**Market Research: Using Quantitative and Qualitative Data to Inform Decision Making**

**AS Business Studies Unit 1**

****There are principally two types of market research – primary and secondary. Primary research is sometimes known as field research. This is because it involves gathering data through new research. This data can be collected in either a quantitative or qualitative format.

**Quantitative research**

Quantitative research is numerically-based and obtains the hard numbers from which decisions can be made with confidence. Examples of quantitative market research at JD include:

* Exit surveys – carried out face-to-face with consumers as they leave the store. This is a simple survey covering a cross-section of stores to gather the views of consumers in different locations and regions. At JD the purpose of the survey is primarily to understand the reasons for visit, frequency of visit/purchase and reasons for and against purchase.
* The ‘shopping bag’ survey – the JD research team monitors what carrier bags customers entering JD stores are carrying. This helps identify what other stores JD customers use and are spending money in. It provides competitor insight and an idea of which retailers attract a similar customer profile to JD, a variable that can influence the location of new JD store openings.
* On-site fieldwork – JD’s dedicated Site Research team invests significant time researching new locations. This involves defining the extent of a location’s catchment area, reviewing the presence and quality of the competition and assessing the pitch and visibility (i.e. how busy the area is) of a unit. This helps build a detailed SWOT analysis of each new site.

**Qualitative research**

Qualitative information is a primary form of market research which focuses on consumer feelings and opinions on a product or service. This type of research illuminates the facts and figures collected through quantitative research. Examples of qualitative research at JD include:

* Focus groups – by speaking at length with small groups of 8-10 people, more insightful questions can be asked regarding brands and new product developments. At JD these are typically run in schools and colleges, where it can get direct feedback from its core consumers.
* Depth interviews – this involves a researcher accompanying the consumer on a shopping trip in store. This drills deeper into shopper behaviour and their reactions to stores.

When undertaking market research, it is important to reflect the views of all consumers within the business’ target market. However, this would be a huge exercise. One way of managing this is to use sampling methods. Sampling involves taking the responses of a representative group of consumers that are likely to reflect the opinions of the customer base.

**Questions:**

1. **What methods of collecting quantitative and qualitative data does JD Sports use that a start-up business could use and alter to suit its needs quite easily?**
2. **What methods of collecting quantitative and qualitative data does JD Sports use that a start-up business would struggle to use?**
3. **What other methods could a start-up business use to collect quantitative and qualitative data?**
4. **How might sampling, reduce a businesses’ market research costs?**