Exercise 1.

Go to: http://www.thestandard.com
Read the article "Driving Buyers to the Web." Evaluate the "test marketing" of Ford Motor Company regarding quoting prices on line. What is the intended impact of this new marketing approach by Ford? What impact might it have on consumer behavior?

Solution:

The article describes new marketing strategies using the Internet to attract customers back to the showrooms. Carmakers worried about losing ground to online middlemen are developing their own Web programs. Some dealers aren't happy. With a range of new Internet initiatives and pilot programs, auto manufacturers are evening out the playing field between dealers and customers; doing everything from revealing inventory figures and other trade secrets to promising buyers they won't have to talk to a salesman until the last possible moment. In test markets, Ford has even begun to quote prices online, putting the squeeze on dealers to cooperate with a new breed of informed and assertive consumer.

Exercise 2.

Go to: http://www.kraft.com. You are employed by Kraft Foods as a marketing research analyst trying to determine the market potential for your packaged Swiss Cheese product. You are interested in determining whether or not people may use your product in a fairly saturated cheese market. How would you determine whether or not your ad campaign would lead to the use of your product?

Solution:

The article provides empirical support for copy testing use intention As markets become more saturated, increasing usage becomes much more important that convincing new customers to choose your brand. The problem is, current copy testing methods aren't effective at measuring usage intentions. How can copy testing be modified to capture usage related responses?

Two studies of 303 adults showed that measuring usage likelihood ("how likely are you to eat soup in the next 2 weeks?") and estimating usage volume ("how many cans of soup will you eat in the next 2 weeks?") were both effective in predicting usage levels. It was also shown that volume predictions were much more effective in heavy users, while likelihood estimates worked better for light users. Study 2 showed a procedure that increased the effectiveness of copy tests without biasing the results.

Exercise 3.

You are engaged in marketing research that is focused on the market segment of people who commute over 44 minutes to work. Specifically, you are interested in targeting the states that contain the largest percentage of those who commute this distance. Which states would you select for your research? (Hint: go to: http://www.esri.com) and select the appropriate commuting category in the drop down menu for population characteristics.

Solution:

Students should select the category Commute over 44 minutes %. The map generated by the Census data, will reflect the relative percentage of those commuting this distance. The states that hold the highest concentrations of 44+ minute commuters are: California, Texas, New York, Georgia, Massachusetts, Virginia, Illinois, and New Jersey.