

IMPROVING DECISIONS WITH MARKETING INFORMATION

MARKETING INFORMATION SYSTEM (MIS)-- an organized way of continually gathering, accessing, and analyzing information that marketing managers need to make decisions.

- Get more information--faster and easier

INTRANET: a system for linking computers within a company.

- Marketing managers must help develop an MIS

DATA WAREHOUSE--a place where databases are stored so that they are available when needed.

DECISION SUPPORT SYSTEM (DSS)--a computer program that makes it easy for a marketing manager to instantly access and use decision-making information.

SEARCH ENGINE--a computer program that helps a marketing manager find information that is needed.

MARKETING MODEL--a statement of relationships among marketing variables. 4Ps, external environment, mission statement, etc.

- Information for planning, implementation, and control
- New questions require new answers

MARKETING RESEARCH--procedures to develop and analyze information to help marketing managers make decisions. A bridge to the consumer.

SCIENTIFIC METHOD-- a decision - making approach that focuses on being objective and orderly in testing ideas before accepting them. NOT THE EXPERIMENTAL METHOD

HYPOTHESES--educated guesses about the relationships between things or about what will happen in the future.

FIVE-STEP APPROACH TO MARKETING RESEARCH

Defining the problem, analyzing the situation, getting problem-specific data, interpreting the data, and solving the problem.

DEFINING THE PROBLEM--STEP 1

- Finding the right problem level – where does problem lie?
- Don't confuse problems with symptoms

ANALYZING THE SITUATION--STEP 2

SITUATION ANALYSIS--an informal study of what information is already available in the problem area. Often solves the problem.

SECONDARY DATA--information that has been collected or published already.

PRIMARY DATA--information created to solve current problem.

- Search engines find information on the Internet
- Government data is inexpensive or free (Census)
- Situation analysis yields a lot--for very little

RESEARCH PROPOSAL -- where problem solving data is not available from another source, the plan that specifies what marketing research information will be obtained and how

GETTING PROBLEM-SPECIFIC DATA--STEP 3 SURVEYS, OBSERVATIONS AND EXPERIMENTS

- Gathering primary data

QUALITATIVE RESEARCH--seeks in-depth, open-ended responses, not yes or no answers.

-Focus groups stimulate discussion, depth interviews "drill down" to the root of the problem.

FOCUS GROUP INTERVIEW--an interview of 6 to 10 people in an informal group setting.

QUANTITATIVE RESEARCH-- structured responses that can be summarized in numbers--like percentages, averages, or statistics.

- Fixed responses speed answering and analysis
- Surveys come in many forms
 - Phone and online surveys are common and convenient

RESPONSE RATE--the percent of people contacted and qualified who complete the questionnaire.

- Observing--what you see is what you get
- Checkout scanners "see" a lot

CONSUMER PANELS--a group of consumers who provide information on a continuing basis.

EXPERIMENTAL METHOD--a research approach in which researchers compare the responses of two or more groups that are similar except on the characteristic being tested.

- Syndicated research shares data collection costs

INTERPRETING THE DATA--STEP 4

STATISTICAL PACKAGES--easy-to-use computer programs that analyze data. SPSS

- Is the sample really representative of the population of interest?

POPULATION--in marketing research, the total group you are interested in.

SAMPLE--a part of the relevant population.

- Research results are not exact

VALIDITY--the extent to which data measures what it is intended to measure.

RELIABILITY--the extent to which multiple measures produce the same results. **MAY NOT BE VALID**
Marketing manager and researcher must work together

SOLVING THE PROBLEM--STEP 5

- The last step is solving the problem

HOW MUCH INFORMATION DO YOU NEED?

- What is the value of information? More specifically, what is the cost of a mistake?