



What is Market Research?

Market research is a specialized business discipline that obtains and analyses information about market trends and consumer behavior using statistical and numerical techniques. It is an important component in business strategy formulation.

It may be useful to note that market research is not marketing, and it is not marketing research either. Marketing research is research related to how to promote and communicate well defined products or services to prospective consumers.

There is plenty of 'number crunching' in market research drawing heavily on one's analytical and numerical skills. However, surveys and statistical skills learnt at the undergraduate level do not necessarily sufficiently prepare one for a market research position.

Analytic Research Orientation

In general, market research is quantitative nature involving well-established scientific techniques that involve:

- Problem definition
 - E.g. Product A is preferred over Product B for certain reasons.
- Research design
 - E.g. Applying experimental or market survey/sampling techniques.
- Data collection
 - E.g. Obtaining survey answers or indicated preferences.
- Analysis
 - E.g. Statistical treatment of the data.
- Report writing and presentation
 - E.g. Drawing conclusions and making evaluations based on obtained results.

However, qualitative research techniques such as in-depth interviews and focus groups are often used because of various real life constraints, limitations, and problem nature.

Specialization

Market research jobs are highly specialized and the requirements vary greatly from one market sector to another and from company to company, and from service to service. Competencies developed in one market sector or trade specialization may not be generalized to other sectors or specializations.

Market Research Consultants

As market research is costly and requires a lot expertise, some companies resort to market research consultants for assistance. Some better known market research companies are:

- The Nielsen Company
 - Marketing and advertising research
- GFK Group
 - Industry related custom and media market research
- IMS Health
 - Pharmaceutical and sales information
- WPP Group
 - Media and communications services