



Yes, You CAN Do Your Own Market Research

February 13, 2008

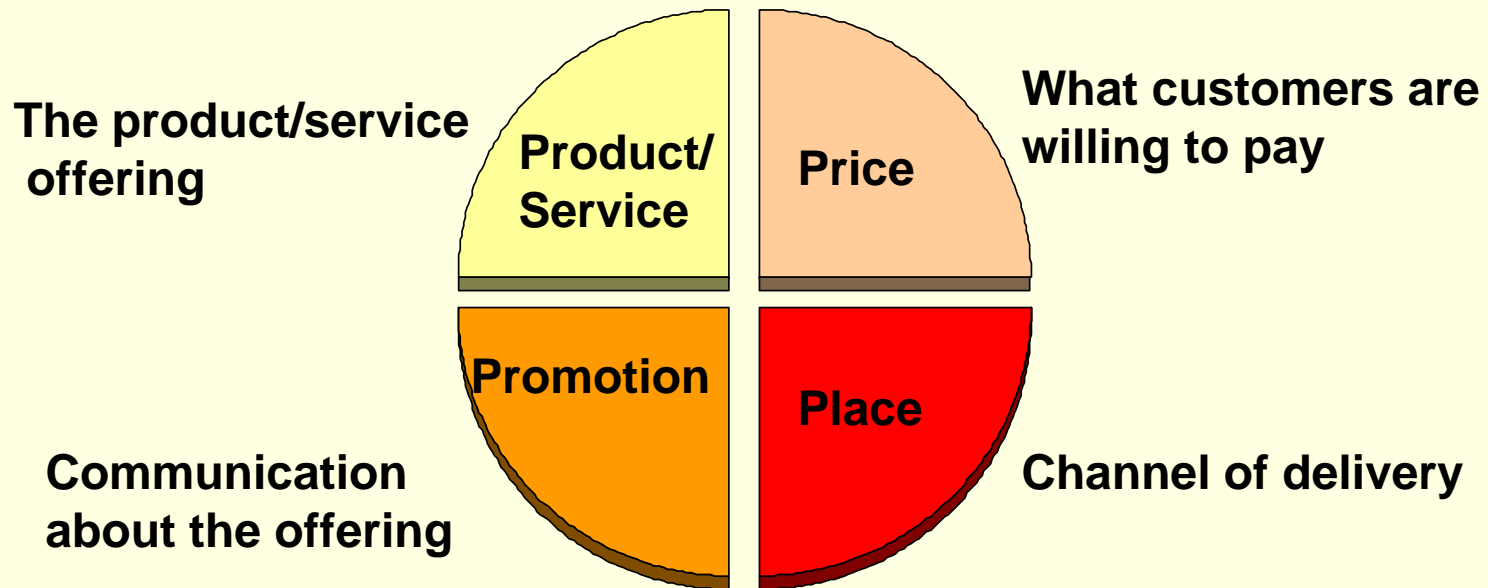
Why do Market Research?

- Business planning
- Maximize profits
- Publicity (reporters love statistics!)
- Connect with customers



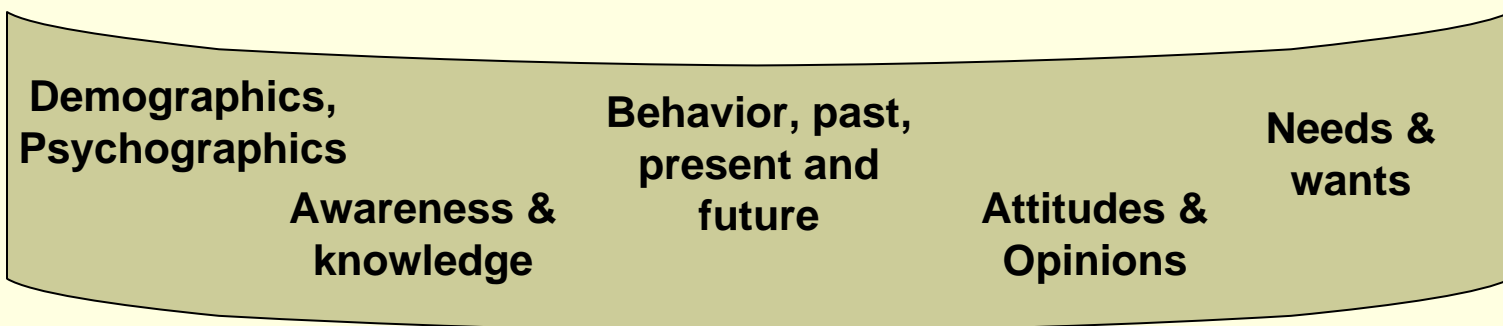
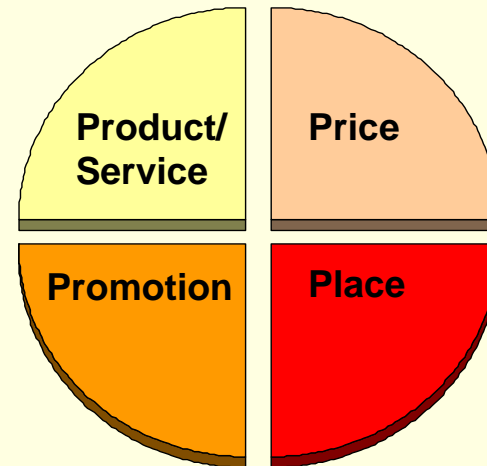
What to Research?

- Solution to customers' needs



What to Research?

- Who are your respondents?
- How do they think?
- What do they do?
- What do they want?



Who to Research?

- Current customers
- Former customers
- Competitors' customers
- Potential customers - no selling!
- Suppliers
- Other stakeholders



Methods of Research

- **Primary vs. Secondary** (not necessarily in that order 😊)
 - Secondary – gathered for a purpose other than the immediate need at hand
 - Primary – created specifically for the purpose of addressing a particular situation


- **Qualitative vs. quantitative**
 - Qualitative – deep, but directional
 - Quantitative – broad, but precise




Secondary vs. Primary



“A Good Start”

- 
- Quicker than primary research
 - Background information
 - Helps you define the problem
 - Indicate areas requiring primary research
 - Resource:
www.marketresearch.com

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- Research does not always “fit” the research problem
 - May not be current
 - Accuracy/bias (promotional)
 - Information overload



“Tailored Results”

- Design specifically to your business questions
- Real-time
- Reach your target market
- Flexible questions
- Proprietary

- Time consuming to design and administer survey and analyze results
- Potential for error
- Limited budget = less feedback

Examples of Secondary Studies: D&B industry reports, Consumer Reports, Association surveys, Gallup polls, Internet polls



QUAL-itative vs. QUANT-itative



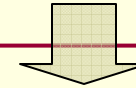
“Deep... but Directional”



- Customer language and non-verbal cues
- Emotions behind customers' behaviors or intentions
- “Why’s” behind answers
- Easy to administer
- Flexible – questions can be modified
- Explore various options



- Time consuming
- Difficult to interpret - inconsistent findings, bias
- Non-conclusive - results could be misleading (one comment from one respondent may be particularly good (or bad) but may not be representative of whole market)



“Broad... but Precise”



- Results are “projectable” to the whole market
- No interviewer necessary – less bias
- Re-survey to measure changes
- Business planning/forecasting (X% of people in Hunterdon County report they are very dissatisfied with the variety of restaurants)

- Don't hear customer directly
- Sometimes raises more questions (why did they answer that way)
- Tabulating results can be tedious

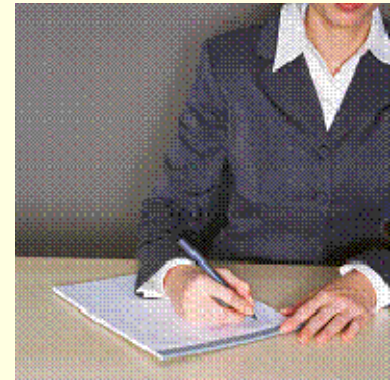
QUAL-itative Research

- Use QUAL research to:
 - Formulate a problem
 - Discover new ideas/brainstorming
 - Develop hypothesis to test further
 - Screen alternatives
 - Clarify concepts
 - Understand customer language



QUANT-itative research

- Surveys or “questionnaires”
 - Internet
 - Mail
 - Telephone
 - On-the-spot (suggestion cards)



Example: On a scale of 1 to 5 how satisfied are you with the variety of restaurants in Hunterdon County, where “1” means you are *not at all satisfied* and “5” means you are *very satisfied*?

- Not at all satisfied
- Somewhat dissatisfied
- Neutral
- Satisfied
- Very satisfied



Checklist for Designing a Survey

- Reveal your company's name and **how you will use the information** in the introduction; ensure confidentiality
- Keep **survey length short** - no more than 15 questions (less than 3-5 minutes) if non-paid
- Put your questions in **logical order**, usually from general to specific
- Keep the **questions short** and to the point
- Ask **idea per question** – no “double-barreled” questions
- Avoid biased** or leading questions
- Use mostly “**closed-ended**” questions
- Use **customer language**
- Pretest** your questions. Try out the questionnaire on friends, employees, and colleagues before you send out the real thing
- Thank the respondents for their time and effort



Types of Answers

- Ranking Scale

Example: “Please RANK order the following in terms of how important they are to you. A “1” indicates it is most important.”

- Rating Scale

Example: “On a scale of 1 to 7, please RATE the following in terms of how satisfied you are with the product. A “1” means you very unsatisfied, a “7” means you are very satisfied.”

- Multiple Choice (more than one answer allowed)

Example: “From the following list, please select all the topics you would be interested in receiving information about. CHECK ALL THAT APPLY”

Example: “For the following, please select the one topic that you would most want to receive information about. CHECK ONLY ONE”

- Yes/No – use sparingly



Where to Administer Your Survey?

- In-person
- Telephone
- Online
- Email



Comparisons of Common Online Survey Applications

	Survey Monkey (www.surveymonkey.com)	Zoomerang (www.zoomerang.com)
Basic application	Free	Free
Professional application	\$19.95/Month (\$200/Year)	\$599/year
Allows ability to use own list	No	Yes
Use of database respondents based on your demographic parameters	Yes for an additional fee	Yes for an additional fee
“Skip logic” allowed	Only available in Professional (Paid) application	Included in Basic (Free) application
Prevents multiple responses from same user	Yes	Yes
Survey templates available	Yes	Yes
Ability to establish date to stop accepting responses	Automatic: Owner can set date in advance to stop accepting responses	Manual process; Owner would go onto site to stop accepting responses
Password protection for survey	Yes	No

