

Specification of Competency Standards of the Insurance Industry

**Unit of Competency**

**Functional Area: Marketing**

Title	Conduct market research for product development or revamp
Code	105535L5
Range	This unit of competency is applicable to those who are responsible for conducting market research. It involves the use of appropriate market research methods to provide recommendations for product development or revamp.
Level	5
Credit	3 (for reference only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> <li>1. Possess knowledge of market research <ul style="list-style-type: none"> <li>• Understand concepts and applications of market research</li> <li>• Understand how market research assists insurers to evaluate a business idea (e.g. new product idea, customer feedback for product revamp)</li> <li>• Define research objectives and scope</li> <li>• Apply different research methods</li> <li>• Familiar with sources of information</li> <li>• Familiar with market research industry and practices</li> </ul> </li> <li>2(a). Plan for market research <ul style="list-style-type: none"> <li>• Identify insurers' objectives to conduct market research</li> <li>• Identify right market research company and develop selection process if outsourcing is needed</li> <li>• Employ appropriate research methods</li> <li>• Evaluate effectiveness of the selected methods</li> </ul> </li> <li>2(b). Conduct market research <ul style="list-style-type: none"> <li>• Collect data to determine: <ul style="list-style-type: none"> <li>• number of insurers and the products currently offered</li> <li>• current/anticipated buyers of the product, e.g. by age, income group, industry</li> <li>• perceptions of target segment towards the product</li> <li>• anticipated needs to the product</li> <li>• reasons for buying/not buying</li> <li>• current/anticipated premiums</li> <li>• overall sales, volume and product mix.</li> </ul> </li> <li>• Ensure reliability and validity of collected data</li> <li>• Use analytical tools to analyze collected data</li> <li>• Identify customer needs</li> <li>• Estimate market size</li> <li>• Evaluate business idea based on findings</li> </ul> </li> <li>3. Present research findings and recommendations to address research objectives <ul style="list-style-type: none"> <li>• Present complete and accurate research findings</li> <li>• Provide feasible recommendations to assist insurers in developing new products or revamping existing products.</li> </ul> </li> </ol>
Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> <li>• Able to identify objectives of research to determine suitable research methods targeted to such objectives;</li> <li>• Able to conduct market research to facilitate new product development and/or revamp</li> <li>• Able to utilize different reliable instruments for collection of data</li> <li>• Able to generate sufficient and accurate data for further market analysis</li> <li>• Able to provide feasible recommendations to assist insurers develop new products or revamp existing products with particular reference to needs analysis and marketing mix</li> </ul>
Remark	This unit of competency is also applicable to general insurers and life insurers.