

CASE STUDY - PART A - COMPULSORY

Market Context

The air-conditioner market in Ghana has grown significantly over the past five years with average year-on-year growth estimated to be around 5% for the past five years. In 2013 alone, it is estimated that a total of 750,000 units of air-conditioners were sold in the country. While in previous years popular brand names like LG, Samsung, Hisense, HT Air-conditions etc. dominated the market, the recent period has witnessed significant penetration of me-too low-priced Asian brands (particularly Chinese brands). The proliferation of brands, providing a wide spectrum of prices and unique selling propositions, will have significant implications for product and market development strategies as well as market penetration strategies. A 2019 Brand Health Evaluation study undertaken by HT Air-conditions in the 'Golden Triangle' (Greater Accra, Ashanti Region and Western Region only) indicates that the brand is among five top brands recalled spontaneously by buyers and has 14% market share in the three regions. The market leader, Samsung, has 36% share of market while LG follows with 20%; other popular brands have 15% and me-too Asian brands have 15% share of market in the three regions.

Research Goals

The goal of this research is for the selected market research agency to estimate the size addressable target market for air-conditioners and obtain an understanding of consumer usage and attitudes within the market. The research agency is expected to provide data that will help HT Air-conditions undertake a comprehensive market segmentation exercise and obtain data necessary for both product and market development.

Objectives

- a. To assess the size of the overall target market across all regions
- b. To provide accurate estimates of the existing versus the potential market

- c. To profile consumer segments based on geo-demographic, as well as consumer usage, behavioural and psychographic data
- d. To provide a mapping of the geo-market showing density of existing versus potential markets across Ghana.

Methodology

The market research agency should advise on research strategy and execution.

Additional research questions

The findings, conclusions and insights from the study should guide the company on strategies to address the following:

- 1. What aspects of the marketing mix should the company focus on based on the results of the research?
- 2. Which regions or cities provide the greatest market and sales opportunities, and which should be areas of focus?
- 3. In which regions is the company's brand at risk of losing to competitors?
- 4. Which buyer segments - within both B2B or B2C – should become the focus for both market development and penetration?

ANSWER ALL QUESTIONS

1. You are a marketing consultant at a marketing research company. Critique the brief that HT Air-conditions has sent to research agencies, identifying areas where further information is required to enhance your proposal and make it competitive vis-à-vis that of other agencies submitting their bids. **(10marks)**

2. Having made reasonable assumptions in question 1 above, develop a comprehensive proposal detailing the following:

- a. Your understanding of the proposal and areas where there are opportunities to draw insights for marketing strategy

- b. Your proposed methodology including research method, a description of data collection approach, sampling technique, sample size with detailed justification.
- c. Indicate how you will go about data analyses

Restrict your answer to only the major technical elements of the proposal. Do not include CVs, experience of the company, references and contact details. **(30marks)**

PART B: ANSWER TWO QUESTIONS ONLY

QUESTION TWO

Name any two types of marketing research that will require a probabilistic sampling approach.

- a. Where there are no financial constraints which probabilistic sampling approach will you recommend as robust and give details on how you will carry it out. **(10marks)**
- b. Where there are financial constraints or a limited budget which probabilistic sampling approach will you recommend as expedient and give details on how you will carry it out. **(10marks)**

QUESTION THREE

If you decided to use a quantitative approach to question 1 above, develop:

- a. A grid of ten psychographic questions that may be useful in segmenting the target group with respect to the air-condition market. **(10marks)**
- b. Ten closed-ended questions with answer options to obtain behavioural information about the target group with respect to air-condition use **(10marks)**

QUESTION FOUR

To explore the product development objective of the research brief detailed out in (question 1 above) you are required to undertake qualitative research and focus group discussions specifically. Draft a focus group discussion guide to explore the concept of an inverter-type AC

with smart features amongst a specific target group in Ghana. Use appropriate games and exercises to unearth latent consumer attitudes. **(20marks)**

QUESTION FIVE

You are a Research Manager reviewing the proposal of an agency that has suggested a mixed method approach to your research brief. However, you did not see end-to-end research quality assurance protocols for both the qualitative and quantitative waves of the research in the agency's proposal. If you still wish to work with this agency share ten quality assurance protocols that you will like the agency to incorporate at various stages of the proposed focus group discussions (qualitative research). Share ten more quality assurance protocols that you will like to see for a survey that requires multi-stage sampling (quantitative research). **(20marks)**