

# BMGT 299: Entrepreneurship Capstone

## Unit 5 Course Materials



### What is Market Research?

Market research is simply a way to get information about your customers using available resources or designing your own research to identify unknown information.

It is essential to for small businesses to have accurate, current consumer information. A small business owner rarely has the money to gamble on making a wrong move or wrong decision about their business.

If you can figure out the right questions to ask about your business, you should be able to design and record the information you are seeking. Questions like:

1. What are the long-term trends that will affect my business?
2. Where should I locate my business?
3. How will my customers buy my product?
4. Who are my customers?
5. How do my customers make their buying decisions?
6. Should I sell name-brand or lessor-known brands?
7. How will my advertising expenditures impact my sales?

If you are already in business, the information is available everywhere. Sales receipts, product orders, advertising invoices, customer feedback, employee feedback, etc.... You will just need to organize the data so that you can retrieve it later.

If it's a new question, you will have to make a questionnaire to implement to seek the information you desire. Remember, anytime to observe anything the results change. People answer questionnaires with the answers they *think* you want to hear. If you watch buying behavior at the point of sale, they are aware of your presence and their behavior changes. Be sure to allow for these intrusions into your research.

Simply using car license plates in the parking lot can tell you your "trade area" and tell you how far to spend your advertising dollars to reach your customers. Is it up to Kalispell? East to Billings? – Mark a map with a pushpin – marking every area you identify from a license plate survey - and you will make better marketing decisions.

### Where to obtain information?

If you are not currently doing business, you will need to use other sources for information. Consider the following:

1. The Library
2. Magazines and Reports
3. Industry Specific publications. (They usually discuss the problems in the industry sharing a lot about your potential business and challenges)

# BMGT 299: Entrepreneurship Capstone

## Unit 5 Course Materials



4. The Internet
5. The Chamber of Commerce
6. Wholesalers
7. US Census
8. Trade Associations
9. Competitors (Shop them!)
10. Telephone Interviews
11. Internet Interviews (Survey Monkey)
12. Focus Groups

### Quantitative Vs Qualitative

Quantitative information is information that is obtained from existing, measurable sources. Using the US Census provides “quantitative” data.

Qualitative Data is data you obtain from surveys, research groups, personal interviews, observation, etc..

If you are presenting data that is supported by published data, call it Quantitative Data. If you are providing more antidotal information – obtained from personal observations for example, - Say, “Qualitative data suggests.....”

### Primary Vs Secondary Research

Primary research investigates questions using new research. (Conducting interviews, focus groups, survey monkey, etc...)

Secondary research investigates questions from existing sources like library’s and the internet (if cited).

### ASK THE RIGHT QUESTION