

Market Research and Analysis for You and Your Company



Today's business and industry executives face the need to stay competitive and informed. If you want to stay on top of your market, you need accurate and up to date information to make smart business decisions.

Market Research

Market research is a way to meet these needs, and can help you to understand the markets and industries that you service.

- Who are your competitors?
- What geographic areas do they cover?
- Who are their customers?
- To what trade organizations do they belong?
- What are your customers' needs?
- Are they growing or expanding their service areas?

This information may help you decide to enter new areas of service, and can help you to differentiate your services from your competition. Understanding and knowing your market can help you identify potential merger and/or acquisition targets. Knowing who your competitors'

customers are can help you identify new potential clients for your company. Strategic planning depends on having the right information.

Strategic Planning

Market research and analysis is necessary to make strategic plans for your company. It can help you and your business in a number of ways. You might be considering expanding your company by adding new locations or new product lines. Or you might be considering acquiring a competitor.

- You will want to conduct an overview of the field and get information about market size or market growth trends. Market research can also help you to identify and find out about potential competitors.
- You will want to learn about demographic trends within your market segment. Before adding new product lines, market research can help you to discover technological trends and obsolescence risks.
- Market research can also be conducted to determine customer satisfaction levels, or for business development to locate and qualify new customers.

Here's an example of how you might help your company conduct a market research project. Imagine you're a manufacturing firm who is considering a new product launch. Working with your research and development team, you would conduct research to identify current suppliers of similar products, and find out their distribution channels and average pricing. Next, look for competitors' patent documents. Market share and forecasting data can help your firm make an informed decision before you decide to take a risk and launch the new product.

Businesses also conduct competitive intelligence. Competitive intelligence is legal, ethical and essential for a smart company's survival. Competitive intelligence is not corporate spying. It doesn't involve the bugging of phones or stealing other people's inventions or ideas. Competitive intelligence is more like the work of a good journalist than a spy. It keeps you informed of new developments or trends within your industry. Competitive intelligence can let you know how you and your competitors are perceived by your customers and potential customers. Competitive intelligence can help you understand and develop "best practices" for your company.

Competitive intelligence consists of several steps. Information can be collected from any number of different sources. Some data can be collected from searching databases or subscribing to news groups. Your salespeople can be a great source of competitor information. Primary research, which involves interviewing customers or vendors, can provide you with important insights into how you and your competitors are perceived.

Next, compile the data or information into a cohesive, organized format. Finally you need to analyze the information. Remember – "information" only becomes "intelligence" once it can be acted upon.

There are other examples of how Market Research can help you and your business succeed. We will cover that information in a future blog.

About the Author

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