

Name: [REDACTED]
Candidate No:
Centre No:

Unit 22 Market Research

Learning Aim A - Examine the types of Market Research used in Business

REPORT

To:
From:
Date:
Terms of reference:

P1 – Explain the range of market research methods used by a selected business

Businesses use many different types of research as part of their market research, whereby the appropriate method or combination of methods selected depends on the desired outcome and objectives of the research.

Qualitative research

So firstly one of the key types of research which Drayton Manor use is qualitative research as this research is used to gain an understanding of what customers are thinking and what motivates them, therefore it can provide an insight into a problem or it can help to develop ideas. Therefore quite often qualitative research is gathered through face to face interviews or focus groups, whereby the respondents are encouraged to elaborate on their answers. As this then helps Drayton Manor improve because of the feedback they have received which they can use to satisfy customers needs and wants even further, for example Drayton Manor can show satisfaction to their customers by placing toilets at each quarter of the park. As the elderly or little children for instance may often need to go to the toilet or may need it desperately so it is more convenient to place toilets in each part of the park as they may not be able to control it due to having weak bladders, but also if you take the elderly they may have trouble walking a long distance so the location of toilets is an idea to considerately think about.

Advantages and disadvantages of Drayton Manor using qualitative research

Therefore the advantages of Drayton Manor using qualitative research is that issues and subjects covered can be evaluated in depth/detail, the interviews are not limited to particular

questions and can be redirected or guided by researchers in real time, the direction and framework of research can be revised quickly as soon as fresh information and findings emerge, the data in qualitative research is dependant on human experience which makes it more compelling and powerful than data gathered through quantitative research and lastly with this type of research Drayton Manor can have a clear vision on what to expect as they collect data in a genuine effort of plugging data to a bigger picture.

On the other hand the disadvantages of Drayton Manor using qualitative research is that the quality of research is heavily dependent on the skills of the business as a whole and can be easily influenced by personal idiosyncrasies and biases of the business, as for example Drayton Manor may consider improving their rides despite being a family theme park. Therefore they may ignore the fact that the elderly or disabled attend to and so Drayton Manor need to consider improving facilities for them too, examples include 4D cinema, boat ride, attractions etc. Also another disadvantage is the rigidity is more difficult to assess, demonstrate and maintain, another disadvantage is the quantity of the data makes the interpretation and analysis time-consuming as well as the qualitative research sometimes not being accepted and is understood especially within scientific communities. Also the presence of Drayton Manor in the process of data gathering is unavoidable and can therefore affect or influence the responses of subjects and issues on confidentiality and anonymity which can pose problems during the presentation of the findings, lastly another disadvantage is the findings can be time consuming and difficult to present in visual ways.

Quantitative research

Furthermore another key type of research which Drayton Manor use is quantitative research whereby customers or potential customers are asked structured questions so that hard facts can be obtained, as the questions are likely to be closed questions which means they do not allow the respondent on their answers or give their opinions. Therefore from these replies the statistical data can be drawn up and analysed, as quantitative research is usually gathered through surveys or questionnaires. So by Drayton Manor asking a large group of people the same question they can build up a picture of how their customers behave or react, as it gives them an idea of the subjective or similar opinions each individual has which they can work on to please the majority to expand their customer base in the future too.

Advantages and disadvantages of Drayton Manor using quantitative research

Therefore the advantages of Drayton Manor using quantitative research is it permits a formulation of statistics with no room for emotional design, also it enables an evaluation of multiple datasets which is faster and more accurate than any human brain could ever perform. Another advantage is the implementations of ideas can be automated and so can be performed faster. Whereas the disadvantages of Drayton Manor using quantitative research is it requires constant or periodic monitoring of a model performance to ensure continued compliance which is time consuming, another disadvantage is it has inadequate quality of training data used in the

model construction which can lead to a disastrous model performance on unseen data. For example one of their rides may not operate the way it is supposed which as a result can cause a major concern because it can pose to be a threat to their customers, for instance recently Drayton Manor's rivals Alton Towers had a disastrous incident. As one of their rides called the smiler was operating but the carts suddenly collided into each other, this was terrible for them as it caused a few of their customers legs being amputated and others being injured, therefore due to this incident it put Alton Tower's reputation and brand image in bad light since they lost their customer's trust because of the lack of care they showed in ensuring their customers safety. Lastly another disadvantage of Drayton Manor using quantitative research is it requires a deep background in multiple complex disciplines that are hard to master for the average person, therefore they may need expertise from outside the business which becomes more costly in the long run.

Primary research

In addition another key type of research which Drayton Manor use is primary research whereby this research is carried out with the named objective for the first time to answer specific questions or as an exploratory exercise. So the primary research can be carried out in many different ways including via surveys, observation, e-marketing, focus groups and pilot research. Therefore this research can help Drayton Manor to define a specific problem and will usually involve questionnaires as well as interviewing or focus groups, as detailed questioning can take place and lengthy answers can be obtained from a small group of respondents. For example Drayton Manor may conduct a survey to ask a large number of people how effectively their staff deliver the service, as for instance a customer may complain about the behaviour of another individual at the park because they may be pushing in the queue. But the ride operator may not say anything due to him thinking it is not his problem or right to say anything, or even because of factors such as favouritism for a particular individual genuinely, because of gender or race etc.

Advantages and disadvantages of Drayton Manor using primary research

Therefore the advantages of Drayton Manor using primary research is that targeted issues are addressed as they have complete control on the process, whereby Drayton Manor can be asked to concentrate their efforts to find data regarding a specific market rather than concentration on a mass market. Another advantage of Drayton Manor using primary research is the fact that the data interpretation is better as the collected data can be examined and interpreted by the marketers depending on their needs rather than relying on the interpretation made by collectors of secondary data. Lastly another advantage is that the data is more recent as usually secondary data is not so recent and it may not be specific to the place or situation the marketer is targeting, therefore Drayton Manor can use the irrelevant seeming information for knowing trends or may be able to find some relation with the current scenario. So as a result primary data becomes a more accurate tool for Drayton Manor because they can use data which is useful to them.

On the other hand a disadvantage of Drayton Manor using secondary research is the data definitions as Drayton Manor needs to understand various parameters and assumptions that the primary research had taken while collecting the information, therefore a term may have different meanings for different people eg. the term 'youth' used is ambiguous and so one needs to find what is the assumed age taken by the primary researcher. Therefore for instance Drayton Manor will need to correctly identify the correct age and height for an individual to go on a certain ride, as one can be posed to risks and endangering their life if Drayton Manor do not take into account the eligibility needed for a certain facility. Another disadvantage of using secondary research is the inaccuracy of the data as you are not gathering your own information first-hand, therefore this means one is totally dependent on someone else's efforts. So the primary researcher may have been biased or may have used questionable methods to collect data, which means this can be pretty risky for Drayton Manor to base their report on such data.

Furthermore another disadvantage of using secondary research is the time lag issues as the information collected from books, historical surveys etc are usually not in sync with the times and might have changed drastically, therefore making such information a foundation of research may be highly risky for Drayton Manor. In addition another disadvantage of using secondary research is it may not be specific as the extensiveness of such information is its benefit as well as a drawback, as then Drayton Manor will not get answers to their specific issues through this data directly as one needs to 'mine' further into it to get relevant information. For example data on what customers want from the theme park may be for theme parks as a whole not individually, although each theme park varies from each other as Drayton Manor and Alton Towers are a family theme park whereas Thorpe park is mainly for teens and adults to enjoy because of the rides they provide. Also the location is another matter as each park has its own destination, therefore how to get to each park is different due to the distance therefore secondary data is not that useful for Drayton Manor to use to specifically give them information. Lastly another disadvantage of Drayton Manor using secondary research is proprietary issues as some of the secondary sources might have copyrighted their information and may be using them without permission, therefore this can lead to various legal complications, which can be difficult to get cleared from or handle.

Internal research

In addition another key type of research which Drayton Manor use is internal research which is within the business, so Drayton Manor can have loyalty schemes based on their customers spending behaviours. For example Drayton Manor may send their coupons or targeted emails based on each customer's spending habits which have been identified through the use of a loyalty card, these things can be found on cereal boxes where an entry for an adult or child goes free with a full paying adult, so by Drayton Manor offering this it compels customers to get hold of these coupons. Another method Drayton Manor use is EPOS records which is a computerised system that records the sale of goods or services to customers, as it is a self contained system that can take all methods of payments including bank and credit sales verifying them as part of the purchase. Also it can manage report on other functions such as

stock control which helps Drayton Manor gather historical data from the EPOS system, like for example which are the most popular rides and what time of the year are their sales at its highest, whereby generally Drayton Manor have figured out it is during peak times in the summer as school is out and so families come together as a day out. Another method which Drayton Manor use internally is website monitoring as it helps them use cookies to track how people are using their website, so they can identify the amount of time a visitor spends on the website and which pages they go to. Also the number of visitors to a website can be tracked as you are likely to have seen the pop-up message that appears when you go onto certain websites advising you that they are using cookies. Lastly another method which Drayton Manor use internally is accounting records whereby this historical data can be used by to identify the spending and ordering habits of their customers, so this will tell them when to expect busy times in order to ensure they are fully stocked and staffed to be able to deal with the demand. As for example during the summer they may need ice cream or milkshake stalls as at that time that is what most people would go for rather than a cup of tea, also they may need more staff or security to provide a better service in the busy period.

Advantages and disadvantages of Drayton Manor using internal research

Therefore the advantages of Drayton Manor using internal research is they get fast results as instead of bringing third-party consultants up to speed about a project and then waiting for the results Drayton Manor has in-house experts to which it can turn for insights or data. Another advantage of internal research is that sometimes people are more willing to speak to insiders rather than outsiders, also another advantage is the cost element of internal research as it is cheaper than external research since it is within the business. Lastly another advantage of Drayton Manor using internal research is the fact that it is a management tool so a way of self correcting and much less threatening than an external research, therefore this may make it easier for them to accept findings and criticisms. On the other hand one disadvantage of Drayton Manor using internal research is that they may have vested interest in reaching positive conclusions about their business. Therefore for this reason other stakeholders such as Drayton Manor's suppliers may prefer external methods. Another disadvantage of internal research is the team may not specifically be specifically skilled in evaluation, lastly another disadvantage of Drayton Manor using internal research is the fact that the research will take up a considerable amount of time of the business'. As whilst it may cost less than external research the opportunity costs may be high.

External research

Lastly another key type of research Drayton Manor use is external research which is from outside the business so the internet as there is a vast amount of information concerning market research available on there, since it is important that the information on the data being used is reliable and up to date. Also by Drayton Manor using the internet effectively means they can cut down on the amount of time and money spent. Another type of method Drayton Manor use externally is government statistics which are available on the government websites, as they

cover a whole range of topics that would be useful in market research such as the population and demographics of regions across the country. For example this will help Drayton Manor choose a suitable location eg. where there is good income but fewer jobs, lots of people etc, as then it will make their business run successfully. In addition another type of research Drayton Manor use is competitors reports where these are often available for example for the accounts that Drayton Manor must submit to the companies house, as this information can then be purchased through a variety of websites and enables Drayton Manor to have the ability to recognise who their competition is. Lastly another type of external method which Drayton Manor use is specialist market research agencies like for example Mintel, as it helps them buy in expertise such as the services of a market research company. So this might be because they do not have the internal expertise or time to dedicate to a specific market research product, therefore communication is a key when working with specialist market research agencies to ensure that they understand the objectives and the purpose of the research.

Advantages and disadvantages of Drayton Manor using external research

Therefore an advantage of Drayton Manor using external research is the external team has the wealth of experience of work as they have worked in so many different organisations regarding the same type of problems, therefore this helps them to think both divergently and convergently to find the solution. Another advantage of using external research is that they might have more knowledge about current sophisticated problem-solving models through their periodic training programs. On the other hand a disadvantage of Drayton Manor using external research is the fact that the cost of hiring external consultants is usually high therefore as a result Drayton Manor may have more money going out than coming in which can lead to their business becoming bankrupt or insolvent, also another disadvantage of using external research is it takes more time to understand the structure and the function of an organisation. Lastly another disadvantage of Drayton Manor using external research is it charges additional fees for their assistance in the implementation and evaluation phases, which shows it has quite an expensive cost element to it.

M1 - Assess, using suitable examples, how different market research methods are appropriate in helping to meet marketing objectives and inform decision making.

One of Drayton Manor's marketing objective is to increase their number of visitors each year, therefore to accomplish in achieving this objective Drayton Manor conduct primary research. As by using a questionnaire Drayton Manor can find out from their customers what they need to improve on, what to change etc, so an example of a question on the questionnaire may be how satisfied were you with our service or rate out of 10 the performance of storm force 10. Although this may not be appropriate in helping meet the objective as the questionnaire can be biased or inaccurate, as people may in a hurry tick whatever to complete it quickly without actually taking everything into consideration. Although for Drayton Manor it may still give them a brief idea as it

gives them valuable data which they can store against the customer record, whereby this insight is crucial for them because it gives them a full understanding of the customer.

Another objective of Drayton Manor is to increase brand awareness of Thomas Land by 50% for Jan 2016, whereby to accomplish this objective Drayton Manor conduct quantitative market research as they get statistics to see if they have reached the increase of the 50% bench mark or not. Also it gives them certain figures like the number of purchases, total amount spent, etc from consumers on a regular basis. Therefore this provides a more representative picture of how the brand stands and allows them to control for unusual marketing activities, although it's also very expensive and time consuming. But overall this is beneficial for them as they can calculate how far or close they are to the objective, whereby it will allow them to operate differently to achieve the objective if needs be ie promoting Thomas Land on TV on kids channels so it attracts them which in result leads to the parents finding it an exciting experience and an ideal place for their kids to enjoy themselves.

Furthermore another objective of Drayton Manor is to increase the number of 16 to 25 year olds visiting the park by 10% by November 2015, so to be successful in achieving this objective Drayton Manor conduct qualitative and quantitative market research. This is because the quantitative data will be helpful with the statistics, as it will help to recognise if over 10% of the people who have visited the park are 16 to 25 year olds. Whereas qualitative data will be helpful in reviewing the facts ie to see what the park as a whole can do to attract more of that particular age group, whereby to do this Drayton Manor may consider in adding more thrill rides or having a souvenir shop for example.

In addition another objective for Drayton Manor is to retain customers so Drayton Manor achieve this by conducting qualitative research as by using this type of research it makes it easy for them to monitor the use of their product, the growth of the user base, customer retention, etc. As this quantitative data is informative and definitely tells you what is happening in your product and your market, therefore Drayton Manor can identify what to improve on to retain their customers so they do not go elsewhere eg. Alton Towers, although what quantitative data doesn't tell you is why something is happening. So because of this Drayton Manor will not know why they need to improve etc which does not benefit them, as a certain improvement may not be the reason or help to retain their customers because it might be something else which they may be unaware of such as not enough benches for families to sit on and eat together.

Moreover another objective for Drayton Manor is to implement a more personalised approach to their marketing communications, whereby for this Drayton Manor conduct internal primary research. As they want to make their marketing communications more personal which means more related to them, therefore this type of research is beneficial for them. Since as a business as a whole they can find out how to communicate more effectively and efficiently, as for instance Drayton Manor can have personalised walkie talkies to effectively communicate. Therefore by Drayton Manor having them it allows the organisation to operate effectively

An example of a business who used a specialist marketing agency

So an example of a business who has used a specialist marketing agency to enhance their business' success, which was done by implementing a dynamic digital marketing strategy that increased their company ROI and added value to their customers is Uber. As the company started in 2009 where their service is built upon a luxury that most of us dream of, but only a few can afford which is a private driver. Since with a tap of a few buttons on the app and in a matter of minutes a shiny new car arrives at your exact location to take you anywhere you want to go, whereby the service is so great that the need for expensive marketing is practically non-existent. In addition Uber grew almost entirely through word-of-mouth marketing which is a very high converting channel, also they offer incentives for riders to act as advocates for the business by providing referral codes to their friends in exchange for free rides. As between a service that saves people time by making transportation easier and cost-effective and their powerful referral system Uber spread like wildfire.

Example of a specialist marketing agency which has proven to be useful for Drayton Manor in the past

Furthermore Drayton Manor using specialist marketing agencies for original market research has proven to be beneficial for them, as in the past they used an agency called Picsolve and Katapult because they needed a refreshed approach to the photography retail offering at their Thomas Land attraction. Since the retail units were dark, the product placement was poor and the range of photo products were needed to be expanded to be more appealing and engaging for young visitors. So Picsolve were appointed to develop a series of new themed photography and video merchandise for Thomas Land at Drayton Manor, where they used the specialist agency to work with the product development team and design a range of personalised driving licenses for Thomas Land young drivers. This included creating new exterior signage for the shop to make it more eye catching and appealing to children as inside the shop they created and developed designs for a photo wall, whereas on the other interior walls and retail kiosk they created an engaging and fun experience for families visiting Thomas Land. In addition another use Drayton Manor made of Picsolve and Katapult was by developing an interactive themed video experience using Green Screen (GSX) technology to allow Thomas Land visitors to star in their own episode of Thomas and Friends™, so with the support from Picsolve it enabled Drayton Manor to develop video content, themed backdrops and interactive elements which were then put together to create a fun and interactive experience for young visitors with a unique and personalised souvenir to take home.

In addition having created a number of photo and video merchandise products for Thomas Land Picsolve and Katapult were then appointed to develop a premium photobook product, which brings together the range of individual products to create a personalised and high quality souvenir So products such as the driving licenses, GSX video certificate, ride photos and walkabout photos would all have their own space in the photobook, where Thomas Land guests can purchase the photobook at any point during their visit and use it to compile the photography and video merchandise they had collected throughout the day. Whilst it was featuring interactive

Overall I believe the use of a specialist marketing agency for carrying out original market research will be highly invaluable for Drayton Manor as the agency will have access to specialist information technology packages to coordinate and maintain their marketing strategy, also these services will help save costs and ensure they connect with potential customers in the most effective way. Also Drayton Manor will benefit from transparency and accountability, since this resource will also mean they stay up to date as and when new marketing channels emerge all helping them to stay in the lead.

Bibliography

<https://occupytheory.org/advantages-and-disadvantages-of-qualitative-research/>

<https://www.quora.com/What-are-the-advantages-and-disadvantages-of-quantitative-research>

<http://www.ianswer4u.com/2012/02/primary-research-advantages-and.html>

<http://www.ianswer4u.com/2012/05/secondary-market-research-advantages.html#axzz4thggU7MF>

<http://askinyathelo.org.za/advantages-and-disadvantages-of-internal-and-external-evaluations/>

<https://amateureconomistinnepal.wordpress.com/2013/05/15/internal-vs-external-consultants-researchers/>

<http://www.marketergizmo.com/brand-awareness-studies/>

<https://www.surveygizmo.com/survey-blog/using-qualitative-data-to-capture-voice-of-the-customer/>

<http://www.4sight-sport.com/media/1159/drayton-manor-park-case-study.pdf>

<http://smallbusiness.chron.com/marketing-agency-vs-advertising-agency-14607.html>

<https://www.singlegrain.com/digital-marketing/10-companies-doing-online-marketing-right/>

<https://www.katapult.co.uk/work/design/picsolve-thomas-land-drayton-manor/>

<https://info.builderfunnel.com/inbound-marketing-agency-blog/4-advantages-of-using-a-marketing-agency>

<http://blog.tomorrow-people.com/bid/90463/Outsourced-Marketing-Advantages-and-Disadvantages-Part-3>

Name [REDACTED]
Candidate No:
Centre No:

Unit 22 Market Research

Learning Aim B - Plan and implement a market research activity to meet a specific marketing objective

Learning Aim C - Analyse and present market research findings and recommend process improvements

REPORT

To:
From:
Date:
Terms of reference:

Learning Aim B

P2 - Undertake secondary research for a selected marketing objective

The marketing objective

Want to make sure they stand out from the competition to ensure a success

1st type of secondary research- internet

Firstly one way my friend can stand out from competition to ensure a success is by having a solid business plan, as it will help him to have a strategic focus. As his business will be a small business, therefore having a plan will allow him to focus on the business's special identities, target markets and whether the coffee mobile stall is tailored to match consumers tastes and preferences. Also a business plan will allow my friend to set priorities for each task, where this will allow him to allocate his time, effort and resources strategically. For example my friend may spend too much time on choosing a suitable location, whilst a competitor may already release a similar product eg. flavoured coffee before him. Therefore with the help of a business plan my friend can work accordingly to ensure everything is done effectively and efficiently, as well as having the benefit to avoid any mistakes during the process.

In addition another way my friend can stand out from competition to ensure a success is by giving customers satisfaction, as it is the best indicator of how likely a customer will make a purchase in the future. For instance this can be identified by asking customers to rate their satisfaction on a scale of 1-10 of the quality of the coffee, which then will give my friend an idea if his customers are likely to become potential repeat customers. Also customer satisfaction will become a point of differentiation for my friend's mobile coffee stall, which means it will enable him to offer a unique selling point. For example his usp may be offering a wide range of flavoured coffee's or perhaps personalised coffee equipment etc. In addition

customer satisfaction will make my friend stand out from competition to ensure a success because it will be cheaper for him to retain the customers he is hopefully going to get, rather than spending money to acquire new ones. So my friend can consider customer retention strategies to be successful like using email to send special promotions to customers, example is perhaps buy one coffee and get the second half price. Another customer retention strategy which can be used is customer satisfaction surveys, as this will enable my friend to see what can be improved eg. perhaps the quality of the cups, the price range of the coffee's etc. Lastly my friend can delight customers by offering personalised experiences, as this will maintain the bond between my friend's business and his customers. Since his customers will feel special for the extra mile my friend will do for them. As he can personalise coffee mugs and sell them to his customers, which they can use to have the coffee he will sell to them.

Furthermore another way my friend can stand out from competition to ensure success is by giving customers loyalty cards as it is a good way to get new customers and is a tried-and-trusted method of keeping them. As loyal customers who enjoy the rewards given might encourage their friends to join, so my friend could encourage 'recommendations' by offering special discounts or extras for loyal customers. For example if a customer recommends a friend then they can get an extra stamp on their card. Also with a loyalty card it can encourage customers to come back more often to take advantage of the special offers/discounts/rewards given by my friend's mobile coffee stall, since the more the customer's shop the more they get in return. In addition loyalty card schemes can be an excellent way for my friend to also increase his product awareness, as it might encourage customers to try something new by simply offering them the chance to get one for free. For example my friend could offer muffins for free with every five stamps as with one cup of coffee equals to one stamp, therefore customers might love the muffins so much that they may purchase them next time they come for a coffee. So changing the reward every now and then will keep my friends products fresh and increases knowledge of them due to consumers purchasing them. Also through the loyalty card scheme my friend can track and analyse his customers shopping habits and adjust his loyalty offers to match their needs.

Also another way my friend can stand out from competition to ensure a success is by having motivated staff, as this will produce better productivity within the business because this can lead to lower unit costs of production and so will enable my friend to sell his product at a lower price. In addition my friend having motivated staff will be likely to improve the product's quality or the customer service associated with his products. Therefore having motivated staff within my friend's mobile coffee stall will mean the work will be done more effectively and efficiently, this means there will be less hassle and will ensure there are no mistakes during the production and that customers needs are met.

Moreover another way my friend can stand out from competition to ensure success is by having good products, as if my friends offers a wider range of products eg. coffee, sandwiches, doughnuts, cake, biscuits etc to support the original product then it compels the customer to spend more in one visit. Also by my friend having good products will attract new consumers by aiming at a different target market. For example my friend can sell coffee as normal, but then can start to sell cakes and doughnuts to attract younger consumers who would not normally buy coffee. In addition by my friend adding good products allows him to diversify so that if the sales of the original product eg. coffee decline, then he can increase the sales of the new products which might replace it. For example my friend could sell quality coffee that has seasonal demand, so as a result he could start to offer iced coffee since both will sell well at different times of the year.

Lastly another way my friend can stand out from competition to ensure a success is by giving a good customer service, as it will help to retain customers and help the business grow due to the customer base expanding. Since they will not shift to competitors, also by my friend giving good customer service it enables him to ensure that there are no problems and that weak areas are addressed. In addition giving a good service will get my friend more references because customers will talk about the business to others about receiving a good quality service over a period of time, which is a way of promoting through word of mouth and so as a result these references will mean more profit to my friend and his business. Finally by my friend giving good customer service gives him a competitive advantage, as if he builds good

relationships with customer then it will not allow a competitor to enter or place themselves in the market Hence my friend's mobile coffee stall will become sustainable, competitive and difficult to beat.

2nd type of secondary research- competitor report on Starbucks

Firstly Starbucks has a few aims which will hopefully drive them in being successful, the first aim is to add 12,000 stores globally to make a total of 37,000 by 2021. Another aim of Starbucks is having the Starbucks reserve stores to elevate the Starbucks brand and customer experience. In addition another aim for Starbucks is new innovation to further accelerate momentum of the company's digital flywheel and mobile ecosystem. Lastly another aim for Starbucks is unlocking high value opportunities in China, therefore by looking at this it gives my friend an idea what position Starbucks holds in the market. As they operate globally due to having stores in different areas of the world shows they have had an expansion, also are showing their consideration for the environment by being eco-friendly. So it shows their aims are realistic as they can be achievable, as a result my friend can set aims for his business which are realistic and achievable to do well in the coffee market. So one of my friend's aims can be to perhaps become a franchise so his mobile coffee stall is available in different parts too eg. America, China, Russia etc. As this will allow him to gain a strong customer base as he is increasing his target market. Another aim for my friend may be to use organic produce, as it shows his concern for the animals so they don't become extinct. In addition another aim for my friend may be to innovate a new product to the market which no one really offers eg. an insanely simple design for a coffee cup that catches all the drips, as this cup will have a ridge that keeps the coffee from dripping onto a surface. Or a new innovation such as a coffeemaker that uses handprint recognition to make the perfect cup of coffee according to personal preference.

Furthermore Starbucks strategies are growing the number of stores by opening up express stores which essentially function as walk-thrus in New York, Boston and Seattle, this strategy of theirs is aimed at increasing the company's store penetration. Likewise my friend can benefit from opening a mobile coffee stall because he will be going to people rather than the customers coming to him, which they will appreciate as it saves them time and excess money travelling. Another strategy of Starbucks is elevating the coffee experience by offering different types of coffee experiences like pour-over, siphon, and clover, therefore with this strategy Starbucks is pulling all stops to position itself as the most preferred coffee shop. Similarly my friend can use a strategy to gain customers by offering different flavoured coffee's eg. bubblegum, passion fruit and oreo. In addition another strategy of Starbucks is creating new customer occasions by doing lunch hours, where for the company this has been the fastest growing daypart for a number of years now. This strategy for Starbucks was driven by improved food offering, more fresh food items around bistro boxes and sandwiches and to strengthen the tea platform. Therefore following similar procedures my friend can also do lunch hours by going around factories, offices and building sites, as in these places people will be willing to purchase lunch after a hard morning at work instead of going out there way to perhaps Mcdonald's which is not so close to them.

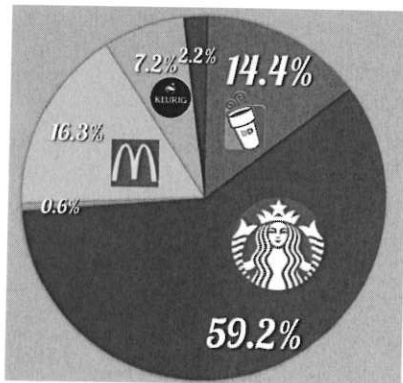
Another strategy of Starbucks is launching nitro cold brew in 500 stores by the end of December, where all of this is aimed at enticing a greater number of customers to its stores by offering new and innovative food and beverage options. Therefore my friend can make a strategy of offering additional products with the main theme which is coffee by including options like cakes, doughnuts, sandwiches, jacket potatoes etc. Lastly another strategy of Starbucks is having a driving at home coffee share & occasions, as they are the leader in K-Cups of the consumer product goods department. Also by partnering with companies like Pepsi in Latin America, Tingyi in China and Anheuser-Busch, Starbucks is making efforts at expanding its ready-to drink segment which is forecasted to grow at approximately 10% year on year in the next five years. Therefore my friend can partner up with another business such as The big coffee which is UK's number mobile coffee van, as they are very successful and are working alongside other businesses such as 7up, Unilever, Magnum, BMW, Lincoln & York etc.

Also Starbucks competitor pricing is high priced as the coffee has reached peak popularity in China, Japan, and India, therefore due to high demand it allows Starbucks to charge high prices. Also because they are

well established and have a good brand image and reputation in the business market. So my friend can establish a price range for his products by charging perhaps a medium price range, as he will be a new entrant to the market. Therefore does not have loyal customers yet, but once he is settled then he can change his pricing depending on the amount of sales and profit he is making. Moreover Starbucks differentiate from other by firstly product innovation, for example substituting dairy with soy-milk or almond-milk and the Pumpkin spice latte one of the seasonal favourites at Starbucks was recently relaunched. Therefore similarly my friend can differentiate himself from others by offering organic coffee and cups which catch the drips as I have discussed above before. Another competitive advantage Starbucks has is by maintaining its popularity through time by being flexible, since they have been open to adapting to change consumer tastes and preferences. As for instance the flexibility is part of the reason that allowed Starbucks to succeed in the tough and primarily tea-drinking market of China. Therefore my friend can be flexible by appearing at festivals, private events, company functions, wedding receptions and outdoor gathering to provide hot and cold drinks.

In addition another competitive advantage of Starbucks is opening stores in economically backward regions, as they announced a program to support economic development in some of America's low to medium income communities which was beneficial as it created jobs for people and helped the economy there. Therefore my friend can similarly take on more people instead of doing it alone, so he can have more vans of the same brand. This will be beneficial for my friend as his business will become more aware to people and it will create more jobs. Lastly another competitive advantage of Starbucks is to focus on the food, as the company is working towards establishing partnerships and making food one of its major future growth drivers. Therefore my friend can take this into consideration of keeping the quality good on his coffee's and other products, so that customers are satisfied and are likely to do repeat purchase.

In addition Starbucks hold around 33 percent of the market share for coffee in the U.S, where it sells almost as much coffee as do fast food and convenience stores combined. Although overall they hold 59.2 percent, which is greater than other successful businesses like Mcdonald's.



On the other hand Starbucks target market is adult men and women aged 25 to 40, where they account for almost half 49 percent of its total business. Where Starbucks' appeal to this consumer age group through contemporary design that is consistent in its advertising and decor and working to keep its products current as status symbols. So my friend can have this similar target market by having good quality products, as this type of target audience generally consider the quality over pricing. Another target market for Starbucks is young adults aged 18 to 24 which is a total of 40 percent of Starbucks' sales. As Starbucks positions itself as a place where college students can hang out, study, write term papers and meet people, therefore Starbucks appeals to this consumer directly through introducing technology as soon as it comes available by focusing on social networking and actively cultivating a "cool" image. As a result for Starbucks the young adult audience grows 4.6 percent each year, similarly my friend can locate himself near universities colleges as they will be likely to purchase a coffee to help them concentrate and give them energy to

complete their work for instance. Lastly another target market for Starbucks is kids and teens who are customers aged 13 to 17, they account for just 2 percent of Starbucks' sales. Whilst most items for kids are purchased by the parents it makes Starbucks focus on the steamed milk that Starbucks' baristas refer to as "babyccinos" or the sugary, caffeinated, whipped cream topped coffee drinks that are so popular with teenagers, kids and teens. Although Starbucks may not cater directly to kids because of the risk of a criticism about the high calorie and caffeine content of some of its drinks, so Starbucks makes its products kid-friendly offering special child sizes for instance. Therefore my friend can do the same by offering fresh fruit pots for example, or even sell cupcakes which contain fruit. As even though the cupcake will contain a lot of sweet it will have a fruit element in it which will persuade the parent to buy it for their child.

Furthermore Starbucks product range consists of drinks, where they sell espresso drinks, iced coffee, brewed coffee, iced/hot tea, blended beverages, bottled drink and hot chocolate. In addition their food range is a hot breakfast, bakery, lunch, fresh fruit and pots and snacks and sweets. Lastly their at home coffee range is whole bean and Starbucks espresso capsules, therefore my friend can make up his product range based on the primary and secondary data collected. Also Starbucks distribution channels are as follow: selling its products through a direct retail system in company-owned stores in supermarkets and shopping centers and with office coffee suppliers, hotels, and airlines. Therefore similarly my friend can sell through shopping centres, universities/colleges, events and functions.

Finally Starbucks strengths as a business is that they have a strong brand image, since it has a growing population of loyal customers who prefer Starbucks based on quality and the brand. Another strength is they have an extensive global supply chain and lastly are a diversified business through subsidiaries, as they have acquired businesses as subsidiaries such as Ethos Water, Seattle's Best Coffee, and Teavana. On the other hand Starbucks weaknesses are they have relatively high prices, which as a result makes them less accessible to the large population of lower-middle class and lower class consumers. Also they generalized standards for most products, where this then makes their products less aligned with cultural demands in some markets. Lastly another weakness is they have imitable products in terms of products and café ambiance.

Whereas an opportunity for Starbucks is expansion in Asia, the Middle East, and Africa, as this is where the firm currently has minimal presence and in Asia because this is where economic growth rates are high. Another opportunity is the diversification of the product mix because further diversification can help improve its competitive advantage. Lastly another opportunity for Starbucks is having partnerships or alliances with other businesses, as this can also strengthen Starbucks Coffee's competitive position. On the contrary a threat to Starbucks is competition from low-cost coffee sellers because low-cost coffee from businesses like McDonald's and Dunkin' Donuts effectively compete against the more pricey Starbucks products. Another threat is imitation because many competitors have already imitated Starbucks and succeeded, such as Stars and Bucks which is a coffeehouse in the Palestinian Territories. Lastly another threat to Starbucks is the independent coffeehouse movements because there is also a growing social movement supporting independent coffeehouses and opposing large coffeehouse chains like Starbucks.

P3 - Undertake pilot primary market research and collect sample data

Here is a sample of my first pilot questionnaire which I gave to 20 random people in my local area.

A pilot questionnaire on coffee

Please tick your answers

1. **What** type of coffee do you drink/buy?

- Cappuccino
- Espresso
- Americano
- Macchiato

2. **What time of day do you usually drink coffee? (tick all that apply)**

- Morning
- Afternoon
- Evening
- Night

3. **Why do you drink coffee?**

- To keep me focused
- To give me energy
- When I need a break during the day
- To keep me awake

4. **Where do you drink coffee?**

- At home
- At school/university/the workplace
- In restaurants
- In coffee bars/pubs

5. **How many cups of coffee do you drink per day?**

- 1-2
- 3-4
- 5+

6. **Would you be interested in purchasing a coffee machine?**

- Yes
- No

7. **Which of the following are important to you when buying a coffee?**

- The price
- The quality
- Brand

Taste

8. How often do you visit coffee shops?

- All the time
- Often
- Occasionally
- Sometimes

9. On average, how much do you spend daily in a coffee shop?

- Less than £5
- £5-£10
- £11-£15
- £16+

10. What other items do you buy with your coffee?

- I don't buy anything else
- Sandwich
- Biscuit
- Doughnut

Above is a sample of my pilot questionnaire, I issued this questionnaire to 20 people in my local area to collect some data for my friend. So I found out that 3 people preferred a Macchiato, 7 preferred an espresso and 8 preferred a cappuccino. However 2 did not tick anything as they did not prefer any of the ones listed. Another set of data that I found was that 8 people usually drink coffee in the mornings only, 4 drink coffee in the mornings and evenings, another 4 drink coffee usually in the afternoon, 3 drink coffee usually in the evenings only and 1 drinks coffee usually in the mornings and at night. In addition another set of data collected is that 8 people drink coffee to keep them focused, 5 people drink coffee to give them energy, 3 people drink coffee when they need a break during the day and 2 people said they drink coffee to keep them awake. However 2 people did not tick the relevant boxes given. Furthermore I also found out that 13 people drink coffee at school/university/workplace, 6 people drink coffee at home and 1 person drinks coffee in coffee bars/pubs. Also I found out that all those 20 people in my sample drink coffee 1-2 times a day, in addition my data allowed me to recognise that 5 people would purchase a coffee machine, 4 would not purchase a coffee machine and 11 left it blank.

Moreover I also found out from my data that for 11 people the quality, taste and price was important for them, for 4 people the price and quality was important and for 2 people the brand and quality was important when buying a coffee, for another 2 the price, quality, brand and taste mattered. Whereas one respondent ticked quality and price, however said he had other things which he thinks are important to him when buying a coffee but are not listed. Another set of data that I found from my pilot questionnaire was that 10 people visit a coffee shop sometimes, 5 people visit a coffee shop all the time, 3 people often visit a coffee shop and 2 visit a coffee shop occasionally. Also I found out that on average from my sample of 20 people, 10 people spend less than £5 daily in a coffee shop, 9 people on average spend

£5-£10 daily in a coffee shop and 1 person on average spends £11-£15 daily in a coffee shop. Lastly I also found out through my pilot questionnaire that 11 people don't buy anything else with their coffee, 7 people buy a sandwich with their coffee and 2 people buy a doughnut with their coffee.

Furthermore analysing the data I have found from my sample, it made me realise that I have made some errors. The first error I made was asking people just in my local area, as it doesn't give enough opinions, also because of the fact that it was random people meaning I didn't have a certain age limit. Another error that I made was the title because I said 'a pilot questionnaire on coffee', however this is not telling the respondents what my purpose is. Another error I have made in my sample is that I don't ask a question on whether they actually drink coffee or not because not every respondent I approach would drink coffee, therefore my questionnaire is biased here as I am assuming whoever I ask will drink coffee. In addition another error that I have made is that for nearly all my questions I do not have an option as other, as for instance some respondents left questions blank because the ones listed may not be applicable to them as each individual has subjective opinions/choices. Moreover another error I found from my sample is that I ask my respondents if they would be interested in purchasing a coffee machine, which is okay but may give them a better alternative. This could result in my friend's business losing customers from the start because people will purchase a coffee machine instead due to it being cheaper in the long run than buying a coffee daily from a shop/stall. However you can argue it is good that question is asked because it will give my friend an idea, like perhaps he can sell coffee packs/capsules and personalised cups etc to customers for their machines and when they drink at home. Lastly another error that I found in my questionnaire was that one of my questions was how often do you visit coffee shops? So the problem with this was firstly two of my options occasionally and sometimes fairly mean the same thing, secondly I did not have an option as never because one may not visit a coffee shop to buy coffee due to other places where coffee can be available.

Overall my sample was random and the advantages of my pilot questionnaire being random was that it represented the target population which means it eliminates sampling bias. Another advantage is it is suitable for data analysis which includes the use of inferential statistics. In addition another advantage is the method is simple to use, lastly another advantage of random sampling is it is very easy to assess the sampling error in this method. On the other hand a disadvantage of my pilot questionnaire being random is that it is very difficult to achieve i.e. time, effort and money. Another disadvantage is that this method carries larger errors from the same sample size than that are found in stratified sampling. In addition another disadvantage is that it cannot be employed where the units of the population are heterogeneous in nature. Lastly another disadvantage of random sampling is that this method lacks the use of available knowledge concerning the population.

P4 - Undertake the final market research activity using a detailed sampling plan to obtain a range of secondary and primary data.

Now here is a sample of my final pilot questionnaire which I gave to 100 people in my local area, but this time it was systematic as I issued the questionnaire to people at shopping centres, near local coffee shops and around town for people who were over the age of 16. The reason for doing this was because at these locations people would have a genuine opinion on coffee and the reason for having it over the age of 16 was because they are less likely to drink coffee due to other alternatives like fizzy pop, hot chocolate, milkshakes etc.

A pilot questionnaire on setting up a mobile coffee stall

Please tick your answers

1. **Do you drink coffee**

- Yes
- No

2. **What type of coffee do you drink/buy?**

- Cappuccino
- Espresso
- Americano
- Latte/Coffee latte
- Macchiato
- Other, please specify:

3. **What time of day do you usually drink coffee? (tick all that apply)**

- Morning
- Afternoon
- Evening
- Night

4. **Why do you drink coffee?**

- To keep me focused
- When I need a break during the day
- To keep me awake
- To give me energy
- I like the taste
- Other, please specify:

5. **Where do you drink coffee?**

- At home
- At school/university/the workplace
- In restaurants
- In coffee bars/pubs
- Other, please specify:

6. **How many cups of coffee do you drink per day?**

- 1-2

- 3-4
- 5+

7. **Do** you currently own a coffee machine at home? (If no go to question 9)

- Yes
- No

8. **Where** do you buy the coffee you use at home from?

- Supermarkets (Tesco, Morrison's, Waitrose etc)
- Corner shops
- Online (Whittard etc)
- Wholesale
- Other, please specify:

9. **Would** you be interested in purchasing one?

- Yes
- No
- Perhaps

10. **Which** of the following are important to you when buying a coffee?

- The price
- The quality
- Brand
- The type of coffee
- Other, please specify:

11. **How** often do you visit coffee shops?

- All the time
- Often
- Sometimes
- Never

12. On average, **how** much do you spend daily in a coffee shop?

- Less than £5
- £5-£10
- £11-£15
- £16+

13. **What** other items do you buy with your coffee?

- I don't buy anything else
- Sandwich
- Biscuit
- Doughnut
- Other, please specify:

14. Would you be prepared to try flavoured coffee?

- Yes
- No
- Perhaps

15. Which flavour would you prefer in a coffee?

- Orange
- Cherry
- Vanilla
- Mint
- Pear
- Other, please specify:

To correct the first error I made in my sample, in my final questionnaire I gave it to people in shopping centres, near local coffee shops and around town. This was done so I can get a wider range of opinions, which are more effective as people around coffee would tend to know/have coffee. Whereas near theme parks for instance would not be as effective as it is not specific enough to fulfil the purpose of the questionnaire. Also having the age limit of 16 and over to respond to my questionnaire was because under 16's are less likely to drink coffee, like I have mentioned above there are many other things under 16's prefer over coffee which are fizzy pop, hot chocolate and milkshakes. Therefore choosing these different locations does not make it biased compared to my sample as that was just in my local area and not in any precise location. Another error which I corrected in my final pilot questionnaire was by changing the title to 'a pilot questionnaire on setting up a mobile coffee stall, as this title compared to the title from my sample is more effective. As it shows the respondent the purpose behind this questionnaire, which as a result makes it more meaningful for them and my friend. In addition another error which I corrected in my final pilot questionnaire was by adding in as my first question whether the respondent actually drinks coffee or not by having the options 'yes' and 'no', as this gives my friend a better scope to identify in the local area how many people drink coffee or not without any bias.

Furthermore another error which I corrected in my final pilot questionnaire was list more choices in my questionnaire and adding an option of 'other' because some of the one's I list may not be applicable to them, also it gives them the chance to tell me their preferences which is beneficial because I don't get limited to the data I get back. In addition another error which I corrected in my final pilot questionnaire was by keeping the question on whether they would be interested in purchasing a coffee machine, but then adding additional questions such as if they already own a coffee machine at home. If so where they buy the coffee they use at home from, as these questions will give me an idea on whether coffee machines are popular in people's homes or not. Whilst if it is then my friend can diversify by selling coffee packs/capsules and personalised coffee equipment eg. cups to customers to use at home for

their coffee machine, as this is a way my friend can also attract customers as well as selling coffee. Also I corrected the error on the question regarding how often one visits a coffee shop in my final pilot questionnaire because two of my options sometimes and occasionally meant the same thing, so I removed the option of occasionally and placed it with never. Since it does not make it biased towards having to go to a coffee shop only, as there are other places where coffee is available such as coffee machines at universities, at home, workplaces, coffee stalls, pubs, restaurants and readymade coffee in supermarkets. Lastly to make my final pilot questionnaire effective and efficient as possible I added two questions at the end on whether one would be prepared to try a coffee, also if yes which flavour they would prefer to have. As by having these two questions it gives me a general idea on whether this innovative idea would be beneficial and successful for my friend, as having flavoured coffee can give my friend a larger and stronger customer base and a potential to generate more profit.

So one set of data that I got from my final pilot questionnaire after giving it to 100 people was that 68 people drink coffee, whereas 32 people do not drink coffee. Another set of data I found out was that 29 people drink a cappuccino, 24 people drink a latte, 23 people drink an espresso, 11 people drink a macchiato and 6 people drink an americano. Whereas 7 people ticked other and specified coffee's such as a mocha, ristretto and iced coffee. Furthermore another set of data that I found from my final pilot questionnaire was that 46 people drink coffee usually in the mornings, 21 drink coffee usually in the afternoons, 15 people drink coffee usually in the evenings, 11 people drink coffee usually in the morning and afternoon, 5 people drink coffee usually in the morning and evening and 2 people drink coffee usually at night. In addition another set of data that I found was that 35 people drink coffee when they need a break during the day, 29 people drink coffee to keep them focused, 24 people drink coffee to give them energy, 6 people drink coffee to keep them awake, 2 people drink coffee when they want to treat themselves, another 2 drink coffee because they like the taste. On the other hand 2 people ticked other and specified they drink coffee when they are stressed. Another set of data that I found was that 59 people drink coffee at school/university/workplace, 21 people drink coffee in coffee bars/pubs, 7 people drink coffee at home and 3 people drink coffee in restaurants. Whereas 10 people ticked other and specified they drink coffee on the go and at shopping centres ie coffee stalls.

Moreover another set of data that I collected from my pilot questionnaire was that 100 people drink 1-2 cups of coffee per day, so this means none of my respondents have more than 2 cups of coffee per day. Another set of data that I found was that 7 people currently own a coffee machine at home, whereas 93 people do not currently own a coffee machine at home. Therefore for those 7 people who own a coffee machine at home were asked where they buy the coffee they use at home, the result was that 4 people buy their coffee from supermarkets, 2 people buy their coffee from a wholesale and 1 person buys their coffee online. So then the 93 people who ticked no to owning a coffee machine at home were asked if they would be interested in purchasing one, the result was that 47 people said perhaps which means they are in two minds. Whereas 25 people said they would not be interested in purchasing a coffee machine, but 12 people said they would be interesting in purchasing a coffee machine. Also another set of data that I found was regarding aspects which are important to my respondents when buying a coffee, so 34 people said the type of coffee, 30 people said the quality, 21 people said the price, 11 people said the brand. Whereas 4 people ticked other and specified things like taste, fairtrade and recommendations. Another set of data that I found was that 65 people visit coffee shops sometimes, 22 people visit coffee shops oftenly, 7 people visit coffee shops not at all and 6 people visit coffee shops all the time.

Furthermore another set of data that I found was that on average 63 people spend less than £5 in a coffee shop, 28 people spend between £5-£10 and 9 people spend between £11-15. Another set of data that I found was that 47 people do not buy anything else with their coffee, 21 people buy a sandwich with

their coffee, 17 people buy a doughnut with their coffee and 6 people buy a biscuit with their coffee. However 9 people ticked other and specified things like, cake and crisps. In addition another set of data that I found was that 67 people would be prepared to try flavoured coffee, 26 people said perhaps which means they are in two minds and 12 people said they would not be prepared to try flavoured coffee. Lastly another set of data that I found from my final pilot questionnaire from 88 of my respondents because 12 said they would not be prepared to try flavoured coffee was that 28 people would prefer mint flavour in their coffee, 23 people would prefer cherry flavour in their coffee, 14 people would prefer vanilla flavour in their coffee, 4 people would prefer pear flavour in their coffee and 3 people said they would prefer an orange flavour in their coffee. On the other hand 16 people ticked other and specified flavours such as chocolate, strawberry, bubblegum, honey and caramel.

Overall my final pilot questionnaire was systematic, therefore an advantage of this is that it provides a representative sample. Another advantage of systematic sampling is that it is relatively easy to construct, execute, compare and understand. In addition another advantage of systematic sampling is that it provides the researcher with a degree of control and sense of process. Where this might be particularly beneficial for studies with strict parameters or a narrowly formed hypothesis, assuming the sampling is reasonably constructed to fit those parameters. Lastly another advantage of systematic sampling is that the chosen data is evenly distributed. On the other hand a disadvantage of systematic sampling that this method assumes that the size of the population is available or can be reasonably approximated. Another disadvantage of systematic sampling is that a population needs to exhibit a natural degree of randomness along the chosen metric, but if the population has a type of standardized pattern then the risk of accidentally choosing very common cases is more apparent. In addition another disadvantage of systematic sampling is the greater risk of data manipulation because researchers might be able to construct their systems to increase the likelihood of achieving a targeted outcome rather than letting the random data produce a representative answer. Lastly another disadvantage of systematic sampling is that it is very difficult to achieve i.e. time, effort and money is needed.

M2 - Analyse the reasons for choosing particular research methods, the type of data to be collected and the sampling plan.

Firstly I chose to have data being collected on the coffee market eg. which type of coffee do you drink? As my friend wants to open up a mobile coffee stall. So with the help of my pilot questionnaire as primary data it allowed me to know people's tastes and preferences because when my friend eventually opens his own he will be able to satisfy his customers. Whereas secondary data it is most of the time not up-to-date or relevant to the situation that the marketer is attempting to address. Although I used secondary data from the internet and competitors report to identify who my friend's competition is, the market share of coffee businesses etc. This data was cheaper and less time consuming compared to primary data, as secondary data already exists. However primary data is more reliable and valid since you collect it yourself as well as the data being up to date, due to consumer FTP's changing all the time. On the other hand with the use of the internet I was able to find out statistics on the coffee market, how to be successful and geographic data which my friend can apply to his marketing mix.

Furthermore I chose to have 20 people as my sample for my pilot questionnaire at first to gain a brief idea on whether they prefer coffee or not. However then I changed my sample size to 100 because it avoids being biased, as a result it becomes more valid and reliable to use as data. In addition the size of my sample dictates the amount of information I have, therefore determines the level of confidence that I have in my sample estimates. Since an estimate always has an associated level of uncertainty, which depends upon the underlying variability of the data as well as the sample size. So the larger the sample size the

more information I have, as well as the uncertainty being reduced. Therefore increasing my sample size can give me greater power to detect differences as suppose there is a difference in the proportion of men and women who like coffee. Then I can estimate the sample proportions for men and women separately and then calculate the difference, since when I sampled 20 people originally suppose that these were made up of 10 men and 10 women. where 7 and 9 of whom drink coffee respectively, the proportion of men and women drinking coffee in my sample varies with less men than women drinking coffee.

D2 - Evaluate the effectiveness of the pilot research recommending changes that should be made to the final market research activity.

Firstly a pilot study is a strategy used to test the questionnaire using a smaller sample compared to the planned sample size, as in this phase of conducting the study the questionnaire is administered to a percentage of the total sample population. Therefore one advantage of using a pilot study is the fact that it explores particular issues that may potentially have an antagonistic impact on the survey results, where these issues include the appropriateness of questions to the target population. Another advantage of a pilot study is it tests the correctness of the instructions to be measured by whether all the respondents in the pilot sample are able to follow the directions as indicated. Furthermore another advantage of a pilot study is it provides better information on whether the type of survey is effective in fulfilling the purpose of the study. Also another advantage of a pilot study is it often provides the researcher with ideas, approaches and clues they may not have foreseen before conducting the pilot study, where such ideas and clues increase the chances of getting clearer findings in the main study. Moreover another advantage of a pilot study is it can greatly reduce the number of unanticipated problems because you have an opportunity to redesign parts of the study to overcome difficulties that the pilot study reveals. In addition another advantage of a pilot study is that in the pilot study the researcher may try out a number of alternative measures and then select those that produce the clearest results for the main study. Lastly another advantage of a pilot study is they save financial resources because if errors are found in the questionnaire or interview early on, there would be a lesser chance of unreliable results or worse that you would need to start over again after conducting the survey.

Whereas one disadvantage of a pilot study is it is time consuming, as you have to go through many stages such as writing the questionnaire out, then giving it to a small amount of people and then a large amount of people. As doing just a small sample will not be very accurate and can lead to being biased, so having more people the greater the accuracy. Another disadvantage of a pilot study is if you forget to ask a question you cannot usually go back to the respondents especially if they are anonymous. Furthermore another disadvantage of a pilot study is it is sometimes difficult to obtain a sufficient number of responses, as most people do not have the time to fill it in or ignore to fill it in. In addition another disadvantage of a pilot study is the fact that those who have an interest in the subject may be more likely to respond, skewing the sample. Lastly another disadvantage of a pilot study is it may be unsuitable for some kinds of respondents, e.g. visually impaired people.

On the other hand a change that I would like to recommend to the final market research activity is asking people from shopping centres near independent coffee stores, rather than what I did which was ask the public in my local area. As by asking people near coffee stores makes the pilot study more reliable as my respondents are more likely to be in favour of the pilot questionnaire, also since by them filling it in can mean my friend can satisfy their needs completely for the coffee experience they want. As for example Starbucks does not offer flavoured coffee or personalised cups, therefore by doing the pilot questionnaire my friend can identify what flavours are popular within the pilot study and which he can bring via his mobile coffee business and whether people are willing to buy personalised coffee equipment. Another change that I would like to recommend to the final market research activity is doing my first sample then leaving a three month gap then doing the second, as I did my first sample then I had left just a three week gap between both samples. So I feel this time period is not enough because if I did my second sample after 3 months then it would give me better results. Firstly because consumers tastes and preferences are always changing, whilst if you think about in between my three weeks it cannot change much. Also because whilst

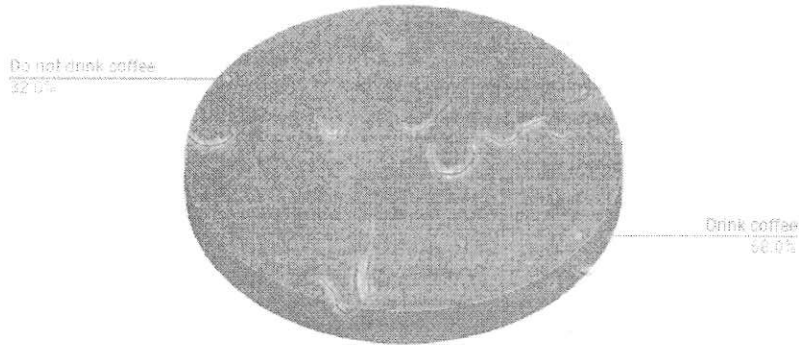
I did my pilot questionnaire in the 3 weeks of both samples, other coffee businesses which already exist may satisfy a need of the customers that I have recognised from my pilot questionnaire. Therefore my data becomes futile and becomes costly as then I will have to wait for another time period to create one again as consumer tastes and preferences are always changing. For example it is like the clothes market ie onesies because they became very popular and everyone started to follow the trend, but now the trend has slowed down and the new trend now is the bomber/puffer jackets.

Moreover another change that I would like to recommend to the final market research activity is my target market, as I mainly asked adults in their middle ages, therefore in order for my pilot questionnaire to be more effective I should have asked different age groups. For instance adults, young adults and teens, since my friend will provide a service for varied age groups ie school pupils, university students, employers etc. Therefore if I did give the questionnaire to different age groups then it would allow me to gain subjective opinions on coffee for my friend to analyse in order to be successful when he starts his business. Lastly another change that I would like to recommend to the final market research activity is also regarding my target market. As I mentioned before I gave my questionnaire to adults in their middle ages` in my local area, also considering the fact that Handsworth is not as well off compared to other areas, this makes my questionnaire not so effective and efficient for my friend. Therefore in order for my friend to get the best data from the pilot questionnaire I should have asked people from different areas like Staffordshire, Walsall, solihull etc, as then I can receive data which is realistic and relatable because these areas social statuses and income vary. So it is beneficial for my friend to do this because he can allocate a suitable pricing for his products depending on this information, also my friend can see which areas would prefer this service if it is available. As then my friend can go to them because he will have a mobile coffee stall, which is in itself an advantage because he is attracting a wider range of customers which expand the customer base and will bring awareness amongst the areas of my friend's business.

Learning Aim C

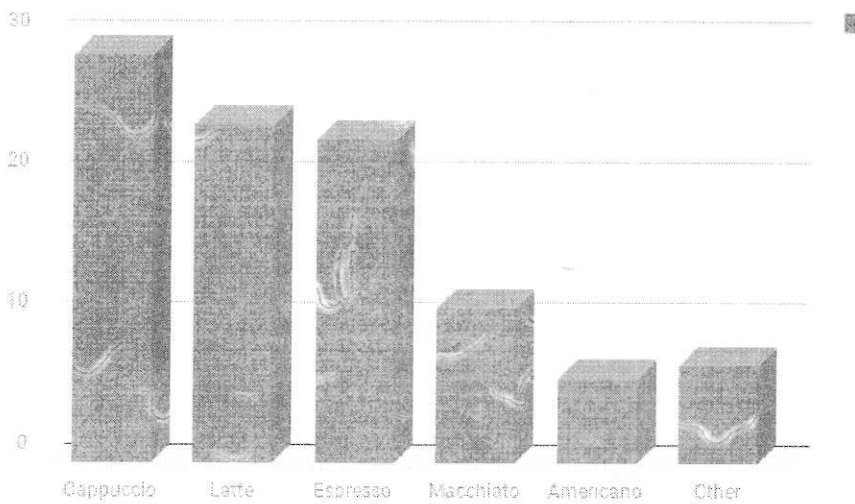
P5 - Interpret findings from the market research undertaken, presenting them in a range of different formats.

Pie chart showing whether people drink coffee or not



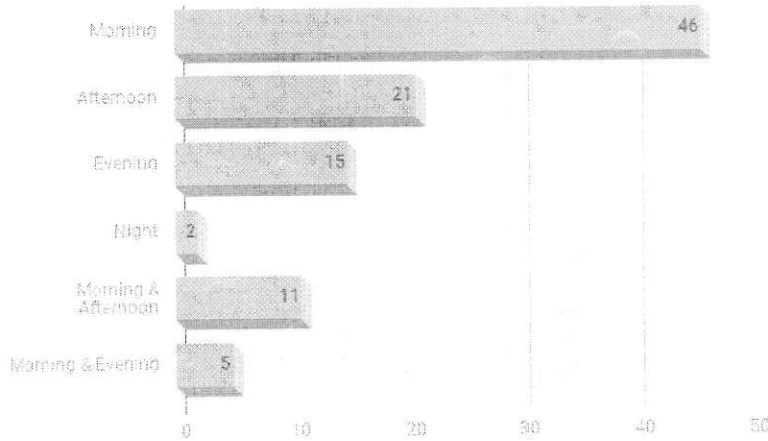
Above is a pie chart showing whether people drink coffee or not, the result is as follows 68% do drink coffee whereas 32% from my sample do not. This shows then that from my sample coffee is preferable as it is the majority.

Data on what type of coffee people drink



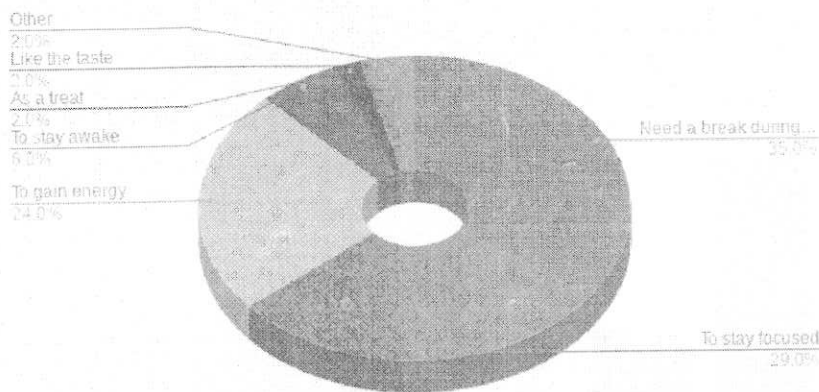
Above is a bar chart on the type of coffee people drink, where 30 drink cappuccino so it is the highest result and more popular amongst the rest mentioned. However I can also see that only 6 people drink an Americano, therefore it shows that it is the least preferred.

Data on the time of day people drink coffee



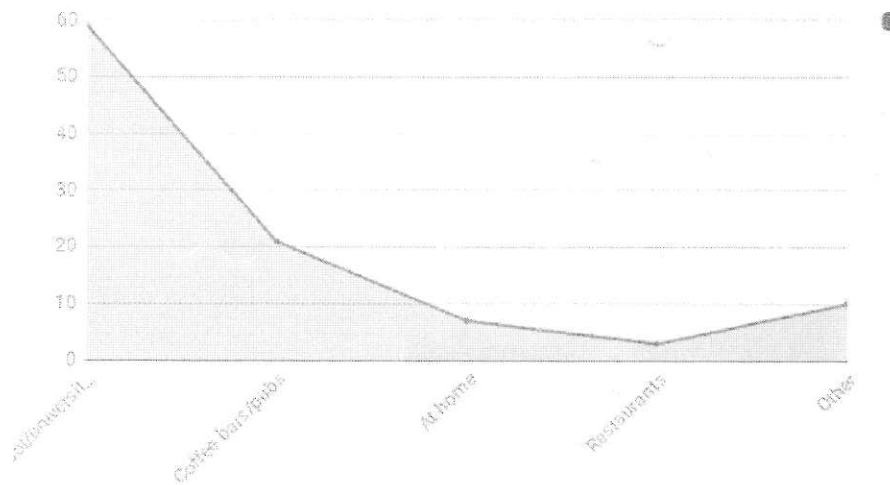
Above is a column chart on the time of day people drink coffee, where I can relate that drinking coffee is very popular amongst other times of the day because 46 people drink coffee in the morning from my sample. Whereas drinking coffee at night is the least popular amongst other times of the day to drink coffee, as only 2 people from my sample drink coffee at night.

Pie chart on the reasons why people drink coffee



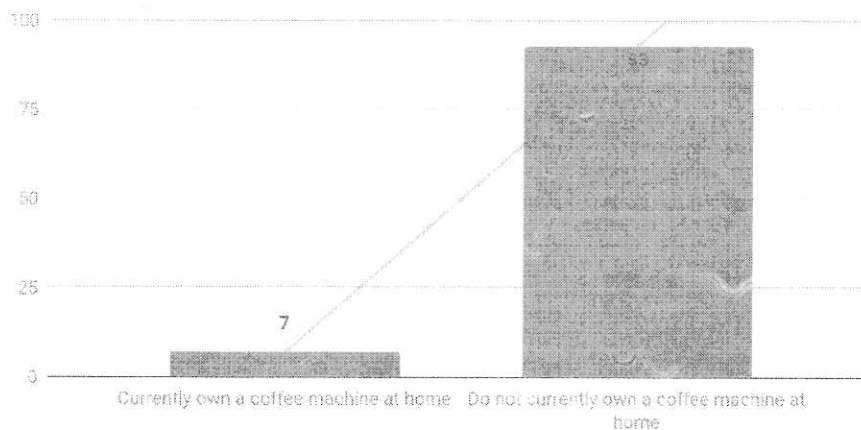
Above is a pie chart displaying the reasons why people drink coffee, from the pie chart I can identify that drinking coffee to need a break during the day is most popular from the other reasons because 35% of people from my sample selected that reason. On the other hand I can also identify that reasons such as liking the taste of coffee and having it as a treat were not much of a reason for people to drink coffee, as they both hold 2% each across the whole pie chart.

A graph showing where people drink coffee



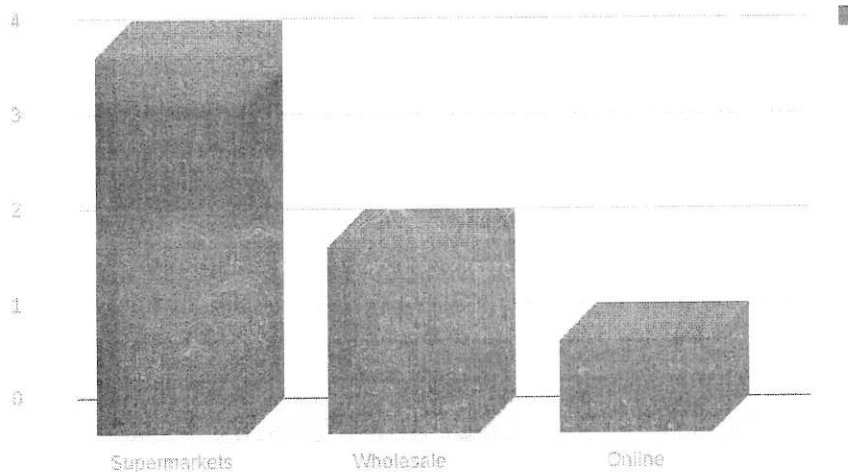
Above is an area graph to display the locations where people drink coffee, so from this graph you can see most people drink coffee at their workplace/university, as that accounts for a number of 60 people. Whereas from my sample the least preferred location where people drink coffee is at restaurants, as only 3 people selected that option.

A graph showing how many people currently own a coffee machine at home or not



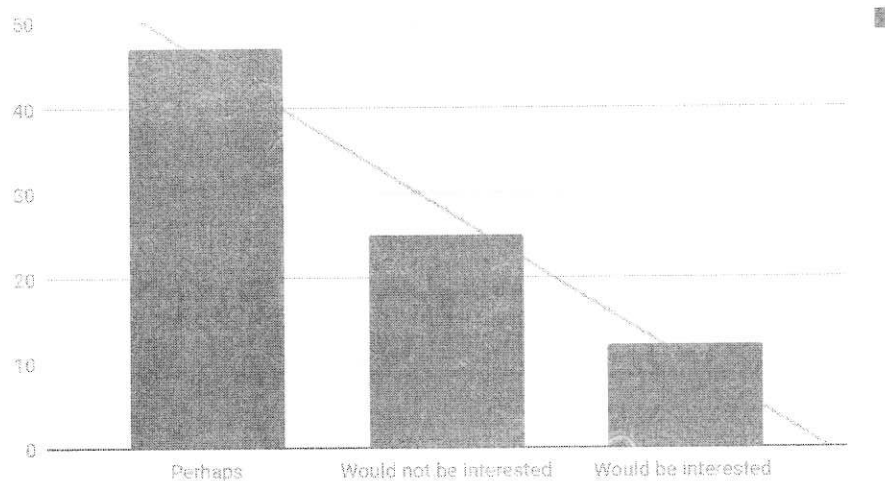
Above is a column chart showing whether people currently own a coffee machine at home, from this I can notice that 7 people currently own a coffee machine at home, whereas 93 people do not currently own a coffee machine at home.

A chart showing where the 7 people who own a coffee machine at home buy their coffee from:



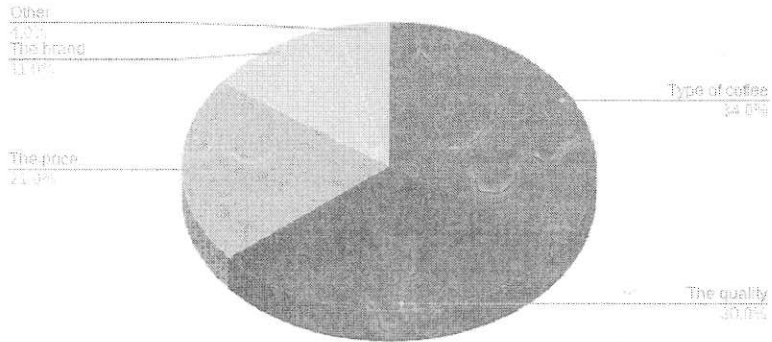
Above is a bar chart showing where the people who currently own a coffee machine at home purchase their coffee from. From this then I can identify that the majority which consists of 4 people prefer buying their coffee from supermarkets, whereas the minority consisting of just one person prefers buying their coffee online.

A chart showing out of the 93 people who said they do not currently own a coffee machine, were asked if they would be interested in purchasing



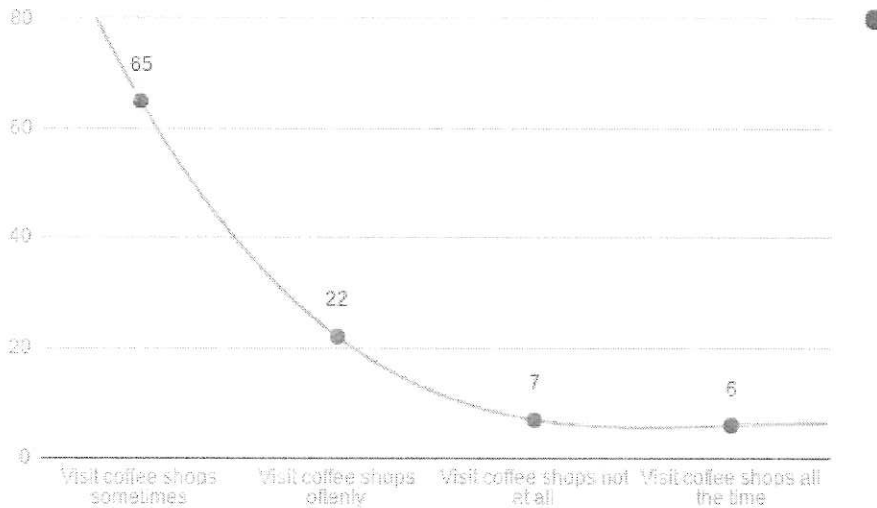
Above is a chart portraying the result of whether the 93 who do not currently own a coffee machine at home would be interested in purchasing one. The result is then as follows: 47 people said perhaps so are in a situation where they would not mind, 25 people said they would not be interested and 12 people said they would be interested in purchasing a coffee machine at home.

Pie chart showing the aspects which people find important when buying a coffee



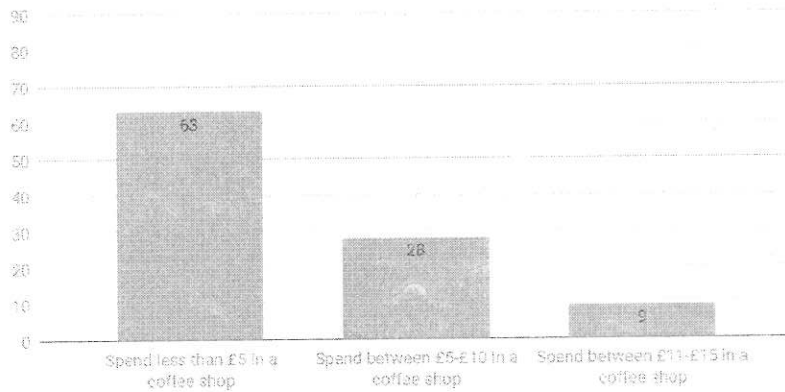
Above is a pie chart showing the aspects which people consider important when buying their coffee, so the most selected option was the type of coffee as it covered 34% of the pie chart. Whereas the least selected option from my sample of 100 people was 'other' because it just covered 4%.

Chart showing whether people visit coffee shops



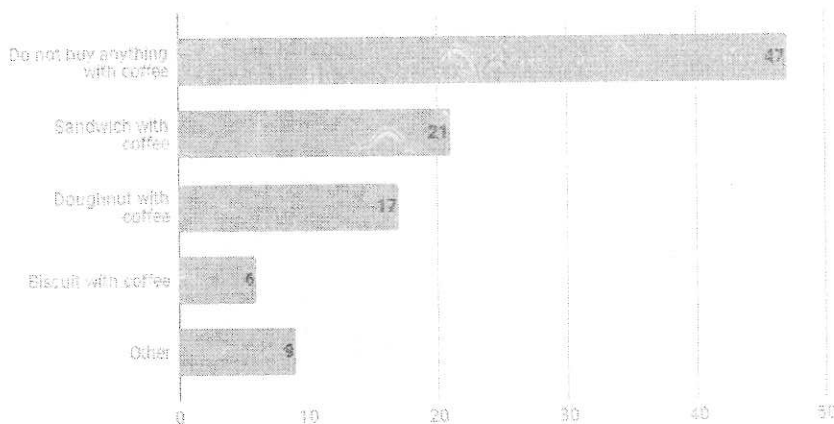
Above is a line graph revealing the result of whether people visit coffee shops and I acknowledged from my sample of 100 people that 65 people visit coffee shops sometimes which is the highest number amongst the others. On the other hand 6 people from my sample of 100 people visit coffee shops all the time which is the lowest number amongst the rest.

Chart showing how much people spend on average daily in a coffee shop



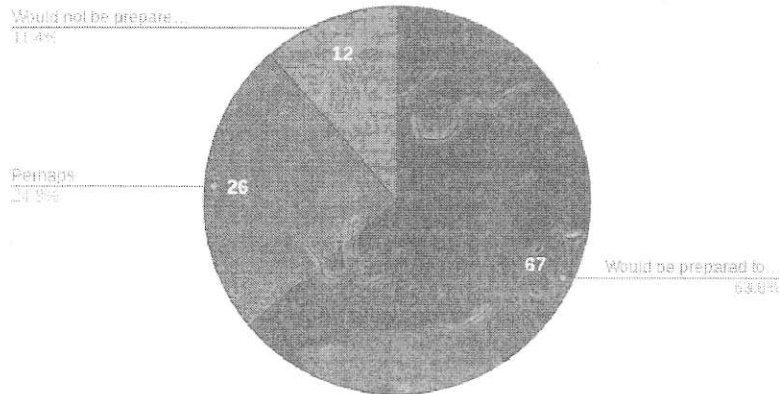
Above is a column chart showing how much people spend daily in a coffee shop, from the chart then you can see that spending less than £5 in a coffee shop from my sample of 100 people is the most common. This is because 63 people selected that box, whereas you can also see that spending between £11-£15 in a coffee shop is the least common as only 9 people ticked that box.

Chart showing whether people buy anything else with their coffee



Above is a bar chart showing whether people buy anything else with their coffee, so from this bar chart you can identify that 47 people out of my sample of 100 people do not buy anything else with their coffee. On the other hand you can also identify that 4 people out of the sample of 100 people prefer buying a biscuit with their coffee, which is the lowest number on the chart.

Pie chart showing whether people would be prepared to try flavoured coffee



Above is a pie chart showing whether people would be prepared to try flavoured coffee and from this I can tell that 67% which is the highest percentage would be prepared to try flavoured coffee, whereas a small number of people amounting to 12% would not be prepared to try flavoured coffee.

Table showing which flavour the 88 people who are prepared to try flavoured coffee would like

1 Mint flavour	28
2 Cherry flavour	23
3 Vanilla flavour	14
4 Pear flavour	4
5 Orange flavour	3
6 Other	16

Lastly above you can see a table showing which flavour the 88 people who are prepared to try flavoured coffee have selected, whilst the types of flavours are listed as options on the left and the result for each flavour is along on the right. So the most popular flavour selected from my sample of 100 people consisted of 28 people for the mint flavour, whereas the least popular flavour selected from my sample of 100 people consisted of 3 people for the orange flavour.

M3 - Analyse the findings of the market research using a wide range of statistical techniques and comment on confidence levels.

The findings that I have gathered through my market research are reliable and effective to analyse because it gives me the power to distinguish between the data, as it shows positive and negative trends. Therefore the means I used to present my findings were very good because I can identify points such as the level of output, proportionality etc. So according to the information I have gathered it seems as if my data displayed in different formats has given me a greater confidence level because if you take my line graph for instance on whether people visit coffee shops it clearly shows that it is a negative trend because the line goes down from the right instead of up. Therefore from this I can acknowledge that from my

sample not many people visit coffee shops only as a mean to buy a coffee, this may be the result because they have alternative ways of drinking coffee eg. a coffee machine at home, at work/university etc. In addition my sample is a reasonable amount to acquire various views on coffee because I asked 100 people, therefore this number gives me a scope to receive valuable information which can be applied to help my friend start up his coffee stall. Although I do feel at one point my sample was a little biased because a portion of the people I asked in my sample were at a coffee shop, so this clearly shows they would obviously be in favour of coffee and coffee shops.

In addition my findings have supported me to analyse the aspects which my friend will need to cover to be successful in his business and to satisfy his customers. As if my data is missing something important such as the price then people would not fill every gap, therefore my pilot questionnaire would be futile because I have not gained any information on the prices consumers are willing to pay. Furthermore the most significant differences identified from my data presented in different formats are each segment from a pie chart for instance shows me the amount. This is useful because it allows me to visualise the difference in amount between each aspect which is part of the question. For example one of my pie charts covers the question on whether people would be prepared to try flavoured coffee, where I identified 67% would be prepared, 26% said perhaps and 12% said they would not be prepared. Therefore from that it shows me the majority of my sample would be prepared to try flavoured coffee and so my friend can innovate new flavours to fulfil people's coffee desires. Also a major significant difference identified from my data presented in a pie chart was whether people drink coffee or not, so my sample for this question got me a fair and reasonable response. As 68% of people said they drink coffee and 32% of people said they do not drink coffee, this then displays to me that from my sample people did prefer coffee and are willing to try new innovations of coffee which is made available.

Furthermore with the data collected I can identify special numbers such as the mode and average of the data obtained. For example one of my data on whether people buy anything else with their coffee is presented as a bar chart, so the result was that 47 people do not buy anything with their coffee, 21 buy a sandwich with their coffee, 17 buy a doughnut with their coffee, 6 buy a biscuit with their coffee and 9 selected other. From this then I can see that not buying anything else with a coffee is the mode as it is the highest figure, whereas the opposite to this is 'other' because it is the lowest figure. Therefore these results can allow me to work out the range, so if I take the highest result of 47 and minus the lowest result 6 it gives me the range as 41. Lastly a trend that I have spotted from one of the data that I have received after my pilot questionnaire was completed is whether people currently own a coffee machine. So 7 people currently do own a coffee machine at home whereas 93 do not, therefore this is a positive trend because if more people owned coffee machines at home then it could affect the sales of coffee being sold. Whilst in relation to my friend's mobile coffee stall he would not gain enough sales because of people being able to make and have one at home which is a benefit for them because it saves them money and time.

D3 - Assess the limitations of the data collected and justify research planning process improvements in light of the work undertaken.

Firstly one limitation of the data I collected was that I did my first questionnaire and final market research in a span of just 3 months, therefore this has had an impact as it has limited me to gain sufficient views. Since over period of times consumer FTP's regularly change, so to improve this I think I should have perhaps done it in a span of 6 months. As this gives me a greater scope to collect valuable and recent data which will mean more than something that is not as accurate or of good use. Another limitation of the data I collected is the sample size as I used a sample of 100 people, which I feel has limited the amount of data I could acquire. Also regarding my sample size it can be classed as small, therefore because of that it has made it difficult to find significant relationships from the data. Since to identify significant relationships it normally requires a larger sample size to ensure a representative distribution of the

population and to be considered a representative of groups of people to whom results will be generalised or transferred. So to improve this I should have used a sample of 200 people because then I would have a larger sample size to get more accurate results, also with this number of people I could identify significant relationships from the data which could be useful for my friend to ensure he is fulfilling demand and meeting customer needs.

Furthermore another limitation of the data I collected was that I asked some people in coffee shops, therefore this makes it biased because these people in coffee shops will certainly be in favour of coffee, since there is a systematic difference between the results from the study and the true state of affairs i.e. from people asked in the general public in the local area. Therefore to avoid this for the future I could use appropriate statistical methods as they can reduce the effect of bias, however it may not eliminate it totally. Whereas an alternative is to design the study first in order to avoid bias in the first place, as then the data collected will be more effective as it is free from bias and will allow me to gain a varied range of subjective views. In addition another limitation of the data I collected is the measure used to collect the data because after completing my interpretation of the findings I discovered that the way in which I gathered data inhibited my ability to conduct a thorough analysis of the results, as for instance I regret not including a specific question in my pilot questionnaire which I believe that in retrospect it could have helped address a particular issue that emerged later in the study. The question which I felt was necessary to be a part of in the pilot questionnaire was 'when would you like to see the mobile coffee stall open?' As this question would allow me to know the timings of when people would come and visit to have a coffee, therefore I think considering questions carefully covering the marketing mix properly is an improvement that I would make in order for my friend's business to gain enough knowledge on what customers want.

Moreover another limitation of the data I collected was self-reported data because I had to take what people said on the questionnaires at face value. Therefore this can contain several potential sources of bias and can become apparent if they are incongruent with data from other sources. So the type of biases I may have faced in my questionnaires are selective memory which is remembering or not remembering experiences or events that occurred at some point in the past, telescoping which is recalling events that occurred at one time as if they occurred at another time, attribution which is the act of attributing positive events and outcomes to one's own agency but attributing negative events and outcomes to external forces and lastly exaggeration which is the act of representing outcomes or embellishing events as more significant than it is actually suggested from other data. Also in relation to this the results of the marketing research are very vague because it is carried out on consumers/customers who are humans, due to that then this becomes a limitation too because humans have a tendency to behave artificially when they know that they are being observed. So the consumers and respondents upon whom the research is carried out behave artificially when they are aware that their attitudes, beliefs, views, etc. are being observed. Therefore to improve this and overcome the problem next time I could collect additional data like objective data e.g. budget deficits. Or alternatively examine simultaneously the relevant population and review participants' filings dealing with leadership satisfaction, trust in leadership etc.

Also another limitation of the data I collected was budgetary constraints because gathering and processing the data was expensive and time-consuming, also my friend lacked the funds to pay specialist market research agencies to gather such data for him. As this then meant my friend had to rely on data that is less than 'perfect' as it was not done by an expert in that field and was also accessed more cheaply e.g. from secondary sources. Therefore to improve this for the future my friend could use an external source of finance such as crowdfunding to attract funds. Since the advantages of crowdfunding to my friend are that it can be a fast way to raise finance with no upfront fees, sharing the mobile coffee stall idea can often get my friend feedback and expert guidance on how to improve it, another advantage is that it is a good way to test the public's reaction to my friend's business idea because if people are keen to invest then this means it is a good sign that my friend's idea could work well in the market. Also other advantages include investors can track my friend's progress which may help my friend to promote his brand through their networks, whereas even if the mobile coffee stall may not appeal to conventional

investors then it can often get financed more easily and lastly the investors can often become my friend's most loyal customers through the financing process.

Further another limitation of the data I collected was accuracy because some people's handwriting was not readable when they ticked 'other' and specified something, so because of this I was limited to knowing what they actually meant because I had to then just read the things based on my own interpretation. Therefore to improve this and avoid it in the future I could perhaps do an online survey as it consists of many benefits, but a key advantage is that it is more accurate. Since there have been a number of studies on this subject which indicates that there is a much smaller margin-of-error in online surveys, therefore this is attributed to the fact that the responses go directly to the online database rather than being manually entered by a person. Additionally another limitation of the data that I collected was legal and ethical constraints such as the Data Protection Act 1998 which is a good example of a law that has a number of implications for market researchers collecting and holding personal data. Since for instance researchers must ensure that the data they obtain is kept secure and is only used for lawful purposes and is only kept for as long as it is necessary. Whilst it must be made clear as to why the data is being collected and the consent of participants must be obtained. In addition to this there are a number of guidelines laid down by such organisations as the Market Research Society, although they are not legally binding they encourage organisations to behave ethically when dealing with members of the public. So relating this factor to my sample many people were approached to do this without being informed beforehand, also many people I intended to go to had refused on the basis of not wanting to take part in such a thing due to it being personal data. Therefore to improve this next time I should inform people or give them a notice that I am going to do a study which will involve them to take part, also I must keep the data anonymous so nothing goes out to any other individual or third party.

Lastly another limitation of the data I collected is the fact that the conclusions are not always dependable because there are examples where the research has failed to deliver desired results, or a product failed even when the research had shown promising marketing demand and consumer support. The classical example is of Coke because their marketing research showed that 68% of customers in the US liked the taste of the new formula developed by the Coca-Cola Corporation, however the new coke failed and in less than six months of its launch the Coke management had to re-launch the old Coke under the brand name Coke Classic. Therefore for my friend to avoid such a loss and improve this in the future he can conduct reliable research through focus groups or an online survey, as then it will be more accurate and much more confident to go ahead with because the results will not be baseless because they are done on paper, rather they will be face to face or secured on a database as evidence.