

# Conducting Market Research

## Marketing/Sales

The goal of market research is to understand the reasons why your customer will buy your product or services. Good market research indicates who and where your customers are. It will also tell you when they are most likely and willing to purchase your goods or use your services. It could also help to determine what kinds of new products and services may be profitable. Finally, for existing products and services, marketing research can tell companies whether they are meeting their customers' needs or expectations.

### What To Do:

- 1) Define your **customer** first.
- 2) Determine what you need to know about your **market**.
- 3) Use **secondary** market research for having an overall overview.
- 4) Use **primary** market research to get specific data.
- 5) Take **actions** and design business decision.

## Definition/Explanation:

- I. **Customer:** Before starting a market research campaign to discover how our customers behave, we must define who our ideal customer is first. By defining them, we will be able to answer questions like: What is their age? Gender? Income? Education? Profession? Location? etc.
- II. **Market:** A market is generally defined as a group of consumers and producers who are involved in the manufacture, purchase and use of the product. *The more focused the research, the more valuable it will be.* By being specific, the more accurate you'll be able to target your sales and marketing efforts or choosing the sales channels that are most receptive to your product.
- III. **Secondary market research:** Data from secondary research will give you a high level overview of market opportunities, which typically consists of previously collected information on consumer demographics, industry trends, market share, etc. It exploits existing resources like company records, surveys, research studies and books and applies the information to answer the question at hand. It is normally less time consuming than primary research and can be less expensive as well. With secondary data, you can identify competitors, establish benchmarks and identify target segments.
- IV. **Primary market research:** Primary research is original information gathered through own efforts or by a hired research firm. The goal of this type of research is to respond to a specific question. This information is normally gathered through surveys, observation, or experimentation.
- V. **Action:** After finding the information gathered among the different sources, you can take action. Business decisions must be taken after rigorous research. The research should tell you what market segment or targeted client is better than another. The whole

marketing strategies and tactics must be thought of and designed in a way to reach the customer and market previously identified.