

## Lecture 1

### The Marketing Concept:

- *Production Orientation:*
  - $D > S$
  - Few producers (no competition)
  - Producers make the products they want
  - No differentiation or specialization because the demand is already there
  - Being efficient was necessary to produce more
  - Operations department was the most critical
  - Example: Ford's black cars
- *Product Orientation:*
  - $D = S$
  - Not economic equilibrium
  - You are differentiating based on what you think is a good product
  - Reverse engineering was done because it was difficult to innovate every day
  - Leading department: Research & Development
  - More competitors
- *Sales Orientation:*
  - $S > D$
  - Due to high competition companies focus on promotion
  - Companies focus on promotion and sales to push sales
  - Sales department was leading
  - Profits started to decline because you lower the price
  - Was a lose lose for all companies
- *Marketing Orientation:*
  - $D = S$
  - Was invented in 1950s
  - Marketing  $\neq$  Sales
  - Marketing  $\neq$  Advertising
  - Companies started to develop products based on what customers want
  - Companies started thinking about value
  - Mindset: i want to know what consumers want
- This evolution of marketing over time
- Marketing is the entire cycle whilst sales & advertising are a part of it
- Marketing is not sales or advertising, it's completely different concept focused on the customer but sales and advertising play a role in it
- Marketing is the mindset of doing market research to understand the consumers' offering value and then using the tools of Sales and advertising to win in the market and develop the product

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## Lecture 2

- *For exploration and not conclusion*
- **Small sample size and not general to the population so you cannot draw conclusions**
- You do exploratory research first because you are looking for depth, ideas and elaboration rather than statistics
- Can get useful insights from focus groups
- **Tools:**
  - *In depth interviews and focus groups with consumers*
  - *Observations*
    - Ethnography (living with the people)
  - *In depth interviews with managers/experts:*
    - Few people
    - Need to select them carefully
    - They need to be knowledgeable
  - *Secondary data analysis:*
    - Fast, inexpensive
    - Can be internal or external
    - **Ex:** financial statements, market share data, industry reports, trends
  - *Case study:*
    - Deep analysis of a company or case
  - *Pilot survey:*
    - Polls
    - Small un-representative sample
    - Gain preliminary direction without conclusions
    - Quantitative but non-representative
- Open ended questions are important because you want to know any insights and ideas in order to refine your research
- This can also help you to segment even further
- The results here will help guide your conclusive phase
- The goal here is to provide insights and understanding, you feel lost and want some clarity
- The research process here is flexible and unstructured
- Data analysed is often qualitative but can still be quantitative (example polls)
- The information required here is loosely defined because you're just exploring the possible options
- The outcome of exploratory research is used for doing more exploratory research or doing conclusive research
- Questionnaires are refined based on exploratory research
- **\*\*we hypothesize without concluding**
- **Conclusive research:**
  - **Large and representative sample of the target market and therefore you can draw conclusions**

- a) sample wasn't random because it's AUC students which is not representative market, also it's a small sample size
- b) larger sample and do a random sample
- **Question 4:**
  - a) independent: packaging, dependent:
  - b) EG R O1 X O2, CG R O3 O4
  - c) true-experimental
  - d) there's randomization and it's a large representative sample
  - e) there's a control group therefore the extraneous variables are accounted for
  - f)  $7.2 - 7 = 0.2/7 = 2.85\%$ , this is an acceptable error because it's less than 5%, if it's higher than 5% then we question the external validity because the randomization wasn't done properly
  - g) 0.1, the 7.0-7.4 is the effect of time which causes extraneous variables and independent variable, the 7.2-7.5 is the effect of the extraneous variables alone, the extraneous variables' effect is 0.3 and the time + extraneous = 0.4, therefore leaving the effect of X to be only 0.1
  - h) the effect of X was small and therefore a high level of accuracy is critical, otherwise it would show that there is no effect of the packaging, this is important because it's also a big investment. Also if it is not done we will see that 7.4-7.5 is -0.1 therefore it will show that exposure to packaging will reduce the perception, therefore it would have different conclusions and recommendations
- **Question 5:**
  - a)
  - b)
  - c)
- **Question 6:**
- **Question 7:**
  - c) the difference between the ranks is not equal because this is an ordinal scale so you cannot calculate the mean
- **Question 8:**
  - a) this is a constant sum scale where the respondents were asked to distribute the 100 on the factors based on importance, the average will be taken from all the respondents and put in the table
  - b) ratio scale is the primary scale here
  - c)
- **Question 9:**
  - a) there are 3 high factors (high inflation and high unemployment, more social tension) which are negative so we need to reverse the scales so that they're all positive
  - b) higher inflation =  $8-6 = 2$ , higher unemployment = 2, more social tension =  $8-3 = 5$ , this will give an average of 2.8 and not 4

- Correlation
    - X happens before y
    - Control all other variables that affect y other than x
  - We apply statistics in order to know the confidence level and know whether it's possible to apply our sample results onto the population.
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- **Cluster vs Stratified:**

- They are the same but with one difference, in stratified you have for instance Green, Black, Blue, Purple and you would select 200 from each randomly, but with clusters you would choose only Black, Blue and Green and do a random sample of each because it's cheaper

- **Sampling Frame vs Cluster Sampling vs Stratified Sampling:**

- Sampling frame is a concept but cluster and stratified are techniques
    - Sampling frames are used when you don't have access to the whole database so you form a new database which is a smaller representation of the population then you randomly select people
    - The cluster sample uses a sampling frame and not because you don't have access to the database, you do it on purpose to save time and money
    - Stratified doesn't necessarily have a sampling frame
  - In regression there is no two-tail or one-tail, +ve and -ve is an indication of the relationship
  - In Multiple Regression if the  $R^2$  is 20% it's low, 40% is fine, 70% is good and 90% is very good
  - If there is low  $R^2$  then there are a lot of variables that are not on the line of the best fit, as it gets higher we are able to explain the variability better
  - If it's directional we use 1.71 and non-directional we use 1.96
  - When we use the word **differ** this means that it's a two-tail because we don't have any direction
  - Difference is usually after - before
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## Final Revision

- **Question 1:**

- Include a short description describing what the questionnaire is about and the purpose of data collection (anonymous, how long it is)
  - How familiar are you with new mega projects:
    - Scale 1-5, 1 Very unfamiliar, 5 Very familiar
  - Evaluate the importance of each of the factors below:
    - Scale 1-5, 1 Not important at all, 5 Very important
    - Factors are: government competence, government trust, government communication campaigns
  - Evaluate the government's competence:
    - Scale 1-5, 1 Very incompetent, 5 Very competent