

[Assignment I: Concept Testing]

It has been found that approximately 60% of new ventures fail because of bad marketing decisions. A careful low-cost marketing research can help new ventures make right marketing decisions. In particular, too often companies with new offerings do not test enough to assure that a product is an appealing concept to enough customers.

In this assignment, you are asked to design a research plan for concept testing of a new product, LINEPASS, developed by a new venture. Concept testing is a research technique that checks whether the prospective purchaser and/or user of a new product-offering bundle understands the product/service idea, feels that it answers a need, and would be willing to purchase and/or use it. Concept testing is basically a set of procedures in which potential customers are exposed to a product or service concept and are asked for their reactions to it.

LINEPASS is an easy-to-use Wireless Reservation System for theme park attractions. Visitors receive small personal terminal devices when they buy tickets at the entrance. The personal devices are linked to a server through FM transmitters.

The benefits LINEPASS can offer are as follows:

Visitors

- Get information about waiting times for any attractions in the theme park.
- Get information about all the different events in the theme park.
- Make a reservation for any attractions in the theme park.
- Avoid waiting in line for tickets and rides.
- Map current location and find the best route to any place in the theme park.
- The digital signature uniquely built into each terminal device allows users to board rides quickly by passing through gates.
- The terminal device notifies users 15 min. before their next reserved ride is to start.
- Pay all bills one-time upon returning the terminal device.

Corporation

- Monitor movement of all visitors and revenue contribution from all attractions on-line.
- Increase sales by sending ads or notices for events to all terminal devices.

Design a 2-3 page marketing research plan for concept testing of LINEPASS.

For the concept test plan, the following questions must be addressed:

- Objective: State explicitly what you want to learn and how you will use the information
- Respondents: Who should be exposed to the concept? Be specific about your segmentation and target market.
- Sample size: How many respondents should be contacted?
- Method: What are the best modes of data collection? How would you approach respondents?
- Stimuli: What should be in the concept statement?
- Data: What specific information should be collected from respondents?
- Measurement: How should the questions be asked and measured?
- Analysis: What kind of analysis should be conducted after gathering data?