

Unit 10: Market Research in Business

P2: Explain how different market research methods have been used to make a marketing decision within a selected situation or business

Taste Test

Test marketing is useful for gaining relevant opinions on new products that are due to be launched, to gain opinions, so therefore the manufacturer can make changes to the product from the feedback, to ensure that the majority of the population likes the official product after the launch. There are many advantages towards test marketing, as the customers have the prototype product to try, so therefore the customer is more likely to give an informed answer which is more accurate, and therefore the market research gained can be worked on from the customers opinion. Also, as stated before, test marketing reduces the risk of a full-scale launch, as manufacturers can make changes to the product post-market research, to ensure the launch is successful.

However, the disadvantages of test market research include that information may not be representative of the full target market, as the market research team may be limited in time or travel, so therefore they may target one city in the UK, which won't be representative of everyone's views, so therefore changes to the product may not be relevant to everyone else's tastes and opinions, so therefore changes may negatively impact the product in the eyes of the rest of the population.

This method of market research could be effective in terms of changing the product, as when Coca-Cola try to bring out a new product, they have to complete rigorous market research tests to ensure that the product checks the boxes to which the focus groups have set, through sharing their opinion by trying the test product.

Street Survey

A street survey is a good way to collect information as the interviewer and interviewee can communicate effectively to find out more detailed information. The advantages of a street survey is that they can be easy to carry out, as you just need to approach people on the street and take their answers, so with that, it is also rather cost effective, as you just need to pay one person to carry out the questionnaires. With this, you can also note down different pieces of information such as their attitude toward the product and brand, so you can get an idea about the public perception, along with the answers to the surveys.

However, the drawbacks of a street survey is that they may not be time effective, as the majority of people on the street would just walk past, so therefore it may take time to achieve the quotas of information set. Also, some people may be in a rush, so they may not give accurate answers, so therefore the information wouldn't be as useful to the brand due to inaccuracies. Also, the information may suffer due to questions asked, so for example, if