

### 3.5.3 Purpose of Market Research

Market Research helps to gather information about ...



- Size and growth of the market
- The different segments that exist in the market



- Sales of each producer as a % of total sales in the market

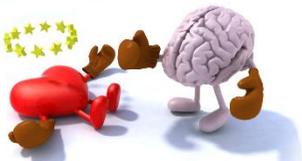
**COMPETITION**



- Number and size of competitors
- Their share of market sales

Keywords you need to learn the meaning of	
Market research	the process of gathering, analysing and presenting information relevant to marketing
Market segment	A group of buyers with similar needs
Market share	The proportion of total sales within a market
Market size	No of individuals within a market that are possible buyers and sellers OR the total value of products in the market.
Quantitative data	Data that involves the use of numbers.
Qualitative data	Data that involves people's feelings or opinions

Types of data used in market research



Qualitative



Quantitative

**maths**

Uses of Market Research

- **Identify** opportunities in the market e.g. is there a demand for a new product
- **Weigh up** different possible actions e.g. is best to promote the product online or in print?
- **Evaluate** the effectiveness of actions taken e.g. how successful was the price promotion that was run last week?

**Value of Sales**

no of units sold x price per unit

Market Size



**Market Growth**

$$\frac{\text{Change in market size} \times 100}{\text{Original market size}}$$