A Guideline on How to do Market Research for Branding Purposes at Maru Design Agency

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Abstract

This is a final project report on a problem at maru design agency. Maru design is a strategic and brand design agency which provides company with their services of branding and rebranding. The services help their client to create and develop brands and solve the company's. Their services need to research about the product of the client's brand or prospect's brand, but there is no clear procedure to do market research even though it is important step to attract prospect and before they develop the brand. Thus, marketing research guideline is needed for maru design. Guideline is used as procedures by which to determine a course of action. The guideline will consist of prospect's information, product analysis, customer analysis, and competitor analysis to provide a detailed data and information. Thus, this guideline will help to do in-depth market research for any people from any background and improve maru design.

Keywords: Market research guideline, Market Research, Guideline, Branding

INTRODUCTION

Maru design is a strategic brand and design agency. This agency was started by Marvin Ade on 2013 that saw the chance in the problem of company's branding. The agency have a simple structure of the company by consisting of the owner that acts as the head and two designer who have different responsibilities. Maru design gives their service to any companies that need their help whether they are a start-up company that are new in the market or even a company that have stands for many years. They target any segmentation on the market because maru design considers themselves as a startup company that is new in the market. As a new company in the market maru design helps their client by creating brand or developing brand (rebranding). They strategically design the client's brand customized according to the request from their client. The first step of maru design is to search information about the market condition and the environment of the product and the brand of either the prospect or client. This research focuses on the detail information and situation of the product in the market. Not only that the research also collecting data from the competitor and analyze it to comprehend the strength and the weaknesses of the prospect or client's competitor. The branding and rebranding project usually comes in the forms of logo, company profile or the design of the client's packaging.

The main problem I saw in the company as the intern was in their research area. This problem happened because maru design did not have a clear system or procedure on how the employee should do their own research. There is no clear procedure on the research area because the one who mainly did the research was the owner. This problem became the main problem because of the importance of the market research itself for the performance of maru design. The market research of maru design is used not only as their data source to strategically rebrand the company's brand, but initially they used the information to attract prospect client to get a project. If this research does not have clear procedure then maru's employee and intern could not do the research effectively. The ineffectiveness of the procedure would disturb the work process of maru design. The pace of rebranding would slow down as the one who do the research needed to search about the right steps to do research and what are the important aspects for a research especially for

branding purposes. Therefore, market research guideline gave the best solution for maru design. The market research guideline would teach and inform the employee and intern about the right market research without the guidance of the head.

METHOD

The final product of this final project would be the market research guideline. The market research guideline would be customized for branding purposes. In this aspect the first method of data collection should also consider the important information for branding that should be find out from market research. Considering this factor, the first method of data collection was gathering and analyzing all the research that has been done from maru design projects. This method of data collection was crucial to comprehend on how branding company did their research that already customized for their purposes. The collected information then organized and analyzed to create the structure and steps for the market research. After the structure is confirmed then it became the base of the organizational chart of market research for branding purposes.

The second data collection method to complete the organizational chart with the content was book research and online research. Book research is important because it was giving credibility to the guideline. This method used to create the content was by researching theory and information from books about guideline, market, market research, marketing, and branding. These theories would be used as navigation for the content but also as a correction from the first part. The online research also was necessary information to add in the guideline that could not be found from book research. The research would focus on further research for each theory in detailed manner, so the guideline would have the small but important information.

FINDINGS AND DISCUSSION

The tool that I have made to complete this project is the market research guideline. The tool has 1 organizational chart and four steps. After the cover and user manual there will be an organizational chart. I create the organizational chart as simple as possible but still informative enough for any people.
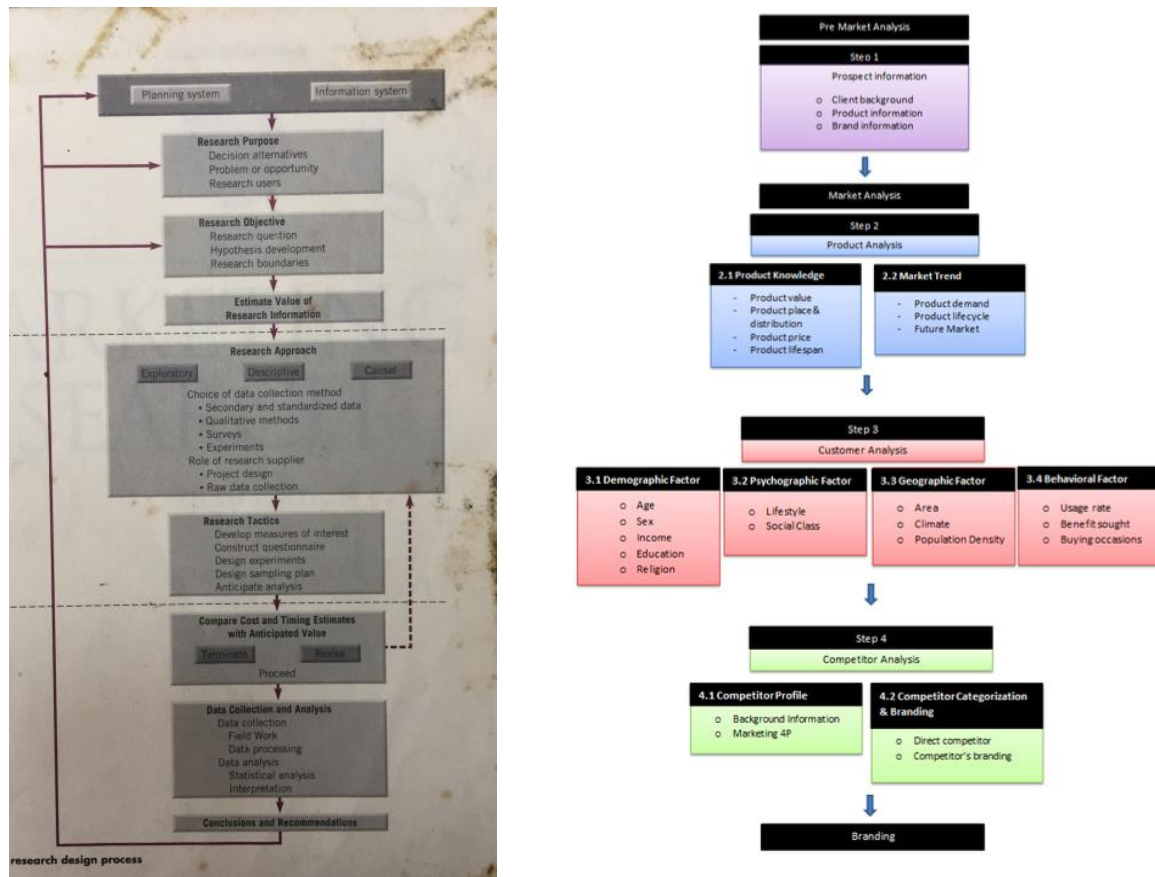
Figure 1.1Marketing Research Organizational Chart

I made the organizational chart based from the book by David A. Aaker and V. Kumar (1995) about marketing research, they use this organizational chart at the first page of their book after the cover to give the big picture about the content marketing research. This is reasoned with the fact that the employees of maru design is majoring in design faculty and maybe in the future the intern will also from the design major. Furthermore, in this organizational chart give information about what will be inside the guideline, which will give the user a general overview of the guideline. This will make the user understand the concept inside more easily. By understanding the concept, they know what is expected from a market research even though they do not have any background in market research.

The market research also has four steps that were also important. According to Burnett (2010, pp.44-46), there were three important terms to defined market. The first is people in this definition Burnett identified market as an exchange that involves two or more people; it is natural to think of the market as people, individuals, or groups. This definition made the customer analysis steps in the market research. The second is market as a place where it is a common practice of the general public. This definition leads to product analysis in the market research because the information of the product in the place or environment of the market is crucial to define the condition of the product. The third is market as an economic entity. This term of market is characterized by a dynamic system of economic forces. The four most salient economic forces are supply, demand, competition, and government intervention. This definition became the competitor analysis.

PROSPECT'S INFORMATION

The prospect's information is the first step in this guideline. This step is considered in the pre-market research because this section focuses on the prospect perspective on his brand and product. By knowing the prospect's brand and product, the market research can be more effective and efficient. Also Medi Houghton (2015, p.132) said that says that branding involves giving a product a special name to create a unique identity. By creating a unique identity branding is designed to help customers identify with a particular product. This step is important because the researcher can narrow down the topic (product and brand) that is needed to be researched. Without the prospect's information the data that the researcher needs to find will be too broad and general that make the final result of the market research will not be effective because it is not customized according to the client's product and brand. The prospect information will be in the form of a questionnaire that covers general to detailed questions about the prospect. The objective to make it in the form of questionnaire is to make the process easy and clear that can be done by both the owner and the prospects. This form also makes it easier to identify the important information. This questionnaire will be split into 3 sections.

Prospect's Background						
Client Name						
Contact	Home:		Mobile/WhatsApp		Line	
Email						
Company Name						
Vision						
Mission						
Tagline/Slogan						

Figures 1.2 Guideline: Prospect Background

The first section covers the prospect background to get the prospect personal and contact information to be saved in their client's database. The format of the prospect's background is a table to make the owner easier to collect the data. The table will have client's name, contact, email, company name, vision, mission, and tagline/slogan.

List of questions:

1. What is the product?
2. What is it for?
3. When did you start to sell this product?
4. What is the benefit for the user?
5. How much does it cost? Is it Cheap/Normal/Expensive?
6. Where can I buy it?
7. Who is this product for?
- Sex: …………………………………………………………………..
- Age: ………………………………………………………………..
- Interest: …………………………………………………………

1. What is your brand name?
2. What is the meaning of your brand?
3. What message does your brand want to convey? (Ex: pride, safety, etc.)
4. What is your brand logo? What is inside the logo (Typography, Picture, etc.)? Why did you it as your logo?
5. What are your brand color pallets? Why the color represent in your business?

Figures 1.3 Guideline: Product & Brand Information

The next two section covers about product and brand information. After we know the background of the company it is important to know the product and brand that we are going to research. This section discusses the details of the prospect's product and brand from his or her perspective and experience. By knowing the product's owner perspective and experience, we can narrow down the boundary of the market research and know the detailed description of the product like its usage, price, benefit, place, personality and unique selling point of the product. It also analyzes the perception on the owner's mind when he creates the brand. This information then will be used as the background to differentiate with the competitor brand and to rebrand it to be more effective. Therefore, I put this prospect's information in the first step of my guideline.

PRODUCT ANALYSIS

The second step is about the product's analysis. The objective of this step is used to identify customer preferences and spending patterns, competitive threats from rival producers, and how they are changing in the market. According to Burnett (2010, pp.30-31) product is the primary element that satisfied customer wants and needs. This provides the main link between the organization and its customers that is why product analysis is the first step in the market research. Different from the prospect's information where the focus is the perspective of the product, the product analysis focus on how the product is viewed from its characteristics, functions, and other relevant information. This step is divided into two sections, the first is about the product information and the second is about the market trend.

2.1.1　Product Value

Product value is the benefit that a customer gets by using the products.
Find out about the information value of the product in general!

Question:
1. Who is the customer?
2. What is the benefit that the customer gets by using the product?
3. What satisfaction the product gives to the customer?
4. What the customer do with the product?
5. When the customers use the product?

Figures 1.4 Guideline: Product Evaluation

The product's evaluation main focus is to know the condition of the product in the market. The information about the existing type product in the perception of the prospect/client is subjective from his or her experience; by analyzing the product knowledge on the market it will define the actual scope of the product in its existing market. Also base on Burnett (2010, pp.30-31), Many organizations have a vast array of products in their mix. Ideally, each of the products is profitable. This is often not the case, so some tough decisions must be made concerning the length of time an unsuccessful product is kept on the market. That is why it is important to know the evaluation

of the product in the market place. To evaluate the product there will be the product value, product, place and distribution, product price, and product lifespan.

First the product value is asking the benefit that customer gets by using the product in general. The list of questions focuses on the relation of the product and its user, how the user value the product based on its usage. Second part is about the product place and distribution. This part is to find out how the product being spread out in the market either from the geographic factor or the social factor. This is important because if some product is only available on some geographic area or social class we can narrow down the target market of the product. Third is the product price, this part analyze to find out the general price in the market. Sometimes single type of product can have different range of price according on what target market the product target. In this part the question determine what price range can be considered cheap, normal, and pricy. By knowing the general range of price it can determine the target price for the owner's product in the market according to his or her target market after rebranding. And the fourth is product lifespan that show the time interval when a product is sold to when it is discarded.

After that in product information second section is the market trend. This is important to know the possibility and prospect of the product in the future. According to Christine Moorman and David A. Aaker (2017, p. 69), market trend is one of the most useful elements of market analysis; It focuses on change and tends to identify what is important. It is a summary of customer, competitor, and market analyses the condition in the market. In this section market trend is broken down into three sections. The first is the market demand. If we want to know the condition of the market then we should know the demand of the product in the market. The timeframe we choose is five years for the demand because from some consideration if the time frame is too far then it is not effective. This is important to know the lifecycle of the product is it in the launch, growth, decline or extension cycle to know the future prospect of the product. The future market will be affected by the factors outside of the demand of the product. That is why the focus is to find some trend that will affect either directly or indirectly the trend and demand in the future.

CUSTOMER ANALYSIS

The third step is the customer analysis that uses the market segmentation theory. According to Brian Titley (2015, p.196), the objective of this step is to identify the target market of consumers. I choose this to be the second step is because only after knowing the product only then we can segment the customer of the product. This step I do not make the form as questionnaire but I make it more into direction because if we make it into questionnaire it will be more confusing as there will no boundary in the answer and it will be easier for the user to just pick down the answer from the classification. I pick market segmentation theory because it is the most right choice to analyze customer and pick the right customer segment. According to Philip Kotler and Gary Armstrong (2016, p.222), market segmentation, we can divide large, heterogeneous markets into smaller segments that can be reached more efficiently and effectively with products and services that match the customer's unique needs. This reason is supported by the variables in market segmentation which analyze the customer from demographic factor, psychographic factor, geographic factor, and behavioral factor.

3.1.2   Sex (male/female/neutral)

Find out which gender prefers the product in the market!

Ex: Men might want the latest car, women want cosmetics

Gender:
Male
Female
Neutral

3.1.3   Income

Categorize which customer is able to buy the product according to their economic situation!

Ex: Motorcycle can be bought by any income classification while car can only be bought by people with UMR and high income.

Income:
Low Income (Below UMR 1,7 million)
UMR (1.7 million- 4.2 million)
High Income (Over UMR 4,2 million)

Figures 1.6 Guideline: Demographic Factor

First, the variable in the customer analysis is the demographic factor. The demographic factor identifies who is the customer that might buy the product. This variable splits the audiences based on observable, people-based differences. There are many variables in this factor like age, sex, family size, occupation, education, income, and religion. Age is used to categorize the consumer based on their age, because consumer with different age range have different wants and needs and people with similar age tend to share similar interests. Then gender to categorize the consumer according to their gender preference in the market. As an example men might want the latest motorcycle as their hobby while women might want dress as their needs to be beautiful. The third variety is income, in this part the customer is categorized by their economic situation. Customer with lower income will not have the buying power of customers with higher income also means better financial freedom. Education is also an important factor that categorizes the interest of a product based on their education category. As an example university student prefers casual clothing and people with higher education like magistrate or doctorate prefer formal clothing. The last part is religion, it is important in Indonesia because Indonesia have a deep importance in religion. This part can also determine which customer based on their religion able or disable to buy a certain product.

- **Activities** (How does a person spend his time)

Find out what activities do the customer who buy the product prefer occasionally with have a high level of engagement with?

Interest Cover:	
Work	Club member
Hobbies	Community
Social Events	Shopping
Vacation	Sports
Entertainment	

- **Interest** (What are his/her priorities and preferences)

Find out the degree of engagement people have with something. How interested or disinterested is someone with a certain thing?

Interest Cover:	
Family	Fashion
Home	Food
Job	Media
Recreation	Achievement

Figures 1.7 Guideline: Psychographic Factor

Then the psychographic factor identifies the reason or the interest of the customer to get a product. This factor gives valuable insight into the target market motives, preferences and needs. This variable analyzes the customer by their lifestyle and social class to define a market segment. Lifestyle finds out what kind of motive that appeal to the customer to buy a product. This part analyzes the lifestyle of the customer through their activities, interests, and opinions. First analyzing lifestyle is used to find out why customers interested to buy our products. Lifestyle differentiates into 3 variables that are activities, interest, and opinions. Activities focus on the reason how customer spends his time that makes them prefer to buy products that have a high level engagement with their life. Interest focuses on the customer priorities and preferences to find out the degree of engagement the customer have with a certain product. Opinion looks on how a customer views the product. Social class categorizes the customer through the relation of the buying power that affect the interest to buy a specific product. The products in the market have different price and these different prices target different customers.

Area Category	
Urban	- high population density - man-made environment - paved roads, business cente, etc. - offers numerous employment - thrives in business development.
Suburban	- medium population density - combination of built areas and green spaces - paved roads only in residential area - offers access to city - thrives on people' need for better living conditions
Rural	- low population density - mainly natural environment - mainly dirt roads

Figures 1.8 Guideline: Geographic Factor

Third is geographic factor that divides the potential customer based on their location. Geographic factor is important to analyze the characteristics of the customer in correlation with their living condition. There are many aspects to identify geographic factor like country, state, zip code, climate, population density, and whether it's urban, suburban or rural but in this variable I choose three aspects that correlate with Indonesia which are area, climate, and population density. Area is classified into three categories urban, suburban, and rural because these three have the most different needs and wants based on their characteristics. Climate is also important for geographic factor especially for Indonesia even though it only have two seasons. These two seasons make the wants and needs of a certain product different on a certain season for every customer in the geographic area. The last is the population density that find out about the density of the customer in the certain area. This aspect is crucial to determine whether the product thrive or not because the higher the density of the population the higher the customer that will get the exposure of the product and higher buying power.

3.4.1   Usage Rate

Find Out the customer's habit of repeated purchase of the product!

Behavioral market segmentation divides customers based on usage, categorizing them under the
heavy usage, moderate usage, and less usage

Ex: Aqua have 1, 5 liter for consumers who are placed under heavy usage category, while the
600ml for individuals who lay under the less usage category

3.4.2   Benefit sought

Find out the customer reason behind (What expectation in terms of benefit) using the product!

Ex: Head & shoulders target consumers who suffer from dandruff.

3.4.3   Buying Patterns/preferences

Find out on what occasions the customer will need or wants the product!

Ex: people buy Samyang when they want to try Samyang or to make mukbang Samyang
challenge. Or people come to restaurants to celebrate special occasions like birthday.

Figures 1.9 Guideline: Behavioral Factor

The final variable is the behavioral factor that analyzes about the buying behavior, usage, and
decision making pattern according to the customer needs and wants. Behavioral segmentation
splits into usage rate, benefit sought, and buying occasions. Usage rate of the product show the
customer's habit of repeated purchase of the product that divides the customers under heavy
usage, moderate usage, and less usage. The higher the usage of a certain product make the
repeated purchase of the product becomes higher. The benefit sought is to find out what is the
expectation of the customer in terms of benefit when they buy and use the product. The last is
buying pattern or preferences to find out the occasions for the customer to buy the product.

COMPETITOR ANALYSIS

The final step is the competitor analysis. In this part I use the theory for marketing 4P and branding
to make the guideline more specific. According to Craig S. Fleisher and Babette E. Bensoussan
(2003, p.144), the objective of the competitor analysis is identification of threats, opportunities,
or strategic uncertainties created by emerging or potential competitor moves, weakness, or
strengths. There are two parts in the competitor analysis which are competitor profile and
competitor categorization and branding.

4.1.1   Company Background

List names of competitor's company that have the same product!

Company Name:
Location:
Branding and image:
Company tagline:
Vision & mission:
Number of products/services:
Which customer segment are they targeting?

4.1.2   Marketing 4P

Find out about the Product, price, place, and promotion of the competitor's company!

Product

Product is anything that can be offered to a market for attention, acquisition, use, or consumption that might satisfy a wand or need.

Figures 1.10 Guideline: Competitor Profile

The first part in competitor analysis is to do competitor profile, to identify the strength and weakness of the competitor. Profiling competitor make a better understanding about the range of key information about the competitor's business. These range of key information collected through company background and marketing 4P. The company background focus on the information about the company that have the same product as the prospect or client. This part is questioning about the general information about the company. Then analyze the company that already been selected with marketing 4P. This is important because marketing 4P analyze the competitor not only by their product but also from their price, place, and promotion. The product asks about the product the competitor sell and if they have any variety that may attract the market. Then the price to know what target market the competitor marks for their product. Place refers to where and what kind of method to sell the product in the market. The place can be online or offline, if offline what kind of store the competitor use like is it on retailer or online store and if online on what social media platform the competitor sell their product. The last marketing 4P is the promotion, it is also important to know the promotion that the competitor use because by knowing the promotion that the competitor have done we know the strategy to penetrate their specific market.

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Which customer segment are they targeting?

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Product

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Figures 1.11 Guideline: Competitor Categorization and Branding

The second part is competitor categorization and branding. According to Medi Houghton (2015, p. 132), branding involves giving a product a special name to create a unique identity. By creating a unique identity branding is designed to help customers identify with a particular product. The part then used to identify which competitor is selected as a direct competitor. It is important to know who is the direct competitor because direct competitor sells the same product and services, have the same target customer and have the same range of price that make direct competitors aim for the same market share. After knowing the direct competitor find out about their branding. Their branding is the face that makes their product stands out in the market. Then analyze the branding to know how they create distinctive and durable perceptions in the minds of their customers which are their strength.

CONCLUSION

What has been studied and analyzed in this work is about the market research guideline for branding purposes. The guideline will act as a clear procedure for the agency if they need to do market research. The market research for branding purposes focuses on the product, brand, customer, and the competitor because these factors are affecting the final result of the brand. The branding company should considering these factors to create an effective brand that can make the product penetrate the market.

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