

Quadrant II – Notes

Paper Code : **COG 136**
Module Name : **Meaning and Importance of Business Research**

Notes:

Generally:

Research is a studious inquiry or it can be a systematic investigation of some phenomena by the experimental method

Research is a process of verifying existing knowledge or acquiring new knowledge through a systematic search

Business Research:

Business research refers to any type of researching done at the time of starting or running any kind of business.

Business research is customer oriented and seeks to study customer wants, needs and gauge customer thinking to aid decision making by managers.

Thus -

Business research is conducted to resolve problematic issues in, or interrelated among the areas of accounting, marketing, management and finance

Definitions of business research:

According to McDaniel and Gates, "business research is the planning, collection and analysis of data relevant to business decision making and communication of the results of this analysis to management".

According to Zikmund, "business research is a management tool that companies use to reduce uncertainty. It is a manager's source of information about organizational and environmental conditions and covers topics ranging from large range planning to the most ephemeral tactical decisions".

Importance of business research:

1. Understand customers buying patterns, preferences and pain points
2. Communicate with current and potential consumers
3. Gain deeper insight into the market trends
4. Helps to identify opportunities and threats in the market place
5. Plan investments and expansions effectively
6. Facilitates decision making about marketing strategy, business development relationships and networking opportunities

7. Updated with current trends and innovations in the market
8. It helps minimize risk and maximize profits
9. Understanding of demand and supply strategies in the market to remain ahead of others
10. Reduce cost and devise solutions to avoid business failure.
11. Valuable information on customers and business competitors
12. Build better market position and the target consumers
13. Provides market analysis on the basis of government policies
14. Provides information on financial status and economic system
15. Contributes to new knowledge about the customer or market