



# Market Research Procedure

Bounce Fitness understands that it must collect appropriate information that identifies its target market. To identify the target market requires data collection, research and analysis to answer the question “Who is the organisation's customer?”

The CEO is responsible for reviewing the market analysis and using the information to help shape the Bounce Fitness Marketing Plans.

The General Manager Marketing is responsible for gathering, reviewing and analysing market data and presenting the market analysis to the CEO.

All market research will adhere to the Australian Code for the Responsible Conduct of Research. It will be conducted using responsible research practices and promote research integrity.

Once approved as a project, the following steps will be undertaken:

## 1. Formulate the Marketing Research Problem

Research starts with a problem that management is facing. This problem needs to be understood, the cause diagnosed, and solutions developed.

## 2. Design the Research

The research design is a plan or framework for conducting the study and collecting data. It is defined as the specific methods and procedures you use to acquire the information you need.

## 3. Select the Data Collection Techniques

Your research design will develop as you select techniques to use. There are many ways to collect data. Two important methods to consider are interviews and observation. Interviews require you to ask questions and receive responses. Common modes of research communication include interviews conducted face-to-face, by mail, by telephone, by email, or over the Internet. This broad category of research techniques is known as survey research.

Another way to collect data is by observation. Observing a person's or company's past or present behaviour can predict future purchasing decisions. Data collection techniques for past behaviour can include analysing company records and reviewing studies published by external sources.

In order to analyse information from interview or observation techniques, you must record your results. Because the recorded results are vital, measurement and development are closely linked to which data collection techniques you decide on.

The way you record the data changes depends on which method you use.

#### **4. Design the Sample**

Your marketing research project will rarely examine an entire population. It's more practical to use a sample – a smaller but accurate representation of the greater population. In order to design your sample, you must find answers to these questions:

- From which base population is the sample to be selected?
- What is the method (process) for sample selection?
- What is the size of the sample?

Once you've established who the relevant population is (completed in the problem formulation stage), you have a base for your sample. This will allow you to make inferences about a larger population. There are two methods of selecting a sample from a population: probability or non-probability sampling.

The probability method relies on a random sampling of everyone within the larger population.

Non-probability is based in part on the judgment of the investigator, and often employs convenience samples, or by other sampling methods that do not rely on probability.

The final stage of the sample design involves determining the appropriate sample size. This important step involves cost and accuracy decisions. Larger samples generally reduce sampling error and increase accuracy, but also increase costs.

#### **5. Prepare the Budget and Resources**

Resource budgets and resources need to be worked out with the decision-maker and will require a formal budget and approval.

#### **6. Collect the Data**

Depending on the mode of data collection, this part of the process can require large amounts of personnel and a significant portion of your budget. Personal (face-to-face) and telephone interviews may require you to use a data collection agency (field service).

Internet surveys require fewer personnel, are lower in cost, and can be completed in days rather than weeks or months.

Regardless of the mode of data collection, the data collection process introduces another essential element to your research project: the importance of clear and constant communication.

#### **7. Analyse and Interpret the Data**

Analysis techniques vary and their effectiveness depends on the types of information you are collecting, and the type of measurements you are using. Because they are dependent on the data collection, analysis techniques should be decided before this step.

#### **8. Prepare the Marketing Research Report**

This report will include all of your information, including an accurate description of your research process, the results, conclusions, and recommended courses of action. The report should provide all the information the decision-maker needs to understand the project.

It should also be written in language that is easy to understand.

Another way to keep your findings clear is to prepare several different representations of your findings. PowerPoint presentations, graphs, and face-to-face reports are all common methods for presenting your information.

Along with the written report for reference, these alternative presentations will allow the decision-maker to understand all aspects of the project.