Chapter 3

To consolidate your learning, the key points from this chapter are summarized here:

■ Define the terms ‘market research’, ‘marketing research’, and ‘customer insight’.

Market research is research undertaken about markets (for example customers, channels, and competitors), whilst marketing research is research undertaken to understand the efficacy of marketing activities (for example pricing, supply chain management policies). Customer insight derives from knowledge about customers, which can be turned into an organizational strength.

■ Describe the customer insight process and the role of marketing research within it.

Understanding customers is at the core of the marketing. Customer insight is typically derived from fusing knowledge generated from a range of sources, including industry reports, sales force data, competitive intelligence, CRM data, employee feedback, social media analysis data, and managerial intuition. A customer insight is of value if it is rare, difficult to imitate, and of potential use in formulating management decisions.

■ Explain the role of marketing research and list the range of possible research approaches.

Marketing research plays an important role in the decision-making process and contributes through ad hoc studies, as well as continuous data collection, through industry reports, and from secondary data sources, as well as through competitive intelligence either commissioned through agencies or conducted internally, with data gathered informally through sales forces, customers, and suppliers.

What methodology is used depends on the type of research problem (exploratory, descriptive, causal); the availability of data (primary or secondary sources); and the type of insight sought (qualitative or quantitative).

■ Define the term ‘big data’ and describe its role in marketing.

Big data can be defined as the systematic gathering and interpretation of high-volume, high-velocity, and/or high-variety information using cost-effective innovative forms of information processing to enable enhanced insight, decision-making, and process automation. Big data thus refers to a more comprehensive set of data than that traditionally used to provide marketing information and customer insights.

■ Discuss the importance of ethics and of the adoption of a code of conduct in marketing research.

Ethics is an important consideration in marketing research because consumers and customers either provide personal information about themselves or personal information is collected from them. Their privacy needs to be protected through observance of a professional code of ethics and the relevant laws in the country in which the research is conducted.