

4.4 Market Research



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4.4 MARKET RESEARCH: ASSESSMENT

Read the case study below and answer the questions that follow.

GIRL POWERED



The new friendship groups have been a big hit at the gym

Girl Powered is a health and fitness club located in Chicago. It is a woman's only gym and has a variety of different programmes and classes, and upmarket facilities including saunas and spas. Health and fitness instructors and dieticians can tailor classes, programmes and diets to best match their clients' goals and aspirations.

The club has performed well over the last two years but now faces competition from

two clubs, Wellness and Glides, which have just opened. Wellness has been particularly successful and has attracted a number of customers from Girl Powered.

The management of Girl Powered conducted some extensive market research to find out more information about their customers. Qualitative and quantitative data was collected, from both primary and secondary sources. A market research company was employed used to gather much data, and they used a variety of different sampling methods to obtain this.

As well as interviews and observations, they used a series of focus groups to find out customer's' views on diet and exercise. Some of the information discussed in these videoed

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focus groups was very emotional around the exercise and dietary habits of members, and especially body image – the information obtained is deep and informative. They used a series of focus groups to find out customer's' views on Girl Powered and a questionnaire to provide them with more precise data about the way customers used their club.

Girl Powered has responded positively to its market research by adopting the following strategies:

- Introducing a friendship group membership schemes (a group of friends can sign up at a discounted rate and have classes specifically designed for them)
- Mother-daughter memberships
- 'SummerFun' classes, outside in a nearby park (weather permitting, of course)
- Opening a coffee shop

The management of Girl Powered believe that this new customer-orientated approach, which targets health and fitness for the whole family, will give the club a unique selling point and enable it to stand out from the competition.

Source: www.BusinessManagementIB.com

25 MARKS, 45 MINUTES

- 1 Explain why Girl Powered carries out marketing research **[4 marks]**
- 2 Differentiate between qualitative and quantitative research **[4 marks]**
- 3 Outline **three** different sampling methods the market research firm could have employed to find participants for their research **[6 marks]**
- 4 Explain the use of focus groups to collect research data **[4 marks]**
- 5 Discuss any ethical implications of the market research Girl Powered has engaged in **[7 marks]**