

Entrepreneurship

Quarter 1 – Module 4
Market Research



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Development Team of the Module:

Author:	Joel Y. Yacas	Janice B. Dominguez
	Naneth M. Valdehuesa	Ronee D. Quicho
	Mary Cris A. Maquilan	Marylinda T. Puzon
	Charity E. Parel	Denver E. Neri
	Lorena Fe S. Anub	Ethel Lalaine B. Morales
Evaluators:	Cherryl F. Descallar	
	Eddy Lou T. Hamak	
	Sherriemae V. Reazol	
Illustrator:	PSSg Edzel M. Dominguez	
Management Team:		
Chairperson:	Dr. Arturo B. Bayocot, CESO III Regional Director	
Co-Chairpersons:	Dr. Victor G. De Gracia Jr., CESO V Asst. Regional Director	
	Mala Epra B. Magnaong CES, CLMD	
	Dr. Bienvenido U. Tagolimot, Jr. Regional ADM Coordinator	
Members:	Elson C. Jamero EPS-Designate-TLE	

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What I Need to Know

Firms and other business companies need to understand their service offerings and their customers to ensure that their services will be adopted as solutions to consumer needs. In order for the firms to recognize the needs of the market or the customers, they need to conduct market research.

The **Market Research or Marketing Research Process** can be defined as the process of gathering, analyzing and interpreting the information about the products or the services to be offered for sale to the potential consumers in the market,

There are different ways to collect the data. The most important methods you can consider are ***surveys, focus group discussion and interviews***.

Students are expected to:

1. Discuss market research
2. Know the meaning of data gathering
3. Identify the different data gathering techniques



What I Know

Before starting with this module, let us see what you already know about market research and data gathering techniques. Answer the questions below by encircling the letter of the correct answer.

1. It is the most common way to gather primary research with the use of questionnaires or interview schedule.
 - A. Interview
 - B. Focus Group Discussion
 - C. Survey
 - D. Data Gathering

2. It is the traditional method of data collection which is normally done on personal manner with the respondents.
 - A. Personal Interview
 - B. Focus Group Discussion
 - C. Survey
 - D. Data gathering
3. A data gathering technique where it can be moderated to group interviews and brainstorming sessions that provide information on user's needs and behaviors.
 - A. Personal Interview
 - B. Focus Group Discussion
 - C. Survey
 - D. Data Gathering
4. It refers to information gathered directly from the respondents who answered set of questions.
 - A. Primary Research
 - B. Secondary Research
 - C. Survey
 - D. Data Gathering
5. A data gathering technique where it can be done via direct mail, over the phone, internet or e-mail.
 - A. Data Gathering
 - B. Survey
 - C. Focus Group Discussion
 - D. Interview
6. It refers to the process of gathering, analyzing and interpreting the information about the product or the services to be offered for sale in the market.
 - A. Primary Research
 - B. Secondary Research
 - C. Data Gathering
 - D. Market Research

7 – 9 In your own opinion what is Market Research?

10 – 15 Give at least three data gathering techniques and explain.

Lesson

1

Market Research



What's In

In the previous lesson, you learned the following:

- ✓ How to recognize and understand potential market
- ✓ How to determine who the customers are in terms of
 - A. target market
 - B. customer requirement, and
 - C. market size



What's New

Answer the following statements honestly. There is no right or wrong answer. Indicate your response to the items by putting a check ✓ that best corresponds to your answer.

Questions	Strongly Disagree	Disagree	Neither Agree or Disagree	Agree	Strongly Agree
	(1)	(2)	(3)	(4)	(5)
I always think about having my own business in the future.					
I do activities related to starting my own business					
I have a strong desire to start my own business					
I will make every endeavor to start my own business					
I would like to follow the footsteps of a successful entrepreneur					

I will comply all the requirements needed to start a business					
I will be very happy when I am able to start my own business					
I know my family would support of my dream to start a business					
I would have a great opportunity of being successful if I try to start a business while I am still young					
When problems come my way, I will not easily give up while starting my own business					
TOTAL					

After answering all the statements, add your score. Refer to the conversion and the verbal interpretation of your score:

40 – 50 = Very high intention to become an entrepreneur

30 – 39 = High intention to become an entrepreneur

20 – 29 = Average intention to become an entrepreneur

19 & below = Low intention to become an entrepreneur



What Is It

DATA COLLECTION is the most valuable tool of any type of research study. Inaccurate data collection may cause mistakes and ultimately lead to invalid results.

TIPS in GATHERING DATA

- Organize collected data as soon as it is available
- Know what message you want to get across and then collect data that is relevant to the message
- Collect more data
- Create more data

- Regularly run experiments or collect data
- Challenge your assumptions
- Set reasonable expectations
- Take note of interesting or significant data

In this lesson, we will consider the three different data collection techniques – **SURVEY** (Questionnaire), **INTERVIEW** and **FOCUS GROUP DISCUSSION** – and evaluate their suitability under different circumstances.

SURVEYS are the most common way to gather primary research with the use of questionnaires or interview schedule. These can be done via direct mail, over the phone, internet (e.g. Google) or email, face-to-face or on Web (e.g. Skype or Viber).

When designing or constructing your own research questionnaire, remember the following guidelines. (Edralin, 2016)

- Keep it simple as possible.
- Make sure it is clearly appealing and easy to read.
- Cluster or block related questions.
- Move from complex questions to more specific questions.
- Make sure questions are concise and easily understood.
- Avoid questions that are difficult to answer.
- Make sure any response scales used are consistent with categories that are mutually exclusive.

INTERVIEW is one of the most reliable and credible ways of getting relevant information from target customers. It is typically done in personal between the researcher/entrepreneur and a respondent where the researcher asks pertinent questions that will give significant pieces of information about the problem that he will solve. The interview is also helpful even when the business has already started because the customers' feedback provides the entrepreneur a glimpse of what the customers think about the business.

Interviews normally last from 15 to 40 minutes, but they can last longer, depending on the participants' interest in the topic.

In a structured interview, the researcher asks a standard set of questions and nothing more (Leedy and Ormrod, 2001).

- **Personal interviews** are the traditional method of conducting an interview. It allows the researcher to establish relationship with potential participants and therefore gain their cooperation. It generates highest response rates in survey research. They also allow the researcher to clarify indefinite answers and when necessary, seek follow-up information.
- **Telephone interviews** are less expensive and less time consuming, but the disadvantages are that the response rate is not as high as the face-to-face interview, but considerably higher than the mailed questionnaire.

FOCUS GROUP DISCUSSION (FGD) - is an excellent method for generating and screening ideas and concepts. It can be a moderated group interviews and brainstorming sessions that provide information on user's needs and behaviors.



The following are considerations in the use of focus group discussions in market research:

- The length of the session is between 90 and 120 minutes.
- Usually, conduct focus groups discussion with 8 to 10 participants per group.
- Assign an expert moderator / facilitator who can manage group dynamics.
- Use a semi-structure or open-format discussion.
- Strive for consistency in the group's composition (for example, it may not be advisable to have business customers and retail customers in the same focus group, their needs are very different).



What's More

Aside from the main basic groups of research methods (quantitative, qualitative and mixed), there are different tools that can be used to collect data. Interviews can be done either in personal or over the phone. Surveys/questionnaires can be paper or web based. Focus Group Discussions can be moderated group interviews and brainstorming sessions that provide information on user's needs and behaviors.

GUIDED PRACTICE / ACTIVITY:

Conduct a survey among 15 high school students in our school about "**Milk Tea**". Use the survey form below:

SURVEY FORM

Name of Respondent (optional): _____

Age _____ Gender: ☐ Male ☐ Female

Grade Level _____

What are your reasons for buying the product?

Where do you buy the product?

Is it available when you need it? ☐ Yes ☐ Sometimes ☐ No

What do you use as a substitute if it is not available?

Is the price affordable to you? ☐ Yes ☐ No



What I Have Learned

Identify the following:

1. It is an information gathered directly from the respondents who answered set of questions. _____
2. It is the traditional method of data collection which is normally done on a personal manner with the respondents. _____
3. It obtains information on general attitudes, understand the circumstances under which customers might require your product or services, understand their desired outcomes. _____
4. It is the most common way to gather primary research with the use of questionnaire or interview schedule. _____
5. It is the most valuable tool of any type of research study. _____
6. A data gathering technique where it can be done via direct mail, over the phone, internet or e-mail. _____
7. They also allow the researcher to clarify indefinite answers and when necessary, seek follow-up information. _____
8. A data gathering technique where it can be moderated group interviews and brainstorming sessions that provides information on user's needs and behavior. _____
9. It is typically done in personal between the researcher/entrepreneur and a respondent where the researcher asks pertinent questions that will give significant pieces of information about the problem that he will solve. _____
10. It can be a moderated group interviews and brainstorming sessions that provide information on user's needs and behaviors. _____
11. It normally lasts from 15 to 40 minutes, but they can last longer, depending on the participants' interest in the topic. _____
12. It is a type of interview are less expensive and less time consuming _____

Give at least one guideline or consideration in the use of the following data gathering techniques in market research:

13. Surveys - _____

14. Focus Group Discussion _____

15. Interviews _____



What I Can Do

Conduct a Focus Group Discussion (FGD) among five of your friends in your neighborhood who are interested to have their own business in the future. The goal of your FGD is to generate new business ideas. Ask them what they have observed in the community or in other places that they have gone to so that they may have prospects on what are the products being bought or patronized which are not yet offered by other entrepreneurs in our locality.

The learners' output will be evaluated according to the rubrics:

Creativity	- 20 points
Content/ Accuracy	- 20 points
<u>Timeliness</u>	<u>- 10 points</u>
Total	50 points



Assessment

Test I. Answer the questions below. Encircle the letter of your choice.

1. It is the process of gathering, analyzing and interpreting the information about the product or the services to be offered for sale in the market, the market and about past, present and any potential consumers for the products.
 - a. Data Gathering
 - b. Primary Research
 - c. Secondary Research
 - d. Market Research

2. A data gathering technique where it can be moderated to group interviews and brainstorming sessions that provide information on user's needs and behaviors.
 - a. Personal Interview
 - b. Focus Group Discussion
 - c. Survey
 - d. Data Gathering
3. A data gathering technique where it can be done via direct mail, over the phone, internet or e-mail.
 - a. Data Gathering
 - b. Survey
 - c. Focus Group Discussion
 - d. Personal Interview
4. It refers to information gathered directly from the respondents who answered set of questions.
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 - a. Interview
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6. It is the traditional method of data collection which is normally done on a personal manner with the respondents.
 - a. Personal Interview
 - b. Focus Group Discussion
 - c. Survey
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7. A data gathering technique where it can be done via direct mail, over the phone, internet or e-mail.
 - a. Data Gathering
 - b. Survey
 - c. Focus Group Discussion
 - d. Personal Interview

Test II. Explain briefly but in a concise manner.

1. What is Market Research? (3 pts.)

2. Enumerate and discuss the three data gathering techniques (5 pts.)



Additional Activities

You are to open a “**Lemon Juice And Shake**” business in your neighborhood. Conduct a simple market research to know if it is acceptable or not.

The learners’ output will be evaluated according to the rubrics:

Creativity	- 20 points
Content / Information	- 20 points
Timeliness	- <u>10 points</u>
Total	50 points

Congratulations! You have succeeded Module 4. Now, you are ready to learn the 7P’s of Marketing and Branding in Module 5.



Answer Key

What I Know:

1. D
2. A
3. B
4. A
5. D
6. C

7-15 *Refer to the discussion*

Assessment

1. D
2. B
3. B
4. C
5. C
6. A
7. D

8-15 *Refer to the discussion*

What I Have Learned

1. Survey
2. Interview
3. Data gathering
4. Survey
5. Data collection
6. Survey
7. Personal Interview
8. Focus Group Discussion
9. Interview
10. Focus Group Discussion
11. Interview
12. Telephone interview

Guidelines or considerations in the use of the following data gathering techniques in market research

13. Survey

- Keep it simple as possible
- Make sure it is clearly appealing and easy to read
- Cluster or block related questions
- Move from complex questions to more specific questions
- Make sure questions are concise and easily understood
- Avoid questions that are difficult to answer
- Make sure any response scales used are consistent with categories that are mutually exclusive

14. Focus Group Discussion

- The length of the session is between 90 and 120 minutes.
- Usually, conduct focus groups discussion with 8 to 10 participants per group.
- Assign an expert moderator / facilitator who can manage group dynamics.
- Use a semi-structure or open-format discussion
- Strive for consistency in the group's composition

15. Interview

- Interviews normally last from 15 to 40 minutes, but they can last longer, depending on the participants' interest in the topic.



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For inquiries or feedback, please write or call:

Department of Education - Bureau of learning Resources
Zone 1, DepEd Building Masterson Avenue, Upper Balulang,
Cagayan de Oro City, 9000

Telefax: (088) 880 7072

E-mail address: region10@deped.gov.ph

