

Unit 10: Market Research in Business

D1: Evaluate the market research method used by a selected organisation

In this task, I am going to go through the different market research methods Coca-Cola uses and evaluate why they would use these to their benefit.

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.

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, so therefore all the advantages I stated before can be applied, so if there is any potential faults with the product, they can make relevant changes and prevent them from impacting the end product..

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.

Due to the disadvantages I have identified, as stated before, Coca-Cola completes rigorous tests to ensure they get a large sample size of opinions, so that the information is more likely to be representative due to different factors of the focus groups.

Street Survey