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Chapter 5: Market Research

Tools:

- Printer
- 8.5" x 11" paper
- Scissors

Directions:

1. Print
2. Fold paper in half vertically
3. Cut along dashed lines

behavioral segmentation

Dividing the market by the relationships between customers and the product or service.

- FOLD -

01 of 28 E-Flash Cards



business to business
(B2B)

Companies selling to other businesses.

- FOLD -

02 of 28 E-Flash Cards



business to consumer
(B2C)

Companies selling primarily to consumers.

- FOLD -

03 of 28 E-Flash Cards



buying status

Describes when a customer will buy a product or service.

- FOLD -

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census

Count of the people living in the country.

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05 of 28 E-Flash Cards



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customer profile

Detailed description of target market customers based on demographic, geographic, psychographic, and behavioral information.

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06 of 28 E-Flash Cards



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data analysis

Involves studying raw data to find patterns and organizing the data into graphs and charts.

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data mining

Practice of searching through large amounts of computerized data to find useful patterns or trends.

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database

Collection of data that is organized.

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demographic segmentation

Dividing the market by customers' personal statistics.

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demographics

Qualities, such as age, gender, and income, of a specific group of people.

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geographic segmentation

Involves dividing a market based on where customers live.

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hypothesis

Statement that can be tested and
proved either true or false.

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market research

Gathering and analyzing information
about a business.

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14 of 28 E-Flash Cards



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market segment

Group of people, families, businesses,
or organizations with common
characteristics or needs.

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15 of 28 E-Flash Cards



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market segmentation

Process of dividing a large market
into smaller groups.

- FOLD -

16 of 28 E-Flash Cards

marketing information system

Consists of the processes involved in collecting, analyzing, and reporting marketing research information, usually through technology.

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mass market

Entire large market of potential customers with no segmentation.

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primary data

Pieces of information collected by an organization about itself.

- FOLD -

19 of 28 E-Flash Cards



psychographic segmentation

Dividing the market by lifestyle choices.

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qualitative data

Provide insight into what people think about a topic.

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quantitative data

Facts and figures from which conclusions can be drawn.

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research plan

Specific steps to take for testing your hypothesis.

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sample size

Number of people in the group from which the data are collected.

- FOLD -

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secondary data

Information that already exists.

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statistical analysis

Mathematical technique for analyzing the collected data.

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target market

Specific group of consumers at which a company aims its products and services.

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usage rate

How often a customer buys or uses a product or service.

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28 of 28 E-Flash Cards