**The nature of marketing research problems/issues**

Before a business can conduct meaningful research, it must identify the problem or issue. This is the first step in the marketing research process. Once the problem or issue has been identified, businesses can gather relevant information. Some businesses prefer to hire a research firm rather than conduct research themselves. However, that is not a step in the marketing research process. Organizing resources is not the first step in the marketing research process.

Marketing research is the systematic gathering, recording and analyzing of data about a specific issue, situation, or concern. Marketers often conduct marketing research when they want to determine why problems are occurring, such as market-share loss. Market-share loss is a problem because it usually indicates that the business is selling less and losing profits. In other situations, the business wants to obtain information about competitors, new products, new market opportunities, or economic conditions (e.g., inflation), which are not always problems for the business.

Frequently, the problem or issue that decision-makers identify is actually the result or outcome of a much larger, “real” problem. Marketing researchers are responsible for helping these decision-makers to dig deep enough into the situation that the true issue becomes obvious. Then, the researchers and decision-makers can work together to finalize the marketing research problem. Specific research objectives are based on the marketing research problem, not the other way around. The research instruments, or methods to collect the data, are identified after the marketing research problem has been finalized. Every marketing research project requires a research problem, regardless of whether researchers plan to gather internal and/or external information.

A situation analysis is a tool that is often used to gather background information about a current business situation or problem. Researchers use the information that they gather via a situation analysis to familiarize themselves with the complete problem or issue. This information may help researchers to identify what caused the problem as well as possible consequences of the issue. A competitive analysis is the process of comparing a business's income statement with that of its competitors to see how it is doing by industry standards. A SWOT analysis is a marketing tool that investigates a business's strengths, weaknesses, opportunities, and threats in an organized fashion. A break-even analysis is a financial analysis whose purpose is to identify the level of sales needed to reach the break-even point at various prices.

The unit of analysis represents “whom” or “what” is studied in a marketing research project. In other words, it is whatever persons, groups of people, or things from which researchers collect data. The relevant variables can be described as the types of information that a researcher gathers. This information might focus on brand attitudes, satisfaction, demographics, etc. The data analysis method is the procedure(s) that a researcher uses to evaluate, test, synthesize, and analyze the data that s/he has collected. The marketing mix is a combination of the four elements of marketing-product, place, promotion, and place--used by a business or organization.

**Options businesses use to obtain marketing research data**

Quantitative research often answers questions related to "how many" and "how much." The information is usually obtained from large numbers of people, and the results often are explained in a numerical form. For example, a business would use quantitative research to find out how many customers in a certain area buy a specific product and how many products they buy. Intelligence, syndicated, and economic are not types of research techniques.

Marketing-research data are available from many sources, including those that are collected for other purposes. This type of information is secondary data. Secondary data are available outside the company from sources such as trade journals, government web sites, and magazine articles. A business can also obtain useful secondary data that are generated within the organization. Examples of this type of information include sales reports, budgets, customer profiles, and annual reports.

Primary data are facts that a business collects for a specific purpose or project. A focus group is a group that forms to discuss a specific topic. A business might form a focus group of customers to gather first-hand information (opinions) about its goods and services. The data are used to help the business resolve a problem or make decisions about product development, customer service, etc. Secondary data are facts that are collected for purposes other than the issue or project at hand. Statistical data are numerical facts. Oftentimes, businesses will assign numerical values to qualitative information to obtain statistics. Complementary is not a type of marketing-research data.

Secondary data are information collected for purposes other than the project at hand. Reading a trade magazine can provide researchers with secondary information about trends, statistics, and regulations about a specific trade or industry. Interviewing a client, following up with a customer, and distributing a survey are ways in which businesses often collect primary data.

Qualitative research is based on obtaining information about opinions and experiences. The goal of qualitative research often is to find out "why" people buy certain products and "how" they feel about certain products and businesses. This research is often conducted through the use of in-depth interviews to obtain the detailed information. Sampling involves selecting a group to interview. Observation involves watching what people do. Forecasting involves making a prediction.