

THE ROLE OF MARKETING RESEARCH IN THE PLANNING AND DEVELOPMENT OF A NEW PRODUCT

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ABSTRACT

Background –This research examined into how marketing research affected the creation of new products in a few select bakeries in the Maharashtra region of Nagpur. The research particularly aimed to analyze the effects of focus group discussions, survey design, field research, and customer data on new product creation. It also looked into the effects of observational research and survey research on new product development.

Methods –The researcher investigated pertinent conceptual, theoretical, and empirical literatures. The attachment theory served as the survey's foundation. An online survey research design was used. The survey's sample included 229 workers from five specifically chosen bakeries in Nagpur. A structured questionnaire was used as the tool for gathering information. The data were analysed using multiple regression analysis and descriptive statistics.

Results –The findings show a considerable association between new product development and survey research, focus-group research, observational research, and customer information. Based on the results, the study draws the conclusion that marketing research significantly influenced the creation of new products for a subset of bakeries in Nagpur.

Conclusion –Manufacturers are advised, among several other things, to make sure that a sufficient survey is conducted to ascertain the wants, needs, and preferences of clients in order to build items that best meet those requirements.

KEY WORDS: *Promoting, Marketing Research, NPD, Client, target group*

INTRODUCTION

It is believed that receiving accurate information during the new product development (NPD) procedure will aid businesses in improving efficiency. Marketing research operations are one of the effective ways to obtain this data. Businesses now design their products and services with consideration for client demands and desires thanks to the marketing-oriented era. A marketing concept includes a marketing orientation that asserts that being more efficient and successful than opponents at combining marketing efforts to identify and satisfy consumers' requirements and wants is the key to attaining the objectives of the firm. Since the customers are now the primary part of promotional strategy, it is essential that businesses base their manufacturing operations on client demands and desires. This is the core tenet of marketing research in the creation and development of product offers to clients. So a company may pinpoint the precise needs and wants of the market it intends to serve as well as the characteristics of the prospective clients by doing marketing research, it follows that marketing research is a vital process in the development of new products. One of the most useful instruments that strategists or businesses may use to improve the calibre and volume of goods and services provided as well as to comprehend the complexities of the market structure is marketing research.

According to Adeleke (2003), marketing research entails the methodical and scientific collecting, gathering, examination, explanation, and dissemination of data entailed in the current or likely market behaviours. This description is more thorough since it emphasises two-way communication between consumers and service providers. This suggests that marketing research assists in identifying market demands for goods and services, as well as the best locations for delivering desired commodities at the most advantageous moments (Ibidunni, 2011). In contrast, new product development (NPD) refers to the entire process of bringing new items to business. A bundle of advantages supplied in return is referred to as a commodity, which might be real or ethereal (such as an encounter, skill, or idea). In the process of developing a new product, there really are two parallel courses that can be taken: one entails coming up with ideas, creating the product, and doing detailed engineering; the other comprises doing marketing analysis and research (Svendsen, Haugland, Gronhaug, & Hammervoll, 2011). Naturally, businesses view the creation of new products as the first step in the whole tactical process of product life cycle management that is utilised to increase market share. Even though new product development is a time-consuming, difficult process that necessitates a wide range of operations, it is essential to the company (Ehinder, 2013).

The actions involved in product development also include product innovation, product portfolio expansion, and product promotion. Product development has an impact on every department inside the organisation, from the machine operator to the top management, and it can only be successful when there is corporate synergy and strong top management leadership. Along with linked organisational activities, there is a requirement for knowledgeable and compassionate management, as well as interconnected knowledge-based advertising. Every members of the organisation are aware of their precise roles within the project as well as what has occurred both upstream and downstream of the project (Oladele&Olaleke, 2013).

Specialized investigation, the market and marketing, the projects of the firm, internal organisational structure, current and potential customers, rivals, economic and educational, governmental, legitimate, and physiological surroundings of the firm are just a few of the many aspects of new product development (NPD) that it encompasses. In order to generate important products, a company must be able to connect its expertise and skills with the diverse environment that affects it. Businesses must be discriminating in the information they gain but yet assure that reasoning is oriented around the overall information because they recognise that they lack expertise in some areas of the total technology and the resources to gain this information. This information contains the firm's strategic know-how as well as innovative information gained through outside research and other sources (Opara&Adiele, 2009). Based on the aforementioned, the research assessed the impact of marketing research on the creation of new products in a number of bakeries in Nagpur.

STATEMENT OF THE PROBLEM

Many businesses' capacity to innovate their item and service lines, i.e., to offer both prospective and current clients a variety of new products in the context of competition and shifting market dynamics, is key to their survival and competitiveness. It is getting increasingly riskier under the characteristics of today's rivalry to not develop and enhance the firm's product portfolio. Businesses without planned and well-managed innovations risk falling behind the competitors. Innovation activities, but it is also an extremely expensive and dangerous endeavour. According to Booz, Allen and Hamilton, which was referenced by Oladele and Olaleke (2013), almost half of the funds spent on new products go toward items that aren't really growing in the industry. The aforementioned predicament does not exclude the Indian food sector, especially bakeries. Numerous examples of innovative items being produced by some of these faltering bakeries in the very contested Indian bakery market exist. There remain good grounds to think that successful new product creation will be challenging in the future, particularly in light of the importation of foreign goods and openness to international competition. These variables include the lack of innovation, the lack of funding, the influx of foreign goods, the

increase in interest rates and exchange rates, the tightening of regulations on new product structure, and the inadequate funding and facilities for marketing research across the country, to name a few.

To ensure continued growth on the market, bakeries engage in the development of new products. New food products, though, frequently have a higher failure rate than success rate. If proper marketing research is not conducted, a sizeable sum of new product development expenditure could be lost. Businesses may find themselves at a steep discount in the fiercely marketing environment due to the high proportion of new product rejections. Client tastes have been known to change quickly in the bakery business, making a strong NPD an important competitive advantage. Handling evolving customer preferences with new goods is critical in sustaining brand loyalty. As a result, new product development plans must adapt to reflect shifts in the market and technology, necessitating the use of efficient marketing research in the procedure. Depending on the aforementioned, the research examined into how marketing research affected the creation of new products for a few Nagpur bakeries.

PURPOSE OF THE STUDY

The research's main goal is to look into how marketing research affects the creation of new products for particular bakeries in Nagpur.

1. Examine the impact of survey research on new product creation for a small group of bakers in Nagpur.
2. Examine the impact of focus groups on the creation of new products for a few Nagpur bakeries.
3. Determine the impact of survey study on the creation of new products for a limited group of Nagpur bakeries.
4. For a few identified bakeries in Nagpur, ascertain the impact of customer information on new product development.

HYPOTHESIS

This research's hypothesis was as follows:

For a small group of bakers in Nagpur, there is no meaningful connection between survey research and new product development.

LITERATURE REVIEW

Marketing research is described by **Kotler (1997)** as the methodical planning, gathering, evaluation, and dissemination of information and results relevant to a particular marketing issue the organisation is experiencing. In a similar vein, **Eric, Rogers, and Williams (1989)** defined marketing research as the process of outlining a potential market and issue, methodically gathering and analysing data, and offering recommendations for improving business marketing operations. Thus, marketing research can be thought of as a methodical and objective strategy to collecting information, analysis, and dissemination to assist executives in making marketing decisions to address marketing issues.

Marketing research, according to **Asika and Osuagwu (1997)**, is the investigation of all issues surrounding the transmission of goods and services from producer to consumer with the intention of coming up with practical solutions that are consistent with developed conceptual tenets. **Kotler (2006)** goes on to define marketing research as a systematic method of analysis, model construction, and fact discovery for the purpose of successful decision-making and control in the marketing of goods and services. It is important to note that market research has been referred to as marketing research in various literary works. In contrast to marketing research, which is worried with all factors that have an effect on the sale of goods and services, **Baker (1960)** pointed out that marketing research is concerned with measuring and analysing the market. This includes researching distribution networks, branding, the entirety of consumer habits, product offerings, and marketing strategies.

Cooper (2004) pointed out that earnings are also another area where investigation is crucial. There are two key components involved. The first step is to forecast sales and the associated costs, which will lead to profits. The second requirement is to develop a competing marketing strategy that will result in the target volume of sales at an affordable price. The primary tool for implementing the profit-direction component of the marketing management concept is sales prediction. Of course, interpreting cost data and analysing historical sales data are crucial for measuring performance and offer useful insights for future planning.

According to **Kim, Park, and Sawng (2016)**, a new product is one for which the company needs fresh marketing and in which the significant changes are communicated, but who eliminates any adjustments that could only require straightforward advertising. Many studies described new product development as the process of turning a potential market into an item as a result of the integrated connection of developing technologies with market expectations. NPD is a comprehensive process that includes strategy, conceptual design, organisation, products and marketing plan formulation and assessment, as well as the commercialization of a new product, according to the Product Development and Management Association (PDMA) (2006). Accordingly, NPD is a process that starts with the recognition of opportunities and finishes with a collection of data that provides value to clients and generates profits for an organisation.

The steps used by businesses when creating, producing, and launching new products are included in the NPD process. A new product is developed over a number of phases before it is released onto the market, commencing with a basic product theme that is evaluated, produced, verified, and released onto the market (Booz, Allen & Hamilton, 1982). This set of steps can also be thought of as a progression of knowledge collection and evaluation phases. In other words, as the new product matures, leadership grows increasingly knowledgeable and confident with the product and is able to assess and reassess its initial decision to start production or release. Research and development (R&D), engineering, manufacturing, finance, marketing, and purchasing divisions must work in harmony for NPD to be successful. A cross-functional team constituted for the new product must first be evaluated by the marketing department before entering the picture to begin developing the new product (Stone & Desmond, 2007). The steps taken by businesses when creating and presenting new items make up the NPD process. By reducing the amount of risk and allocating scarce staff to ultimately unsuccessful goods, following this method of knowledge collecting and assessment can help businesses make better choices about new products. The NPD process varies from sector to sector and from company to company. In order to accommodate unique company problems and capabilities, it should in fact be customised for each business.

METHODOLOGY

The research method used in the study was survey. The location of this study is Nagpur, Maharashtra. The study's 229 participants are the workers of five chosen bakeries in Nagpur. Data for the study were gathered using a structured questionnaire. To ascertain the impact of marketing research on new product development, descriptive statistics and the Multiple Regression Analysis (MRA) method were used.

PRESENTATION AND ANALYSIS OF DATA

Detailed Analysis

The descriptive statistics on market research and new product development are presented in this part. This computes the means and standard deviations of the individual features of the survey's factors. The outcome is shown in the following table:

Table 1: Descriptions of the Dependent and Explanatory Variables

Variables	Mean	Standard Deviation
New Product Development	8.26	3.332
Survey Research	7.89	3.751
Focus Group Research	8.74	4.070
Observational Research	8.25	3.951
Customer Information	9.24	3.766

Results for the mean and standard deviation of the explanatory and dependent variables used in the research are shown in Table 1. The mean value for new product development is 8.26, while the standard deviation is 3.332. While participant observation investigation and client coded and analyzed corresponding mean values of 8.25 and 9.24 with a respective standard deviation value of 3.951 and 3.766, study investigation and focus groups documented corresponding mean values of 7.89 and 8.74 with a corresponding standard deviation value of 3.751 and 4.070.

Analysis of multiple regression

To empirically examine the impact of explanatory variables on the dependent variable, multiple regression results were employed. The tables below show the results of the multiple regression analysis.

Table 2: Regression Result Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.265 ^a	.690	.504	3.241	1.879

a. Predictors: (Constant), Survey Research, Focus Group Research, Observational Research, Customer Information

b. Dependent Variable: New Product Development

The tables below provide the findings of the multiple regression model developed in section three.

According to Table 2, the R² value of 0.690 suggests that variances in survey research, focus group research, observational research, and customer information account for 69% of the variation in new product development. The corrected R² value of 0.504 corroborated the R² result. The factors included in the research also weren't autocorrelated, according to the Durbin-Watson required to effectively of 1.879 in table 2, which suggests that the outcome is accurate for making predictions in the prospective.

Table 3: ANOVA Result

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	179.546	4	44.886	4.272	.002 ^b
	Residual	2384.937	225	10.506		
	Total	2564.483	229			

a. Dependent Variable: Customer Purchase Intent

b. Predictors: (Constant), Coupon, Premium, Free Sample

According to table 3's f-statistics value of 4.272 and f-statistics probability of 0.002, the variables that are independent affect the dependent. This demonstrates that the variances in new product creation in particular bakeries in Nagpur may be explained by a combination of survey research, focus group research, observational research, and client data.

Table 4: Coefficients of the Model

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	18.311	2.121		8.632	.000
1 Survey Research	.159	.053	.194	3.014	.001
Focus Group Research	.091	.054	.128	2.112	.000
Observational Research	.110	.052	.140	2.674	.000
Customer Information	.136	.051	.132	2.147	.002

The coefficients and probabilities for each individual variable are displayed in Table 4. Survey study has a considerable impact on new product creation in a subset of Nagpur bakeries, according to its regression coefficient of 0.159 and probability value of 0.001. Additionally, the regression coefficient for focus group study is 0.091, and the likelihood value is 0.000. This suggests that focus group research has a major impact on the development of new products in a limited number of Nagpur bakeries. In a similar vein, the coefficient and probability values for observational research are 0.110 and 0.000, respectively. This demonstrates that observational research has a big impact on the creation of new products in a few Nagpur bakeries. A regression coefficient value of 0.136 and a probability value of 0.002 were also noted in the client information. This suggests that specific bakeries in Nagpur are significantly influenced by client information when developing new products.

Discussion of the results

This study looked into how marketing research affected the creation of new products in a few Nagpur bakeries. After empirical examination of information obtained from the management and staff of the sampled bakeries, the relevant results were found. According to the study, certain bakeries in Nagpur have found that survey research has a major impact on new product creation. This suggests that gathering customer information through surveys can aid in the creation of new goods for the baking sector. This supports the contention made by Cooper and Klienschmidt (2000) that marketing research contributes to the NPD process at varying scales by providing knowledge about the clients.

The researchers also discovered that certain bakeries in Nagpur had a substantial association between focus-group research and new product creation. This demonstrates how the usage of focus groups in product development can guarantee its success. This supports the argument made by Viaene and Januszewska (2009) that marketing research can assist new goods succeed by identifying consumer attitudes regarding them at different stages of the NPD process.

The researchers also discovered that for a small group of bakers in Nagpur, observational research used to have a substantial impact on the development of new products. This suggests that observational research can enhance the creation of new products. That supports the notion that marketing research improves product development put forth by Opara and Adiele (2009).

The authors conclude by showing that for a chosen group of bakeries in Nagpur, customer information had a major impact on the development of new products. This suggests that certain bakeries in Nagpur might improve new product creation by making efficient and appropriate use of client data. This confirms the results of Carbonell et al. (2009) that successful new product development depends on acquiring customer feedback via ongoing, casual, and in-depth contact with clients.

CONCLUSION

The research examined at how marketing research affected the creation of new products in a few Nagpur bakeries. The managers and employees of the selected bakeries provided the information which was then empirically analysed. For a limited group of bakeries in Nagpur, the analysis found that survey research, focus-group research, observational research, and customer data all had a substantial impact on the development of new products. Depending on the aforementioned, the research draws the conclusion that marketing research significantly influenced the creation of new products for a small group of bakeries in Nagpur. The research proposes the such in light of the aforementioned:

1. In order to develop products that best fulfill customer demands, producers must guarantee that an appropriate survey is conducted to ascertain the wants, needs, and preferences of customers.
2. Bakery business participants must budget enough money for market research. If used properly, these funds would help to advance market research and put the corporate environment in a period-appropriate frame of mind to obtain the best results and productivity.
3. To enhance employee performance and expand their contribution to the industry, development plans must be implemented. Seminars, workshops, symposium syndicates, and training exercises should be used for this. To deal with the rising need for advertising activities related to market research in all its forms, existing staff should also be kept and regularly offered introduction and refresher training.
4. Marketing research must be implemented in most corporate organisations in a way that both satisfies the requirements and desires of the intended market and achieves the firm's desired results.

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