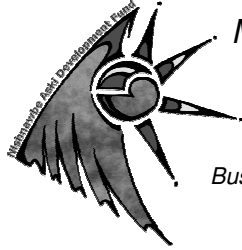


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MARKETING AND RESEARCH

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What you will learn

- *What is marketing?*
- *Why do you need marketing research?*
- *Market Analysis*
- *Conditions of the market*
- *Market trends*
- *Market area*
- *Market share*
- *Data sources*

What is Marketing?

- *The process of planning and executing the conception, pricing, promotion, and distribution of goods, services, and ideas to create exchanges that satisfy individual and organization objectives.*

(source: is from the Market Research Guide from Thunder Bay Development)

Why do you need Market Research ?

- Successful businesses need to know about their customers and their competitors. Acquiring accurate and specific information about your customers and competitors is a critical first step in market investigation and the development of a marketing plan.
- With effective marketing research you can determine the need for your service, if your product is likely to sell, the target market demographics and potential locations for your business.

Market Analysis

- *Who is your customer?*
- *Key issues to consider are*
 - *Who will buy your product? Primary secondary target groups*
 - *Where does the buyer live and what is their profile?*
 - *What factors influence the decision to buy?*
 - *How often will buyers buy?*
 - *Where do they buy, when and how much do they buy?*
 - *What are the buyers preferences and needs?*
 - *Are customers loyal? Can long term relationships be built?*

What product or service are you selling?

- *Issues to address are:*
 - *Specifications of all your products and or services and key features relative to what prospective buyers in your target market are saying they need.*
 - *Comparison, with competitors and how customers perceive your product relative to others available.*
 - *What are the current trends, what stage of maturity is the product life cycle at?*
 - *What regulations apply to your product or service?*
 - *What packaging is required?*

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What is your target market?
<ul style="list-style-type: none"> • Target market issues include: <ul style="list-style-type: none"> – What is the overall market size? Number of potential customers and physical boundaries? – Which segments of the market is the most attractive in terms of future growth potential, ease of entry, competition, profit potential and overall risk? – How do the products generally get to the customer? – What is the current dollar value of quantity of product/service being sold into each segment of the market? – What social, technical, environmental or economic changes are taking place within the market and how will they impact sales?
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What are your distribution channels?
<ul style="list-style-type: none"> • Key issues are: <ul style="list-style-type: none"> – What methods of distribution are best suited for your product? – What methods of distribution do your competitors use? – What are the costs relative to market coverage? – Does your level of available capital or production capacities restrict your choice of distribution method? – Are there ownership opportunities in the supply chain?
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Pricing
<ul style="list-style-type: none"> • The Object is to maximize profits while remaining competitive in the marketplace. • Pricing can be based on either the cost price or market price (what will the Market pay?) • Regardless of the pricing method used, it is critical to know all of your costs involved in delivery of your product or service to avoid under pricing and operating losses (ex. How much it would cost you to ship something by air if you are an isolated community). • If the Market will not support a price level sufficient to cover cost, it will be necessary to investigate whether the cost can be lowered or alternatively, it may be necessary to abandon your plans to proceed.
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Issues to consider when pricing
<ul style="list-style-type: none"> • What control do you have over the product price (e.g. exclusive product, no competition, high market demand, etc.)? • What are competitors prices and how do they price their products? • What price and sales volume are needed to achieve profit objectives? • Can you sell your product at different prices into different markets? • Can you maintain your prices over time and what do you expect to happen to competitor's prices? • Are your prices quantity sensitive?
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Promotion and Selling
<ul style="list-style-type: none"> • What media of advertising and sales do your competitors use? • What media for advertising is best suited to reach your customer? • Primary and Secondary media (e.g. Primary – wawatay newspaper and radio; Secondary- flyers and trade shows). • What sales tools and training will be required for staff? • What image are you attempting to build through your promotion? • What kind of Packaging should you use?
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Conditions of the Market
<p><i>It is a good idea to know the market (industry) in which you are entering. Doing this will save you money and time that you will be investing into your <u>Product</u> or <u>Service</u></i></p> <p><i>When researching the conditions of the market you will need to look at the <u>Market Trends</u>, <u>Market Area</u> and <u>Market Share</u></i></p>
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Market Trends

- *Is there a general change in direction in which your market is going.*
- *Questions to ask?*
 - *What is happening in the industry? Is it growing, declining or stable?*
 - *Do the customers of this product or service have a preferences? What are they?*
 - *Are there any moral or environmental aspect of the industry that you need to consider?*
 - *Why is there a interest in these goods or services?*

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Market Area

- A **market area** is a geographic zone containing the people who are likely to purchase a business's goods or services. Your target market are the groups of people most likely to become your buyers.
- For example: a market area for warm Parkas would be northern Canada or other cold-weather regions. So, your target market would be those people who live in those areas that would require warm parkas.

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Market Area cont....

- *Questions you will need to ask*
 - *Where is the business located?*
 - *Will customers come to you or will you go to them?*
 - *What is the traffic flow in the location?*
 - *What is the demographic and income profile of the market area?*

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Market Share

- A market area and your target market will support a certain level of sales of a product or service. The portion of total sales that any competitor has is called a market share.
- Your potential sales volume (how much you expect to sell) is your estimated market share.
- Questions to ask:
 - What is the total market value
 - How much of share do your competitors have?
 - How big a piece of this pie do you want for yourself?
 - Do the trends of the industry support your estimate?

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Data Sources

- *Primary*
- *Secondary*



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Primary Data Source

- *The information you will obtain on your own by gathering of information*
- *Surveys are samples of Primary data source. Mostly done by questionnaires, interviews, talking to customers, focus groups or observations*

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Methods of Polls and Questionnaires

There are many different ways to do polls or questionnaires

By Phone

- In person
 - in the home
 - at a shopping mall
 - Or at your business
- Direct mail
- In a magazine, newspaper or newsletter

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Secondary Data

- Is data that already exists or ready available.
 - Examples: government stats newspaper or magazine articles
- Next two slides are samples of Stats that come from stats Canada this information is available on their web site <http://www.statcan.ca/start.html>

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Canada's population ¹						
	October 1, 2002 ^a	January 1, 2003 ^a	October 1, 2003 ^a	January 1, 2004 ^a	October to December 2002	October to December 2003
	% change					
Canada	31,448,767	31,475,999	31,714,637	31,752,842	0.1	0.1
Newfoundland and Labrador	519,731	519,560	520,170	519,897	0.0	-0.1
Prince Edward Island	137,256	137,334	137,941	138,102	0.1	0.1
Nova Scotia	935,408	935,180	936,878	936,892	0.0	0.0
New Brunswick	750,649	750,439	750,460	750,096	0.0	0.0
Quebec	7,457,736	7,462,432	7,503,502	7,509,928	0.1	0.1
Ontario	12,145,439	12,156,595	12,280,731	12,293,669	0.1	0.1
Manitoba	1,157,356	1,158,360	1,164,135	1,165,944	0.1	0.2
Saskatchewan	995,115	994,905	995,003	994,845	0.0	0.0
Alberta	3,125,527	3,132,484	3,164,400	3,172,121	0.2	0.2
British Columbia	4,123,659	4,127,454	4,158,649	4,168,123	0.1	0.2
Yukon Territory	30,423	30,569	31,371	31,408	0.5	0.1
Northwest Territories	41,549	41,630	42,040	42,321	0.2	0.7
Nunavut	28,919	29,057	29,357	29,496	0.5	0.5

^a Preliminary post-censal estimates.

¹ These estimates are based on the 2001 census counts adjusted for net undercoverage

Fort William 52 Indian Reserve, Ontario		
Characteristics	Adult Labour Activity Statistics for:	
		First Nation
% of adults who hunted in the past 12 months		27
% of those who hunted for food		90
% of adults who fished in the past 12 months		46
% of those who fished for food		71
% of adults who gathered wild plants (berries, sweet grass, etc.) in the past 12 months		19
% of those who gathered wild plants for food		86
% of adults who trapped in the past 12 months		X
Persons working part-time:		
% of employed adults working part-time		=
Persons with more than one job:		
% of employed adults currently working at more than one job		X
% of adults who worked at other job(s) since January 1st 2000		X
Persons not working:		
% of adults not working for pay or in self-employment		=
Unemployment rate		=
Selected reasons for not working (%):		
Going to school		23
No full-time jobs available		X
Health problems		27
Family responsibilities		X
Not qualified for available jobs		X
Retired		X

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- Nishnawbe Aski Development Fund has a resource centre with market research material for your use.
- If you need more information, call us at (807) 623-5397 or toll free 1 800 465-6821

Meegwetch

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