### **Function and evolution of MIS-**

### **Marketing Information System – Evolution: MIS to Help Develop Marketing Plans, MIS to Evaluate the Marketing Plan’s Effectiveness**

Today many companies no longer think of marketing research in terms of only a single project. Through experience managers have learned that they need certain kinds of information at regular intervals of time in order to deal with recurring decisions. As a consequence, they have found it very helpful to use several regularly scheduled research projects that support or complement one another in providing managers with the appropriate information needed for those recurring decisions.

When a company begins to regularly schedule the coordination of findings from several research projects designed to assist in specific recurring decision situations, the company has begun to develop a marketing information sys­tem- MIS for short.

**Such marketing information systems are beginning to evolve, as the following two examples illustrate:**

**1. MIS to Help Develop Marketing Plans:**

To help its managers develop their marketing plans, the Gillette Company uses information gathered from five different types of regularly recurring research projects. The five projects were designed to provide the managers a complete picture of the razor and blade market, including detailed descriptions of consumers, competition, and dis­tribution. The five projects, and the usefulness of the information they gather, are as follows.

These five projects provide Gillette marketing managers with information on market shares, brand loyalty and brand switching, consumer attitudes, brand and advertising awareness, product advantages versus competition, inventory levels, out-of-stock, retail prices and display, local advertising, and more.

As the data are gathered from recurring studies, the managers have a complete picture of current market and competitive conditions from the most recent set of studies, and they know the recent trends that exist in all of these data. All of these items of information provide the Gillette man­agers an excellent historical record on which to base the development of their new marketing plans.

**2. MIS to Evaluate the Marketing Plan’s Effectiveness:**

Gross margin, marketing expenditures, and contribution to earnings are recorded for each market area and also totally. This information is also shown for each market (1) as a percentage of the total for all markets and (2) as the dollar amount of change this year compared with last year. Additionally, the total industry sales in dollars, the firm’s market share, the percentage of retail distribution achieved for the product, and television media costs are shown for each market, both for this year and last.

With these data, management can observe changes in demand (as reflected in total industry sales); changes in sales, costs, and earnings, changes in competition (as reflected in market share and retail distribution percentages) and, changes in advertising costs (as reflected in television media costs). This information is available by market and for all markets. With such information management can reappraise a product’s marketing expenditures plan as well as the effectiveness of the advertising-sales promotion mix used and then make changes.

**Concluding Comments on Marketing Research Usage:**

The materials show that marketing research is being used to measure the characteristics of markets, to obtain information needed for forecasting, to evaluate new-product ideas and improve existing products, to assist man­agers in making better advertising and promotion decisions, and for many other purposes. Marketing research is used throughout the four phases of the administrative process, from establishing strategies all the way through to evaluating the effectiveness of the marketing plan used to try to achieve the established strategy.

The role of marketing research appears to be headed for higher levels of sophistication and utilization as more and more companies begin to develop their own Marketing Information Systems (MISs).

### **Marketing Information System – Scope: Strategy Implementation, Strategy Development, Market Monitoring, Support Management, Decision Making and a Few Others**

#### Scope # 1. Strategy Implementation:

MIS helps in product launches, authorizes the co-ordination of marketing strategies, and is an integral part of Sales Force Automation (SFA), Customer Relationship Management (CRM), and customer service systems implementations. It permits decision makers to more effectively manage the sales force as well as customer relationships.

Some customer management software companies are extending their CRM applications to include Partner Relationship Management (PRM) capabilities. This has become increasingly important as many marketers are choosing to outsource important marketing functions and form strategic alliances to address new markets.

#### Scope # 2. Strategy Development:

Information needed to develop marketing strategy is also provided by MIS. It supports strategy development for new products, product positioning, marketing communications (advertising, public relations, and sales promotion), pricing, personal selling, distribution, customer service and partnerships and alliances. MIS gives the foundation for the development of information system-dependent e-commerce strategies.

#### Scope # 3. Market Monitoring:

MIS enables the identification of emerging market segments, and the monitoring of the market environment for changes in consumer behaviour, competitor activities, new technologies, economic conditions and governmental policies at the time of using market research and market intelligence.

#### Scope # 4. Wider Applications:

Under modern marketing ideologies, MIS includes operational, sales and marketing process-oriented systems, which serve in daily marketing operational activities such as direct mailing (database marketing), telemarketing and operational sales management. The users are middle management and operative sales and marketing personnel.

#### Scope # 5. Support Management and Decision Making:

Marketing information systems support management decision making. Management has five distinct functions and each of them needs support from MIS. These are planning, organising, co-ordinating, decision-making and controlling.

#### Scope # 6. Functional Integration:

MIS the co-ordination of activities within the marketing department and between marketing and other organisational functions like engineering, production, manufacturing, product management, finance, logistics, and customer service.