



**Business/Marketing Virtual Learning**

# **11-12 grade College Business**

**May 1, 2020**



Lesson: [May 1, 2020]

**Objective/Learning Target:**

Marketing Research

Describe common sources of internal and external market information.

# Let's Get Started

Review this Video if needed:

[Marketing Research](#)



# Sources of Market Information

In order to use information effectively, businesses first need to know where to find it. They also need to develop marketing information systems to get the most out of the information they have. As one of the functions of marketing, marketing information management is used to improve decision making and the performance of marketing activities.

Businesspeople need information to make decisions. As they determine what information they need and where to obtain it, they go through a 5-step process:

- 1) Identify the types of information needed.
- 2) Determine the available sources of each type of information.
- 3) Evaluate each source to determine if it meets the organization's needs in terms of accuracy, time, detail, and cost.
- 4) Select the sources that best meet the identified needs.
- 5) Enter the information into a marketing information system.

# Sources of Market Information

Marketing information can come from one of three sources:

- 1) **INTERNAL INFORMATION SOURCES** - Internal information is information developed from activities that occur within the organization. Three categories of information a company generates internally are:
  - a) **Customer Records and Sales Information** - Businesses gather customer information over time by keeping records of transactions, demographics, complaints, etc. Customer loyalty cards, phone apps, and websites all contribute to huge databases on customers that can be used to track customer buying behavior and communicate with them.
  - b) **Production and Operations Reports** - This information can be used to ensure products and services are available when and where customers want them, the quality standards expected are met, and to control efficiencies of costs and inventory levels.
  - c) **Performance Information** - Businesses use this information to measure:
    - 1- past performance vs current performance
    - 2- their performance vs competitor performance
    - 3 - actual performance vs planned performance

# Sources of Market Information

- 2) **EXTERNAL INFORMATION SOURCES** - External information is information that provides an understanding of factors outside of the organization such as consumer behavior, competitors, the economy, and other factors around them. 4 common sources of this info:
  - a) **Government Reports** - Federal, State, and Local governments and agencies supply information that businesses and consumers can use. The U.S. Bureau of the Census is the best known of these agencies that regularly collect information that marketers can use.
  - b) **Trade and Professional Organizations** - Most associations provide information specific to the needs of their members. Example would be the American Dairy Farmers.
  - c) **Business Publications** - Useful sources for current information on the economy, legislation, new technology, and business ideas. Example is The Wall Street Journal.
  - d) **Commercial Data and Information Services** - Businesses that collect, analyze, and sell data to marketers who use it. Examples: Experian, Equifax, TransUnion, Nielsen.
- 3) **MARKETING RESEARCH** - This will be covered in the next lesson.

## ACTIVITY #20

- 1) What is the key difference between internal and external market information?
- 2) What are three sources of internal information that can be useful for marketing decision making?
- 3) What type of information provides an understanding of factors outside of an organization?
- 4) Why do you think a salesperson should take notes while talking with a customer?