

# Task 01: Develop market research plan

## Submission details

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The Assessment Task is due on the date specified by your trainer. Any variations to this arrangement must be approved in writing by your trainer.

Submit this document with any required evidence attached. See specifications below for details.

**You must submit both soft copies and printed copies of your answers.**

### Soft copies-

Upload on the eLearning to the specific submission folder with a cover page clearly indicating your name, student id, assessment no and the unit name or put those information in the header and footer of your documents.

### Printed copies-

Submit to your Trainer with the "Assessment Cover Sheet" (Filled out and signed appropriately) attached on top of your documents.

## Assessment description

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You need to review existing policy and procedure documents (in the appendices of your Student Workbook) and develop guidelines for managing the process of gathering research information. You also need to identify and plan to acquire all resources necessary for supporting the project.

## Procedure

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From the case study provided you are required to complete the following steps:

1. Develop guidelines reflecting organisational policy and procedures to be used for conducting research. These guidelines for research must provide information and guidance under the following headings:
  - OHS
  - Data privacy
  - Staff involvement
  - KPIs
  - Quality of data.

2. Meet with and commission a staff member (your assessor) to develop detailed work plans for how research will be undertaken, using the guidelines you have established. Make sure you agree on the format of the materials (print/electronic/oral, etc.) and a date for the provision of these materials.

When the staff member returns the plans to you, you will need to review the plans to identify the following and providing a written Work Plan Summary (document) – the steps below should be the main sections of your summary:

1. **Resources:** Identify all required resources to support the implementation of the plans by:
  - a. creating a list of all required resources
  - b. completing the Resource requisition/acquisition form provided for each resource.
2. **Consultants:** Identify preferred consultants by:
  - a. describing requirements for external consultants within the project plan
  - b. detailing selection criteria for selection of external consultants
  - c. identifying which consultant/s from the preapproved list is/are suitable.
3. **Providers and suppliers:** Identify preferred providers and suppliers by:
  - describing requirements for goods and services within the project plan
  - detailing selection criteria for selection of providers and suppliers
  - identifying which providers and suppliers from the preapproved list is/are suitable.

## Task Specifications

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You must provide:

A written Organisational Guidelines for Conducting Research (Step 1)

A brief written summary of your meeting with the staff member you commissioned for research (Step 2)

A written Work Plan Summary (Steps 3-5) with completed acquisition forms.

Your assessor will be looking for:

- Evidence that you have examined the case study and reviewed organisational requirements to develop market research plans.

Distance-based learners:

- Complete assessment as per instructions, except the meeting with your staff member (the assessor) will be via phone or Skype or other live telephone or video medium.

## Case study

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You are the marketing manager for a 15 store chain of homeware stores in Brisbane called Houzit. The stores specialise in bathroom fittings, bedroom fittings, mirrors and decorative items. As part of the strategic plans of the business, the board want to broaden the store offer by including lighting fixtures in the assortment mix. The board identified the need to carry out market research to determine the market feasibility of adding the lighting fixtures category to Houzit's assortment. The board have requested that this work be undertaken by a specialist market research firm with extensive knowledge of the target market and who can undertake a wide variety of research methods and complete the process in a timely manner.

The CEO has asked you to manage the entire market research process for the board. You are asked to liaise with the general manager of store operations and the group buying manager. Initially you are required to develop the guidelines for conducting the market research which must adhere with Houzit's policy and procedures. The scope of research to be undertaken encompasses the greater Brisbane area.

The CEO explained that the market research report together with your summary must be ready to be presented to the board in 8 weeks time. You have been allocated a budget for the project of \$15,000 to cover external consultants and associated external material costs. You are required to stay within this budget. Houzit's policy and procedures requires that you submit a Resource Usage application for all resources required in the project both internal and external.

Your marketing team consists of Tony (search engine optimisation and website maintenance), Marie (advertising and public relations) and Joanne an administration officer. You have asked Tony to take responsibility for the operational aspects of the project and estimate that it will take up 50% of his time over the next 11 weeks. Joanne will also be involved for about 20% of her time in attending to administration matters. You estimate that you will need to allocate 30% of your time to manage the overall project.

According to Houzit's policy and procedures the following detailed Work Plan Summary needs to be undertaken:

### Definition/scope phase

- Define research objectives
- Define research requirements
- Determine in-house resource
- Compile a list of preferred consultants/suppliers.

### Consultant/supplier selection phase

- Define consultant/supplier selection criteria

- Develop consultant/supplier selection questionnaire
- Develop Statement of Work
- Evaluate proposals
- Select consultant/supplier.

### Research phase

- Monitor milestone achievements
- Consultant/supplier performance management.

### Reporting phase

- Review Market Research report with stakeholders
- Prepare summary report.

The CEO meets with you and you and Tony to discuss the plans. The CEO explained that it is Houzit's policy to always engage external consultants when deciding on major category changes because it provided some objectivity to the decision making process.

The three preferred consultants are:

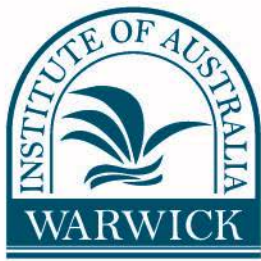
1. Acworth Accounting: 27 Pitt Street, Hawthorne QLD, who prepared the business plan for Houzit but who don't have specialist market research staff
2. Lombard Consulting: 78 Queen Street, Brisbane QLD, who are a local specialist market research firm based in Brisbane specializing in home accessory products and markets.
3. Holt & Burrows: 58 Lonsdale Street, Melbourne Vic, a national marketing firm based in Melbourne who consult on all issues relating to branding and marketing for all industries. They specialise in fashion, cosmetics and consumables.

The CEO explained that there was extensive information available in the company archives concerning customer feedback and surveys that has been collected by the stores over the past few years. This could prove useful in the research. The CEO also explained that you would need to have a member from head office do the information extraction work and could take up to 20 hours to complete.

The CEO would like to see a report that covered five main areas:

1. industry overview
2. target category and market
3. business environment
4. competitors
5. conclusion.

Tony prepared a list of preferred suppliers together with the products and services that they supplied to help determine the materials needed in accordance with the CEO's



directive that it be a credible source, within the budget and easily accessible. These materials could be included in the project if required and it is within budget:

Homeware Trade association has an Australian wide industry report for \$1,000

Australian Bureau of Statistics has Census data for the target area the is mostly free but will costs about \$250 in search fees

IBIS market report covers each major market in Australia including the greater Brisbane area - \$1,200

Australian Chamber of Commerce has Australia wide surveys on industries \$1,450

Homeware Magazines and Publications is an international magazine covering innovations in home wares \$250 per quarter

Newspaper subscriptions covering local issues \$100 per quarter.

**Resource usage application**

Resource description	Resource quantity	Internal or external	External resource costs

You and Tony meet with each of the consultants identified by the CEO and explain to the need to meet the time frame set by the board. You know that the Definition/Scope Phase together with the Consultant/Supplier Selection Phase will take 2 weeks. You also realise that you will need a week at the end to prepare your reports.

Tony explains that there is an expectation that they will be able to complete the following tasks in the time frame allowed:

- Develop market research information needs questionnaire
- Document information needs
- Identify information to be gathered in research
- Identify source of information
- Identify research participant
- Identify research technique
- Identify timing requirements and budget
- Conduct research
  - Primary Market Research including customer surveys, focus groups and interviews with Houzit staff/managers and customers.



- Secondary Market Research including the materials provided by Houzit.
  - Document research findings
  - Develop research report.

A week and a half into the project you receive the following responses from the preferred consultants.

- Acworth Accounting quote: \$11,500. Will need to engage external research staff. Will need ten weeks to complete the report. Cannot do focus groups.
- Lombards quote: \$12,000. Have specialist staff available in the home-ware field. Can complete the work within eight weeks. Can apply all methods of research.
- Holt & Burrows quote: \$14,500. Will send research staff from Melbourne. Can complete the work within eight weeks. Can apply all methods of research.