



Checklist 5: How To Carry Out Market Reseach For Your Startup

Project Name: _____

Date: _____

Yes No

Proper market research is one of the critical features of a good startup business. There are two types of market research: primary and secondary. Primary research refers to researching the kinds of customers you want to cater to directly, and this is most commonly done using telephone interviews or even opinion polls. Secondary research refers to studying statistics gathered by other organizations, or by reviewing blogs and articles written by experts in the field. For doing market research, you need to answer a few questions:

- 1 Who exactly are your customers? You need to research in detail about the characteristics of the type of people you want to cater to their age, occupation, interests, needs etc.
- 2 What products are they currently buying? You need to know the type of products/services your customer buys, what their quality is, their prices etc. This is the way you'll know what the minimum standard is that you have to deliver it.
- 3 Why do they buy the products/services they buy currently? You need to find out what your customers give priority to, whether they buy a product because of its quality, or its price? For example, if you are producing some new kinds of bed sheets, you need to research why people buy your competitor's products, and what the customers give most importance to, e.g. the material, the price, the durability?
- 4 Why will the customers buy your product? This is the key question you need to answer when doing market research. Collect data using platforms like Facebook and then put all the statistics you find (from graphs, opinion pools etc.) into software or spreadsheet to draw up some comparisons with your company's data.

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5 You need to visit the websites and review pages of other companies. The criticism and the praise that you will read about on these pages will give you an insight as to what the customers are looking for and what mistakes you should avoid.

6 Comparative research refers to that aspect of market research where you investigate the size and services/products provided by your competitors to have an idea of what you need to do and what successful companies are doing. Keep the following points in mind when doing research:
Research about companies of relative size
Companies that already conduct their business nearby
Companies that are relatively new so you know how they are faring and the difficulties they are facing

7 Follow these steps to spend money on research wisely:

Decide what you need to know about your market. If research is relevant and focused, it will be more useful.

Prioritize the results. You can't research everything, so focus on the information that will give you the best and/or quickest payback.

Look for cost-effective research alternatives. Small Business Development Centers and the Small Business Administration are two organizations that can help you carry out customer surveys, so use their services!

Estimate the cost of doing the research yourself. If you are using the internet or blogs for your research, then it will probably cost you nothing, but if you hire a proper research team or give out pamphlets or surveys, you need to be very careful of the cost of research and remember not to go overboard.

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