

How market research is impacting on bottom line and strategic orientation.

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Independent of whether you are an emerging company on the market or a company with a long history, knowing and understanding your company's worth is crucial or a core feature for improving your company. As the rule of business states, 'customer is king' and the needs of customers are essential for understanding one's company's worth. Questions that organization often ask is in relation to their products, how consumers view their company, how their company is viewed on the market and what are the specific needs, wants and desires of customers.

But how to get the answers to these questions? This is how market research comes into play. As the definition states, market research is the application of scientific methodology in searching for the truth about marketing phenomena. These activities include defining marketing opportunities and problems, generating and evaluating marketing ideas, monitoring performance, and understanding the marketing process. Hence, it can be said that marketing research is a critical part of marketing decision making as it helps to improve management decision making by providing relevant, accurate and timely information.

There are 2 main types of marketing research, the fundamental research and applied research. Fundamental research is conducted without a specific decision in mind that does not necessarily address the specific needs of a specific organization but nevertheless reveals information that could be useful in the future for that organization. An example could be a yogurt company conducting a fundamental research about consumer preferences for different types of yogurt. Applied research, on the other hand, is conducted to address a specific market decision for a specific organization. For instance, the same yogurt company could conduct a blind testing of their new products in comparison to its competitor's product so as to improve its products.

The question that one may ask is how useful is marketing research and does it really improve an organization? Some concrete example of the importance of marketing research can be observed from many organizations. Amongst them, Apple, the largest name in technology for years, has been using market research to find out exactly what their customers want from their devices and then the team figure out and work on ways to make these customer's wants a reality. Their online surveys, "Apple Customer Pulse", are used to be able to compile and analyze data faster and the surveys are easy to administer. The findings gathered from these surveys have led to different designs and modifications of Apple products.

Another example can be from the LEGO Company, which has been well known for being geared towards boys for many years. Indeed, based on a study conducted by the company, it was found that only 9% of the users of the toy were female. The company, based on these findings, decided to come out with a new product to entice more girls to play with LEGO. A longitudinal study was conducted involving 3,500 girls and their mothers, in which the girls' playing habits as well as extensive questioning regarding what would make LEGO more interesting for girls were the main focus. At the conclusion of the market research, LEGO came out with a new line of toys in 2012 called 'Friends' which included more vibrant colors, changes in packaging and accommodating accessories such as hairbrushes and purses. In line with the results of their study, the new line of toys was found to be more appealing.

We have been impacting on many businesses locally and with the application of new technologies, we keep getting new data and more insights.