

Market analysis and market planning

Marketing is the process of developing and implementing a plan to identify, anticipate and satisfy consumer demand, in such a way as to make a profit. The two main elements of this plan are market research to identify and anticipate customer requirements and the planning of an appropriate marketing mix to meet these requirements. Market research involves gathering and recording information about consumers, market, product, and the competition in an organised way. The information is then analysed and used to inform marketing decisions. There are three main ways of gathering information for market research:

1. From internal information already held by an organisation, e.g. details of existing customers and their spending habits.
2. External primary information - i.e. information collected at first hand by interviewing customers and potential customers to get their views about a company, products and services.
3. External secondary information - using published sources of information e.g. those produced by marketing organisations about products, markets and brands.

Marketing planning

Marketing planning can then be used:

1. To assess how well the organisation is doing in its markets.
2. To identify current strengths and weaknesses in these markets.
3. To establish marketing objectives to be achieved in these markets.
4. To establish a marketing mix for each market designed to achieve organisational objectives.

Service organisations like the Inland Revenue and Abbey will carry out marketing to find out about the sort of service that their customers and clients require in order to create an appropriate marketing plan. Manufacturing organisations like Cadbury Schweppes, Corus, Audi and Nissan will carry out product research in order to create an appropriate marketing plan for their products (as well as associated services).

A simple definition of market research is 'keeping those who provide goods and services in touch with the needs and wants of those who buy the goods and services.'