Company Accounts
- Internal Reports and Analysis
- Stock Analysis
- Retail data - loyalty cards, till data, etc.

External Sources

- Government Statistics
- Trade publications
- Commercial Data - Gallup, Nielsen etc.
- Household Expenditure Survey
- Magazine surveys
- Other firms' research
- Research documents – publications, journals, etc.

Sampling Methods



Market Research

- **Sampling Methods:**
- **Random Samples** – equal chance of anyone being picked
 - May select those not in the target group – indiscriminate
 - Sample sizes may need to be large to be representative
 - Can be very expensive

Market Research

- **Stratified or Segment Random Sampling**
 - Samples on the basis of a representative strata or segment
 - Still random but more focussed
 - May give more relevant information
 - May be more cost effective

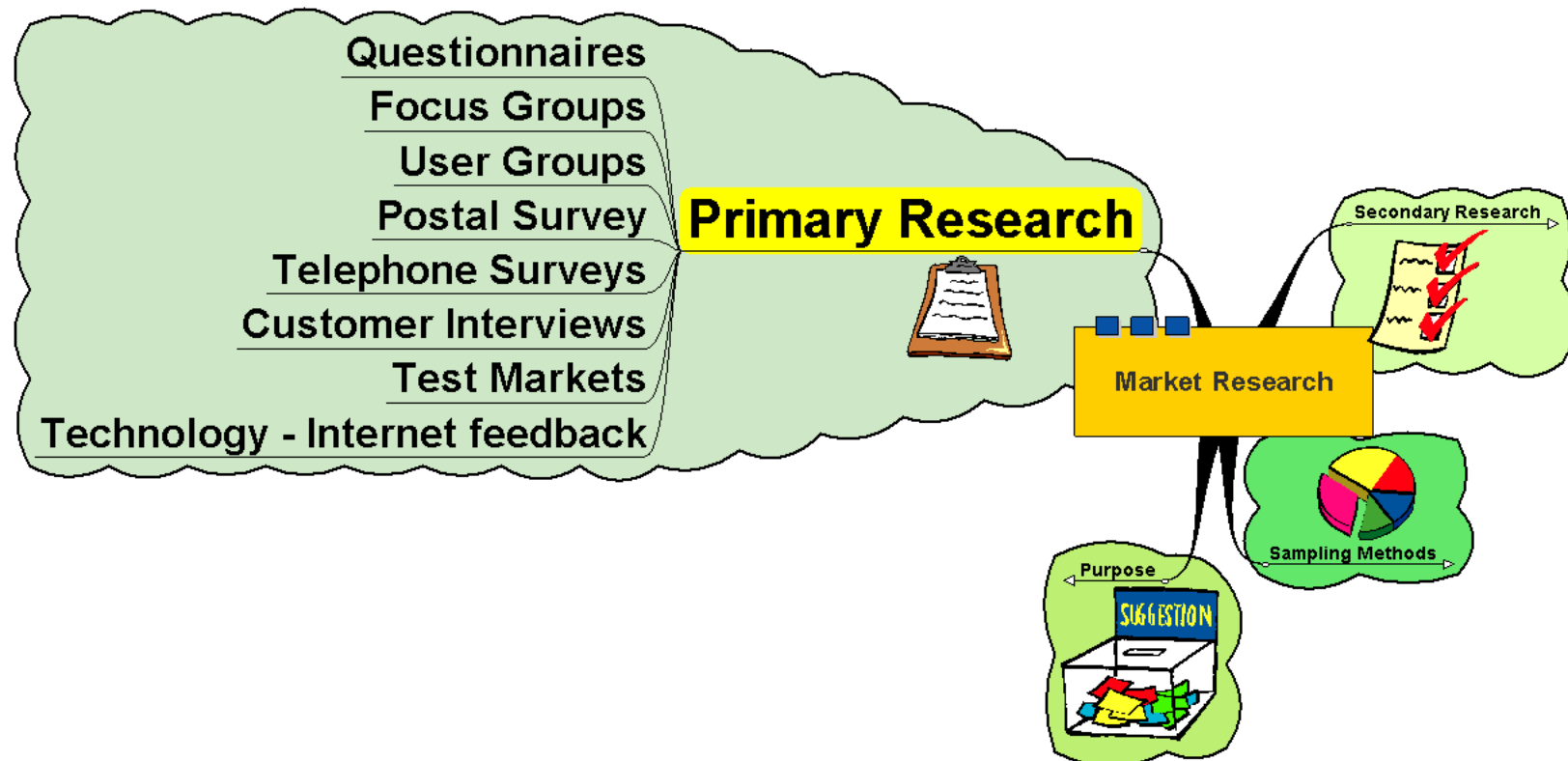
Market Research

- **Quota Sampling**
 - Again – by segment
 - Not randomly selected
 - Specific number on each segment are interviewed, etc.
 - May not be fully representative
 - Cheaper method

Market Research

- **Cluster Sampling**
 - Primarily based on geographical areas or 'clusters' that can be seen as being representative of the whole population
- **Multi-Stage Sampling**
 - Sample selected from multi-stage sub-groups
- **Snowball Sampling**
 - Samples developed from contacts of existing customers – 'word of mouth' type approach!

Primary Research



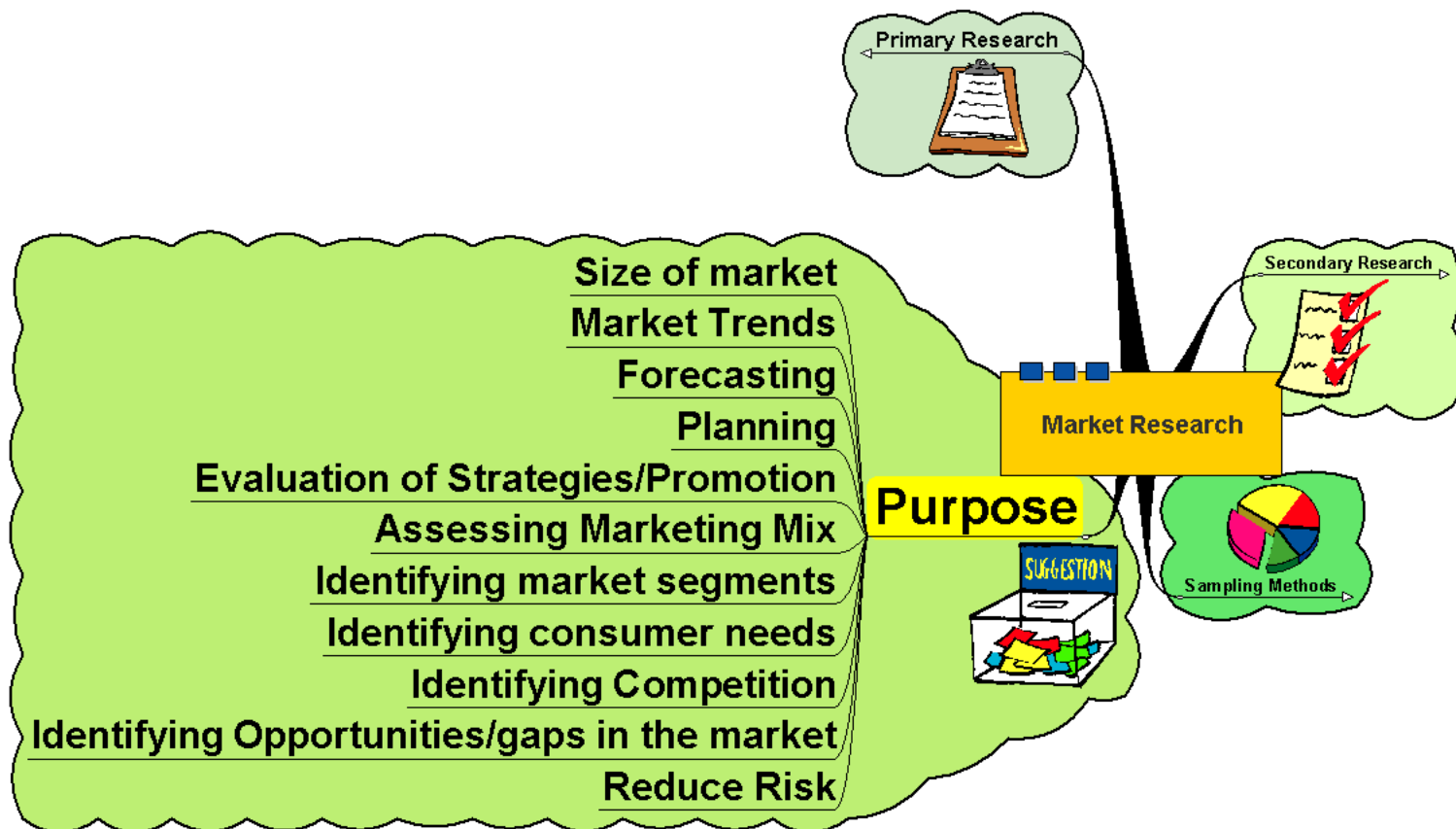
Market Research

- **Primary Research**
 - First hand information
 - Expensive to collect, analyse and evaluate
 - Can be highly focussed and relevant
 - Care needs to be taken with the approach and methodology to ensure accuracy
 - Types of question – closed – limited information gained; open – useful information but difficult to analyse

Market Research

- **Quantitative and Qualitative Information:**
- **Quantitative** – based on numbers
– 56% of 18 year olds drink alcohol at least four times a week - doesn't tell you why, when, how
- **Qualitative** – more detail – tells you why, when and how!

Purpose



Market Research

- **Advantages of Market Research**
 - Helps focus attention on objectives
 - Aids forecasting, planning and strategic development
 - May help to reduce risk of new product development
 - Communicates image, vision, etc.
 - Globalisation makes market information valuable (HSBC adverts!!)

Market Research

- **Disadvantages of Market Research**

- Information only as good as the methodology used
- Can be inaccurate or unreliable
- Results may not be what the business wants to hear!
- May stifle initiative and 'gut feeling'
- Always a problem that we may never know enough to be sure!