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(2013)**

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**An Empirical Analysis of New Product by Using Models of Market  
Research (2013)**

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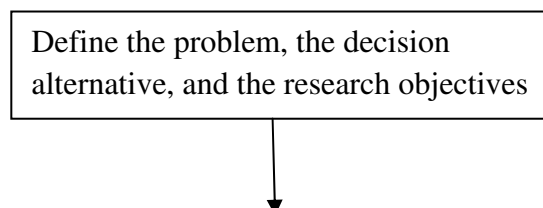
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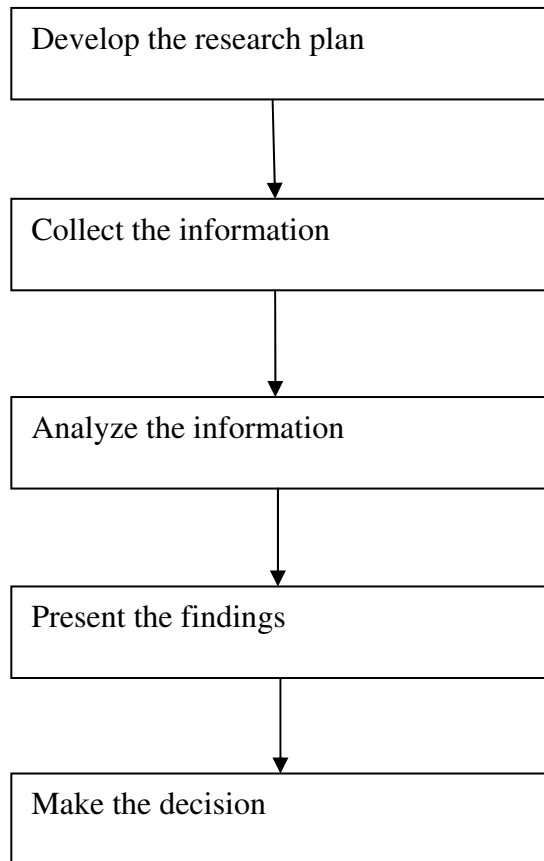
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**1. Introduction:**

A biggest task for strategy maker, to perform market insights and its research by designing, collection of data with analyzing and reporting data (relevant) for specific purpose and market situation (problem) facing the company. However it requires spending a lot of time over it so several companies hire many professional experts having a knowledge regarding with technical operation of research like (syndicated-service research firms, custom-marketing research firms and specialty-line marketing research firms). A core process compiles on several steps shown below:

**Figure 1.1: Market Research Process**





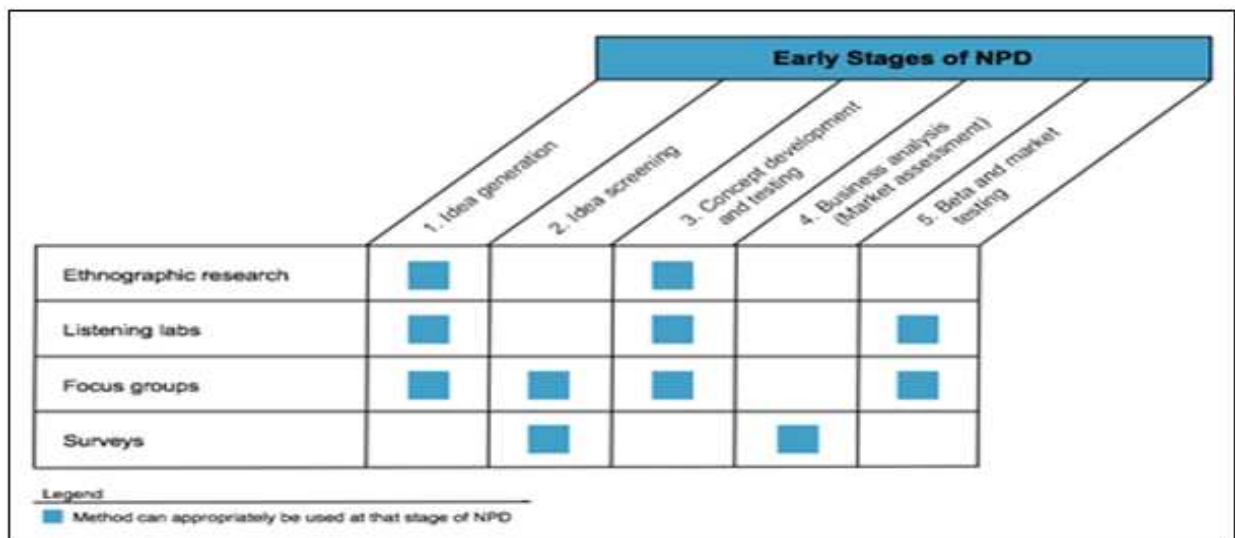
## **2. Literature and Explanation:**

An illustration diagram describes a detailed process of research and shows individual task on every step that may be implemented in order to develop or launch new product no matter it is for service or good. A researcher must know about which types of problem can arrive in market research and how it should be overcome on it.

Mostly organization occur market research for identifying and satisfying customer needs. Beside these it shrinks risk, makes decision making irresistible, helps in understanding rivalry power among competitors, and also provide information for choosing suitable marketing mix for new product. Field research complies on the direct contact with customers and survey so it

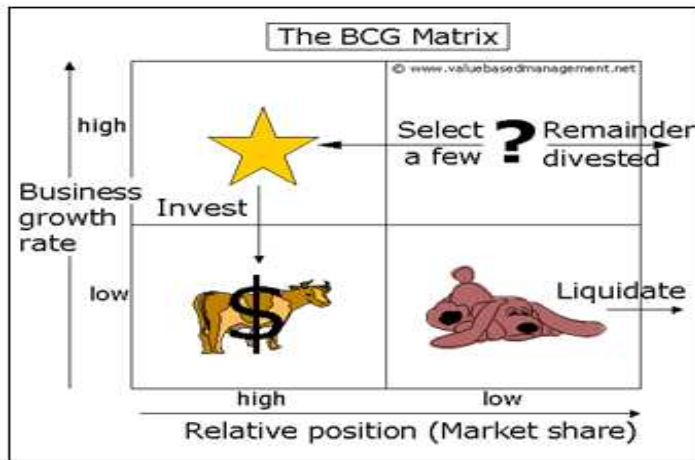
requires time, heavy investment and specialty in a same filed. Whereas desk research requires highly professional work for finding relevant data from unlimited sources and better analyzing, interpretation and presentation of data. As a result of it, mostly companies call market research firms (mentioned above) and get a ride of from this complex process by putting a burden on their shoulders. So it is concluded that steps involved in market research process varies from the type of research shown in a figure below.

**Figure 2.1: Stages in different researchers**



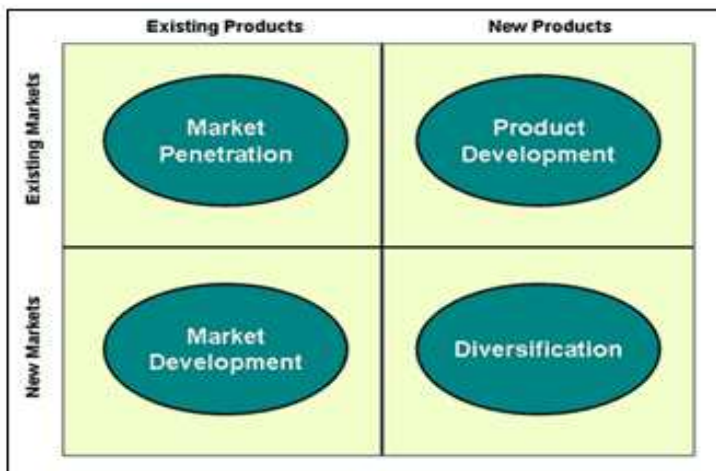
Yes it is true! For handling the dramatic change in environment, manager needs to be remaining flexible and more symbolic in order to take decisions. So managers require market research for tackling uncertain condition and provide right path to their subordinates. Although it is necessary for strategy maker that having an idea and right strategy for new product, as it requires highly investment and better position in the mind of customers. By BCG matrix (Fig. 2.2), it is concluded that question mark having high growth because of having product unique in nature and having a capability to become a star if right strategies is being pushed at a right time. BCG matrix has been shown below.

**Figure 2.2: Boston Consulting Group Matrix**



As far as concern about BCG matrix, so it expresses and notified that where your product stands and which strategy should be used in order to getting market growth but it does not show a clear path to organization. Actually market research helps in obtaining information in recent context where new product would be launched. According to Ansoff matrix (Fig. 2.3) if the new product has been launched in existing market where organization already is working so is called new product development whereas if new product has been launch in new market then it is called diversification, and it complies on two segments related diversification and unrelated diversification, condition applies.

**Figure 2.3: Ansoff Matrix**



It is clearly defined that market research provides a path for marketer in order to bring new product and introduce with favorable image. As a part of it several theories have been presented like attribution theory, cognitive theory of market research and many more. These theories help in evaluating market research concept by theoretical base and give an overview of rational thinking regarding with market research.

### **3. Cognitive Theory of Market Research:**

**Figure: 3.1 Picture's showing Cognitive Theory**



#### **Opening the Black Box of Consumer Thinking**

It is very difficult to understand the clear view that how customers think about the same nature of product that you are going to launch. Yes it is true that every individual consumer moves through several stages while making decision about to purchase any specific product, so it is critically to understand exact behavior and level of commitment of making purchase. Theory also makes it easy the qualitative market research by creating profile associated with customer needs and wants. Beside this it provides a way of interacting direct to the customer and questioning more cognitive and helping in getting deeper and nuanced answer for research.

Several pros and cons can be taken into account of market research due to several uncertain factors present in an external environment.

#### **4. Advantages:**

It provides an approximate idea of Number of players present in a market having similar nature of products. So is also gives and overview that where your product stands and where competitors' product stands then better positioning and image building can be done for getting the favorable response of customers. To know market segmentation, and also developing a plan that where your product suits and which type of customers should be target? Beside this different social classes having a capability to boost a product like middle class, upper class or lower class. Organization must know the best people to whom product will be offered.

#### **5. Demerits:**

Yes! We all know that market research is a detailed process, requires a lot of time which huge investment, depend on the criteria and scope of research. So for sure it also provide excessively data and information, it's a better sign for researchers and strategy makers too much information can lead to having irrelevant data and it is very difficult to sort out data that can be put in area of relevance. As a result of which, difficult to identify target market, difficulty in understanding business environment, very tough to analyze market situation so on so forth. It is a major reason of hiring research firm as mentioned already, so it is having expensive in nature because of taking work with several professional bodies and their specialize work.

#### **6. Conclusion:**

It is concluded that market research is a best tool for understanding a market before launching a new product, it provides a clear vision that what characteristics and properties

require in new product and how much rivalry power is present in a market on that manager needs to be face and encounter.

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