



## MARKETING RESEARCH

March 5, 2017





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## **Introduction**

Small and medium-sized enterprises (SMEs) and small and medium-sized manufacturing firms (SMFs) play a major role in countries at all levels of economic development with many acknowledging an increase in the proportion of SMEs and SMFs globally. It is predicted that the number of such entities will continue to grow, due to declines in manufacturing and growth in the service sector (Kobylanski and Szulc, 2011). As markets are becoming more global, many business opportunities are opening up for small and medium-sized businesses, but competitive pressure is increasing at the same time. They need to adjust their actions to the environmental challenges through active market development, a continuous search for market opportunities and expansion of their customer base. Many researchers and practitioners are looking to find the answer to the fundamental question as to why some organizations are more profitable with good perspectives for growth while others cannot achieve this feat (Kobylanski and Szulc, 2011).

## **The problem**

The business environment is filled with a lot of uncertainty that come or may come in various forms. In addition to the everyday aspects of running a business, a company has to consider factors such as materials, energy shortages, inflation, economic recessions, unemployment, and technological changes. Increased competition in the global marketplace, the advancement of manufacturing technologies, and increasingly limited life cycle of products, have also greatly impacted product innovation strategies of the small and medium-sized manufacturing firms. A profitable company must respond to the market with its products and advertising (Smith and Albaum, 2012).

Another challenge that small firms are facing is that managers/owners often rely only on previous experience and common sense, because in their perception the boundary between



marketing and selling becomes very blurred. One of the most important aspects that determine an organization's market position is the entrepreneurs' approach to market orientation and marketing actions. Small business managers' attitude toward a structured approach to marketing can be seen as a sign of maturity and responsible decision making that can lead to a positive business performance. (Kobylanski and Szulc, 2011).

A substantial body of literature now highlights that there has been a fundamental and systematic change in the way small and medium-sized manufacturing firms SMFs undertake product innovation activities. Furthermore, use of external networks through collaboration and outsourcing has witnessed a substantial growth by the SMFs. External alliances and collaboration has become a cornerstone of the firm's product innovation strategy by which we refer specifically to the use of outsourcing and strategic alliances to undertake product innovation.

The importance of external alliances in this sense is in relation to SMFs that lack the necessary resources and expertise to effectively manage the new product development process, from innovation to commercialization stages. Despite mostly having limited resources, SMFs need to overcome external barriers to growth by using external alliances if they are to continue to be relevant.

In order to be a successful entrepreneur one must adapt to the ever-changing business environment. A critical tool for measuring the market, staying competitive and adapting to the business environment is conducting rigorous marketing research (Smith and Albaum, 2012).

### **What is market research?**

According to Smith and Albaum (2012), marketing research is about collecting information. that will be used as evidence by decision makers to find solutions to business problems. Some of the business questions that are asked here are:



1. How satisfied are our customers with our product and service delivery?
2. How will clients receive a new product that we hope to introduce to the market?
3. How will customers react to a decision to change the pricing of our product?
4. What are our service representatives hearing from customers?
5. What responses to competition will bring success to our business in a given market?
6. How should I price my product?
7. How much will sales fall if I increase my price?
8. To whom would your product lose market share to if price changes appeared?
9. Are there price thresholds?
10. Should I price products differently to achieve maximum sales of the entire line? among other questions.

In simple terms that is to say, the solution to most business problems can be found through conducting marketing research. It is a search for information that will help you succeed in capturing your market share.

### **The focus of marketing research**

Marketing research focuses on understanding the *customer*, the *company*, and the *competition*. These relationships are at the core of marketing research. Companies must understand and respond to what customers want from their products. However, this relationship is always influenced by *competitors* and how their products are received by your market. Thus, you must clearly identify the customer, company, and competition before developing a research project.

There are several important factors you must consider before you begin, including:

1. Your customers and competition
2. Awareness and image of your product
3. Product usage
4. Undiagnosed problems with your product



## 5. Customer desires and needs for new product development

### **Methodologies of conducting marketing research**

There are two main ways of going about marketing research; Fundamental research and Applied research.

**Fundamental research** seeks to extend the boundaries of knowledge in a given area and doesn't necessarily solve your immediate problems. Nevertheless, it has useful applications. It reveals information and relationships that could be useful at a later date. For example, The PK company could conduct fundamental research about consumer preferences for certain combinations of chewing gum flavors under its label that differ in sugar type and strength of sweetness.

**Applied research** gathers information to solve a specific problem or set of problems. For instance, customers engaged in a blind taste test would respond with what they specifically liked or disliked about a new PK chewing gum product compared to a competitor's product e.g Fresh chewing gum. This information could be used to tune your business plan, focus your advertising campaign, or improve your product.

### **Benefits of Market research**

- Marketing research helps you understand your customers well
- It helps you understand your competition well
- Correspondence analysis compactly displays survey data to aid in determining what kinds of customers are buying your products
- Multidimensional preference analysis and multidimensional scaling show product positioning, group preferences and individual preferences. This data is critical in strategizing how to reposition your product to appeal to a broader audience



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- Captured data may also suggest new groups of customers to target

### **What we do for our clients**

At Kryptone Consulting Ltd, we have a dedicated team of researchers: from students starting their first studies to elite researchers who have over ten years experience conducting marketing research.

We specialize in finding creative and innovative ways to respond to our clients' needs and challenges. The breadth and depth of our expertise allows us the flexibility to undertake a wide range of engagements. We provide solutions to match your needs.

We have business experience in the areas of automobile, agriculture, fast moving consumer goods, trade outlets, Information technology, Financial services, Travel & Tourism, Real estate among others.

We undertake the following types of studies;

1. Market and consumer understanding research usage and attitude surveys
2. Consumer needs / trends Surveys
3. Product development research
4. New product development
5. Customer Satisfaction surveys
6. Product testing and tasting studies
7. Corporate Image Surveys
8. Communication & branding surveys
9. Geo mapping surveys
10. Product pricing studies such as Willingness To Pay (WTP) surveys and
11. Customized market survey studies according to our clients' needs



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