

Introduction to Market Research

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Abstract.

Different marketing research services can be classified as different types: measuring how much is sold, measuring consumer behavior, sales forecasting and optimization, advanced analytics to maximize marketing ROI.

How much is sold is measured by retail audits.

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Different marketing research services can be classified as different types: measuring how much is sold, measuring consumer behavior, sales forecasting and optimization, advanced analytics to maximize marketing ROI.

How much is sold is measured by retail audits. The retail audit is a tracking tool which provides ongoing data on sales, price and distribution information. It includes collecting data electronically and manually and analyzing it to produce answers of important from marketing point of view questions.

The five steps of retail measurement are:

1. Establish the Universe. Here the key question is: what are we trying to measure.
2. Design a representative sample. Here the key question is: how do we measure it.
3. Collect the data. Here the key question is: how do we collect it.
4. Expand the sample. Here the key question is: how to make it to cover the whole picture.
5. Insight and Interpretation. Here the key question is: what does the result mean.

When we make interpretation of marketing data, we must take into account its four dimensions: market, product, fact and period. The research can cover the whole market or a region or a specific type of market channel. Products can be classified by categories, segments, manufacturer, brand, format, SKU etc. For every product, different facts can be gathered: value, volume, units, share, price, distribution... The periods for gathering facts can be weeks, months, years etc.

Consumer behavior can be interpreted by panel surveys. Panel surveys provide a continuous measurement of actual purchasing from demographically and geographically representative households. The panel survey could allow to determine:

1. How many households buy?
2. What do they buy?
3. How much do they buy?
4. How often do they buy?
5. Who buys?

The driving forces behind our brand sales growth are the penetration (Number of households buying) and the average weight of purchase (Amount each household buys). Average weight of purchase itself depends on the frequency of purchases and amount spent per purchase.

To optimize promotions and price, the benchmark against competitors should be tracked and followed by an analysis which price point and which promotions works best.

There are different types of consumer research. Qualitative studies include focus group discussions, in-depth interviews, accompanied shopping. Quantitative studies include computer assisted telephone interviews (CATI), face-to-face in-store interviews, face-to-face in-home interviews, B2B CATI, mystery shopping, on-line studies.

References:

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