

# How to Succeed Using Market Research



by **Ashlan Bonnell**



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## Introduction

Success. Every business strives for it, but how many actually achieve it? How does a simple idea grow into a corporate enterprise? Unfortunately, according to sources like Bloomberg, Forbes, and Business Insider, very few ever do. So, how do you help your organization reach that elite group of businesses with captivating success stories? The answer is not necessarily a simple one. It takes every cog in the machine working together to achieve success, and those cogs are different for every organization. But, the foundation always remains the same: market research is imperative.

### What Is Market Research, and Why Do I Need It?



It's probably pretty safe to say that most everyone has heard of Pepsi, which continually claims its stake as one of the most popular carbonated soft drinks on the market. But, have you ever heard of Pepsi A.M.? Probably not... unless you frequently search for epic product failures. During the late 1980s, in attempts to capture the caffeine-craving morning drinker, PepsiCo created a new product called Pepsi A.M. under the assumption that new marketing would persuade traditional coffee drinkers to grab a cola instead. The fact that most people have never even heard of Pepsi A.M. clearly shows that it was a major flop. Yet, PepsiCo is still a thriving company. So, why did this product fail so quickly?

Assumption. It's probably one of the most detrimental mistakes a company can make. That's why PepsiCo missed the mark with Pepsi A.M., and it's why market research is so critical to success.

Market research provides organizations with a foundation on which to make their toughest business decisions: should we buy company X, should we invest in industry Y, who are the competitors we should fear, who are the customers we should target? Market research gives you a comprehensive view of your market, consumers, and competition so that you can more effectively develop and market your products or services. Market research is proactive and reactive, preventative and preemptive. But, more than anything, it is **imperative for success**.

# **Chapter 1**

## **Determining Your Market Research Needs**

If you want to achieve optimal success through utilizing market intelligence, you need to first define a solid market research strategy, including your goals and expectations. In order to develop a proper strategy, you need to have a firm understanding of your market research needs so that you can determine the types of research that will help you best address them.

## What to Consider Before Conducting Market Research

Developing, and continually shaping, your market research strategy can make all the difference between money well spent and money wasted. As organizations continue to increase their spend on research, it's becoming increasingly important to ensure there is thoughtful preparation before beginning the market research process. One of the most critical business mistakes you can make is rushing into research without first answering some key questions. So, to avoid jumping the gun when gathering the business intelligence that you hope will grow your organization, there are numerous steps you should take before reaching for your checkbook.

1

### Identify Pain Points

Every business has pain points. Identifying those key factors that affect your organization most, prior to embarking on market research, will help provide insight into potential areas of focus. Keep in mind, this isn't an easy task. You may only see a percentage of the actual situation, and that portion left unseen, or unnoticed, may really put a damper on your success. You can combat this challenge by analyzing the limitations you want to overcome and the opportunities you want to explore in order to most effectively address them.

2

### Assess the Cost of Challenges

Before realistically understanding the extent of market research you need and how potentially lucrative it will be, you must determine how much your identified pain points and challenges are costing your business. This conclusion may be the bane of your senior executive team's existence, but it is critical information for you to consider in order to conduct the most effective research.

3

### Define Market Research Goals

Without a clearly defined set of goals, you may find it difficult to derive actionable steps toward achieving success. In order to determine a starting point and develop an effective research strategy, you need to know what it is you're trying to accomplish. Start by defining your problem and desired end results. This will allow you to develop a research strategy around your goals and give you more direction for the entire research process. While this may seem like a no brainer, it is easier than you think to get caught up in the evaluation and analysis without keeping a clear view of your end objectives.

4

### **Determine Available Resources**

Before gathering or conducting research, you need to determine the resources at your disposal. What portion of your budget will you be allocating to this project? What relevant information is already accessible to you? There's no need to spend time and money obtaining data you already have. It's in your best interest to assess and take advantage of your existing resources and evaluate what resources you have moving forward. Time commitments will be required and expenses are inevitable, but market research is critical to your business' success, and you'll need to be able to articulate the benefits to your CFO.

5

### **Maintain Objectivity**

Objectivity is a critical factor in obtaining and conducting efficient, cost-effective market research. Your available resources will help you determine whether it's best to conduct your own research in-house, outsource it, or rely on syndicated market research. No matter which kind of research fits your needs best, just be sure your decision is based on objectivity. Maintaining a neutral strategy, detached view of your hypothesis, and objective goals will ensure the most accurate results and honest outlook.

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### **Assess ROI Opportunity**

When preparing for the market research process, be careful not to fall in the rut of focusing on interesting but unnecessary research. You need to assess whether conducting market research to achieve a particular goal will directly impact your bottom line. If your potential results are unlikely to increase revenue, you may want to hold off on journeying down the market research road and reassess your goals. Ensuring a potential return on your investment will be important for communications with your executive team.

7

### **Conduct Competitive Analysis**

Conducting basic competitive analysis prior to embarking on the market research process will give you some additional guidelines when laying out your strategy. By analyzing your competitors' recent moves and overall position in the market, you can identify opportunities worth capitalizing on and include those in your market research goals and efforts.

8

### **Segment Data Sources**

If you plan to conduct your own primary market research, you need to segment your research targets then adjust your approach accordingly. Each segment can react differently depending on your objective. So, in order to promote accuracy across each segment, try creating profiles, or personas, for each research target to determine the most appropriate approach.

9

### Estimate Long-Term Effects

Just as you assess the ROI potential of your research efforts, you should also consider how those efforts will shape your organization in the long run. Keeping the long-term impact of your research in mind throughout the process will help highlight profitable opportunities and bring to light weaknesses that need to be fortified.

10

### Implement Results

This is arguably the most important factor to consider if you really want to see success from your efforts. All the research, analysis, conclusions, etc. will be for nothing if you don't have a clear plan for implementing the results at a corporate level. Once you accomplish your initial goals, you must have a strategy for what you will do with the results you've derived and how they will integrate into your business model.

## The Market Research Myth of Uniqueness

Innovation, by its very nature, produces new things: new technologies, new processes, new products. These new ventures drive a need for new understandings: new approaches to the marketplace, new marketing messages, new forecasts. To understand how these new dynamics will perform in the business environment, innovators must turn to market research for insight.

Finding the answers to these questions requires some creativity, some patience, and also some detachment. The last one—detachment—is often the hardest to come by because innovators, by nature, tend to idolize their creation. They love their idea. It's a "game-changer" unlike anything seen before. It's unique. But, this belief can lead to some problems during the market research process. When you're asking questions but believe your situation is "unique," you're liable to discount or outright ignore the answers that are right in front of you.

This myth of uniqueness has the potential to be very costly and wasteful. We hear it all the time:

**"Existing research can't help me. My product is unique. I need to have custom research."**

Maybe. But, custom research is expensive and time-consuming—and that's when it's done right. When it's done wrong, it's even worse! Custom research certainly has its place, but that place is rarely at the beginning of an inquiry.



The first place to look is existing research. Often, the answers, or the basis for the answers to come, are already available. You can access them right away, and the price is 10 to 50 times less than even the most basic of custom research projects. No syndicated study can provide you with forecasts of your exact product or match your exact situation, but, chances are, there is a study out there with essential insights into the market into which your product is aimed, into customers' preferences or demographics, into the character of the competitive situation or technological state of play.

Although it's not entirely true that all widgets are widgets, we often have to tell clients—with all due respect, of course—there's nothing new under the sun. If all business challenges were entirely unique, there would be no such thing as a Business School. There would be no discipline called Marketing. The truth is that there are commonalities in these challenges. There are characteristics of products, markets, and customers that can be shared among and applied to different situations. How well have other products that address this need fared? How quickly did customers in this space adopt technologies before? How big is the potential? There are answers to a lot of your questions printed on a page right now.

So, yes, ask probing questions and seek out the best sources, but just because you're an innovator doesn't mean you have to re-invent the wheel.

### **Paid Data vs. Free Data**

We have established that taking advantage of existing research and data is a good starting point. Right out of the gate, you will be saving valuable time and, most importantly, money. But, with all the wikis, blogs, news articles, and other informative resources available for free via the Internet, it's difficult not to at least wonder why you need to pay for data when there is an abundance of it for free just a click away.

The key to managing your use of free data revolves around the kind of information you need and who is providing it.

### **Viable Free Data**

If you are going to use free data (and there are certainly times when you can), it's important that you only pull the right kind of information from these free sources. Information that is widely known and easily verifiable is often the most viable kind of free information. But, keep in mind when sifting through resources, you should only stick to information providers that have no real agenda for the material they are presenting. Historically, newspapers or academic journals fit this description; however, in recent years, we've seen several controversies around allegations of bias or influence creeping into some publications. Still,

for basic 'just the facts' information to help your general understanding of markets, they're a good starting point.

For example, let's say you have questions on a wide range of topics:

- How do I install a new air filter in my car?
- What is the current market price of flu medication in the US or in the UK?
- What kind of TV commercials has Pepsi done for its products in the past?

In all these instances, the resources you have for finding an answer are numerous and may be provided by individuals with a personal interest in the subject (say an industry trade publication or a blog) rather than by an organization with any sort of ulterior motive.

### **What Data Should Be Purchased?**

When you need information that is hard to find, particularly analytical and in-depth, or difficult to verify, you are much better off purchasing it. In particular, if you are seeking business insights on a narrow sector, as in:

- What are the current trends for the sale of air filters in German-engineered vehicles?
- What is the best insulin delivery technology on the market today?
- What has been the success rate and overall feedback on the commercials Pepsi has done for its products?

These questions either require a conclusion or are based on information not publically available. In these cases, even if it may be possible to find information on the web for free, it's probably not verified and, often times, not credible. So, for this kind of conclusive data that could really influence your business, stick to investing in high-quality market research.

If you are purchasing a market research report from an established publisher, you have a clear and verifiable source for the information and, in most cases, the reports or publishers will even have a listing of how the information is gathered. Also, as these publishers are not the producers of the products and services they analyze, you can be confident that biases will be at a minimum.

In the end, gathering information is only partly about finding it and mostly about being able to trust it. If it's free, verify it. And, if you can't verify it on your own, buy it from a reputable, unbiased publisher.

# **Chapter 2**

**Determining  
Your Market  
Research Budget**

Before you dive into your market research options, it is important to determine a realistic budget that will meet your research needs without overspending. Whether you're an entrepreneur launching a small start-up company or an international corporation preparing for a new multi-million dollar project, you have to educate yourself on a variety of aspects in order to get the research you need for a price you can afford. The following process will help guide you in allocating the most appropriate percentage of your overall project budget for your market research needs.

### Consider Your Overall Budget

Before you can set a market research budget, it is important to nail down a firm overall project budget. Once this is set, you should allocate an appropriate percentage of that budget to market research. The next three factors discussed will help you determine what that percentage will be, but, keep in mind, the decided percentage should be a reasonable portion of the overall budget. This can go both ways. For example, if your overall project budget is \$250,000, do not expect to get the answers you need out of a single \$5,000 report; on the other hand, you don't necessarily need to fork out \$100K either.

### Research Available Data

One size doesn't always fit all, or, at least, it doesn't fit perfectly. However, if it sort of (well, let's say mostly) fits, wear it! There are massive amounts of syndicated research reports out there on all kinds of topics, from general market overviews to some of the most detailed analyses. One of the best things you can do to help set a realistic budget (and to keep within that budget) is to assess inventory of already published information before considering commissioning someone to create custom research. Typically, you will be able to answer many, or all, of your questions with a syndicated report and, in turn, save a large portion of your budget in the long run, as published information can cost as little as 1/10th of the price of a custom project.

### Be Prepared for Custom Costs

So, what do you do if syndicated reports don't answer all of your questions? Not every organization or product can succeed without tapping into more custom insights. This is extremely important to consider when determining your budget. If you need to commission custom research, be prepared to adjust your budget accordingly (and your timeline as well). Custom projects can cost anywhere from \$5,000-\$50,000 and are completed after you request it, making the process much more time consuming. While the expenditures are greater, the benefits can be more substantial as well. Custom reports are designed to provide the specific answers to your questions, so the intelligence you receive is as

extensive and detailed as you need. However, out of respect for your budget, consider this solution as a last resort; otherwise, you will be looking at an average budget of \$30,000-\$50,000 and at least a two-month timeline from the initial project layout.

## Set Realistic Cost Expectations

Market research is a big investment, both in terms of time and money. It's not something you want to dive into blindly. That's why it's so important to educate yourself so you can set realistic expectations for what a report in your price range can give you. This knowledge will help you land the right market research report for your needs and budget. Below is a detailed guide to the expected cost vs. information gained in a published report:

### • Top-Level Reports:



- Average cost: \$100 - \$1,000
- Reports typically included in this price range tend to cover very basic information about an industry. They will answer questions on market size and industry leaders and provide some basic insights into the fundamentals of the state of an industry.

### • Full-Market Reports:



- Average cost: \$1,500 - \$8,000 (most commonly \$3,500 - \$4,000)
- Reports are commonly purchased by those who need to fully familiarize themselves with an industry. They include a full explanation of the market and its subcategories as well as metrics covering the market's current state and future projections for development. These reports will also include current trends and technologies, and they often have explanations of why a market will move in one way or another over the course of several years.

### • Product Detail Market Reports:



- Average cost: \$15,000 - \$35,000
- Reports cover not only the performance of the market and its subcategories as a whole, but they also cover the specific market values and trends of specific products/services in the industry within specific regions or countries. For example, if you are a pharmaceutical manufacturer and want to know how the different drug offerings for one specific ailment are selling within each country, a Product Detail Market Report is the best option.

# **Chapter 3**

## **Types of Market Research**

Deciding which market research report will be the best fit for your research needs can seem like an overwhelming task. With several, hundreds, or even thousands of relevant reports to choose from, depending on your industry size and level of topic specificity, how do you know which one to pick? At first glance, some reports may seem too similar to even matter which you choose. However, every market research publisher and analyst brings something different to the table. So, before you begin searching for an actual report, it's helpful to understand the types of market research that go into them.

The information in a report can be written with different segmentation depending on a publisher's focus. Some publishers will break the information down by application while others will segment by product type, and, yet, others will concentrate on geographic segmentation. As an example, for patient monitoring you can segment by application (blood pressure, diabetes, respiratory), by product type (external, implantable), or by geography (US, EU, JAP, ROW). Some reports may have all of these things, but knowing which publishers focus on what can save time in finding exactly what you need. And, although this may sometimes seem like an obvious distinction, two reports with different focuses may both answer your questions. So, you may want to consider your long-term research goals and decide which focus and organizational style will be the best fit for your needs.



### Primary Research vs. Secondary Research

Choosing the right report comes down to the appropriate combination of primary research and secondary research for the questions you need answered. For example, a large financial institution investing in a medical device company and a medical device company looking to expand their market may be looking at the same field, but what they need is entirely different.

- Primary research is information gathered through surveys, interviews, and other direct contact with industry experts and participants. So, if the analyst has contacted the CEO of several top medical device manufacturers to get their opinion on where the market for their products is heading, that would be primary research.
- Secondary research is information gathered from previously published information. This includes methods like analyzing company reports or searching trade association documents and industry journal articles. So, a report analyzing the top medical device financial filings would be an example of secondary research.

An analyst writing a report will always use a mixture of primary and secondary research to provide accurate information and conclusions, so the issue is really how much of each would be better.

### Qualitative Research vs. Quantitative Research

Market research can be presented in two basic ways, qualitatively or quantitatively. Qualitative research compiles analysis focusing on consumer feelings, drivers, and opinions, as well as reasoning behind industry trends and market movement. Quantitative research, on the other hand, is more numerically-based, allowing you to use hard figures to make your decisions.

#### Qualitative Research

- Primary Research
- Having someone gather “up to the minute” information from key experts within an industry is a very effective way to get accurate feedback on trends and developments.
- Why is the industry moving in a certain direction?
- How is this going to take place?

#### Quantitative Research

- Secondary Research - Numbers Orientated
- Published numbers from an industry are often the most concrete data that can be used to estimate the size and projected growth of a market.
- How large is the market?
- How much has this market segment grown compared to other segments?

### What’s Right for My Organization?

To help determine what type of market research report or solution will provide the best approach for your needs, you should consider your relationship with the industry you are investigating.

- Industry Outsiders are organizations who are trying to gain information on industries or markets they have done little or no business in. A financial organization looking to invest in a new market is likely to be an industry outsider. For outsiders, the insights and conclusions provided by primary research will often be the key to success.
- Industry insiders are organizations with a great deal of prior experience in an industry such as a medical device manufacturer. Secondary research can be a better focus for this type of client since they already know the inner workings of the industry. They often need numbers (quantitative research) much more than analysis.



## Market Research Solutions vs. Single Reports

Time is money. You hear this phrase often, yet many organizations still spend countless hours searching for and buying individual syndicated market research reports, only to find that the report is not specific enough or lacks the quality of information needed for their specialized vertical. For some organizations, completing the market research process in this manner will quickly evaporate your time and budget. And, if you're spending these valuable resources acquiring individual reports, the research had better answer your questions and address your specific needs, right? Unfortunately, this is not accomplished every time and with every report. So, organizations must adopt the most effective and efficient methods for acquiring high-quality, vertical-specific research for the best value.

Subscription-based, or commitment-based, market research solutions can be a cost-effective alternative to individual report buying, making your job easier and more productive. Depending on the type of solution you choose to invest in, there are a number of benefits of which you may be able to take advantage.

### 1. Unlimited access to an entire library of industry-related reports.

With a market research subscription solution, you have unlimited access to a comprehensive library of industry-specific reports. Not only will you save time locating the reports you need, but you will do so without having to make additional purchases. Also, when buying reports individually, you typically do not have the ability to read them prior to purchasing. This makes it difficult to guarantee that the report will answer your specific questions. With a subscription-based solution, you have full access to the reports to ensure the information meets your criteria before spending too much time and money on a single report. When focusing on a specialized vertical, it becomes even more critical that the research you acquire is as in-depth, detailed, and accurate as possible. Subscription solutions offer unmatched value by providing wide coverage of this top-quality information for a fixed cost. So, investing in a market research subscription will not only give you the quantity of information you need, but it will also guarantee the quality of specialized research that is imperative to the success of your projects.

### 2. Global license enabling members of organizations to share and use research.

Market research subscription solutions can save you many headaches (and a lot of money, too) when it comes to licensing. Typically, an individual report is priced at three different licensing levels: single-user, multi-user, and global-user. It is not uncommon for a global license to cost three times the price of a single-user license. Consequently, particularly with

larger organizations, by buying reports individually, you run the expensive risk of redundant purchasing to allow access to reports for multiple users. However, with a subscription solution, as with MarketResearch.com's **Knowledge Centers**, reports can be shared by colleagues throughout the organization, and even internationally, by offering global licenses on all included reports. So, not only are you gaining hassle-free usage, but you will also avoid the copyright issues and hidden costs that can occur when buying reports individually.

### 3. Cost-effective solution if you need multiple reports in the same industry.

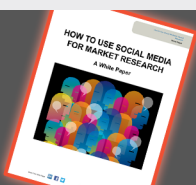
While the cost of a market research subscription may intimidate some organizations, most often, these solutions end up being the cost-effective choice. When buying individual reports, it is easy for costs to add up quickly and, more importantly, unexpectedly. This often results in organizations exceeding their budget. By switching to a subscription, you are avoiding the risk of overspending by investing in a solution that can provide predictability of spend, allowing you to easily budget for research at the beginning of the year. In addition, particularly for larger organizations in which budgets must undergo a long approval process, the fixed cost of a subscription will allow you to receive approval ahead of time and avoid the hassle of delaying individual purchases.

### 4. Ability to download individual tables and sections.

Many times, the information needed to answer your questions can be found in a specific section, chart, and/or table within a report. If an organization is buying individual reports, you must purchase the entire report to have access to even the smallest part. However, when utilizing a subscription or commitment solution, like a Knowledge Center or MarketResearch.com's **Profound** solution, you gain the ability to target and extract only the useful pieces of data without the cost of purchasing each entire report individually due to the already adjusted pricing structures of these type of solutions.

Determining what kind of syndicated market research solution is right for you will really depend on your research needs and your budget.

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# **Chapter 4**

## **Landing the Right Market Research Report**

After developing a strong research strategy based on your goals, determining a realistic budget, and discovering the most appropriate type of research for your needs, you can begin searching for **syndicated market research reports**. Knowing where and how to locate reliable, high-quality research for your industry is essential for the continued growth of your organization. But, jumping into this process blindly could be putting the livelihood of your organization at substantial risk.

## Searching for Relevant Market Research

Most people use search engines every day to find anything from movie times to the latest news on particle physics. Despite this frequent usage, professionals looking for syndicated reports in a database of market research sometimes fall victim to their own in-depth knowledge of their particular field. This can make the discovery process a challenging one. So, in case you may be searching too smartly for your search engine, here is a quick guide on what to do and what not to do when looking for research in a market research database.

### 1. Try to keep your searches to a few key words.

The more words you add to your search criteria the more chances you will give the search engine to misunderstand what you are looking for. Pick the words that are the most unique to your search first and, then, if you don't get results, use more and more general terms. So, if you are looking for research on the market for mesenchymal stem cell use in regenerative medical applications, start with the search: mesenchymal AND regenerative. If that does not work, move to: stem cell AND regenerative. Finally, try: stem cell AND applications.

### 2. Be prepared to step outside the terms you commonly use.

Using industry jargon is an everyday part of life in any business. However, when doing searches it is important to keep in mind that this jargon can vary greatly even within the same field. Ironically, the more you know about your industry, the stronger this trap can become. So, if you are searching for oncology pharmaceuticals, be prepared to also search for cancer drugs instead.

### 3. Be creative in your search methodology.

As with jargon, it is easy to get stuck in a rut when trying to find the information you need. Sometimes the information is there, but you have to step outside the confines of the information you think you need and look at the question you are trying to answer. Say you're looking for the cost of supplies for research laboratories. Maybe there's not a relevant report available at the time, so consider why you need that particular information. If you're developing a special type of test tube and want to use that information for market

sizing, you can try searching for a test tube market report that might just fit your information need perfectly. The initial information need may not be “wrong;” there may just be another way to see the same issue that yields completely different results.

In the end, if you keep your searches and terminology simple while keeping focused on the questions you want to answer, your search results should be much more fruitful.

## Avoiding Common Market Research Mistakes

Creating and implementing a strong market research strategy is critical for any business. In fact, a large degree of your success hinges on it. Whether you are an established organization or an entrepreneur setting out on a new business venture, you must aim to develop a strategy that has few flaws. And, while your overall research goals will be unique, a mistake in your research strategy could be equally detrimental. So, let’s take a look at some of the more common mistakes organizations make during the market research process in order to help you recognize, avoid, and/or correct them.



### **Not clearly defining your market research objectives.**

Having ill-defined research objectives is arguably the most common mistake when it comes to the market research process. Particularly for newer organizations or researchers, the amount of information available can be overwhelming, to say the least. With so much research at your fingertips, you must be prepared to dive in with very clearly defined objectives. Organizations must decide beforehand why they need the research and what specifically they are trying to learn by predetermining their research questions. Otherwise, it will be extremely difficult to ensure that the research will address your needs. Without explicit expectations and objectives, your chances of producing clear and informative results is not very likely.



### **Conducting interesting, but useless, market research.**

Just because something is interesting doesn’t mean it’s useful. Another caveat of market research is failing to quickly identify the most useful information before engaging too much in the research that may be intriguing but will not help reach your overall research objectives. This discretion is highly valuable when it comes to saving time and money. You

should make certain that the research you gather and conduct is clearly defined and highly targeted to your needs specifically, not just to your industry or vertical. That's also why Mistake #1 is so important (and first on our list), because making that mistake will have you easily falling victim to a cascading effect of more and more mistakes.

**Mistake #3: Letting the questions do the heavy lifting.**

Well-formulated questions are the key to successful market research strategies. However, it's possible to ask too many questions. If your goal is to uncover one very specific finding, you don't necessarily need to come up with a long list of questions to reach a conclusion. You shouldn't make the mistake of "over preparing" for your research. So, instead of letting your questions do all the heavy lifting, make sure the questions you prepare are the right ones and are direct enough to get at the core of your needs.

**Mistake #4: Simplifying results out of context.**

Context is everything. When things are taken out of context, the end result is...well, let's just say, it's usually not positive. The same is true for market research. Most market research reports are far too detailed to be reduced to a single number, statistic, or even statement. So, it is probably wise not to try and do so. When summarizing and simplifying research, it is absolutely imperative that each and every point remains in the same context in which it was originally stated. Otherwise, you run the risk of presenting, even unknowingly, incorrect information that could, consequently, have hugely negative effects. Because of the vital importance of context to the end result of your research, you should never oversimplify results or remove context to try and sell an idea.

**Mistake #5: UNDER analyzing the research.**

Whether conducting your own or gathering existing research, market research can often seem like a daunting task. Faced with a mentally demanding job, Market Researchers are asked to not only review high volumes of information quickly, but are also expected to absorb and analyze that material to the point of complete understanding, regardless of their prior knowledge on the subject. One mistake organizations often make is allowing

their research to be under analyzed. You must be able to fully understand the data and conclusions of a report, but you also need to be able to translate and explain it to your colleagues. If you do not gain an in-depth understanding of your research, your results will probably not be as you had hoped.



**OVER analyzing the research.**

Just as under analyzing can be a potentially major flaw in many organizations' market research strategies, over analyzing can be equally detrimental. You often hear the phrase "you can't see something that isn't there." Well, you can certainly try! And, unfortunately, many organizations do. Over analyzing research, whether it's for show, to get funding for a project, or for any number of reasons, will do you no good. In the end, it will only hurt your overall research efforts.



**Using the wrong market research techniques.**

There are many market research techniques you can use to derive the data you need. But, unfortunately, many organizations misuse these methods and are, consequently, led in the wrong direction. It's important for organizations not to make this mistake, or their findings may not be as accurate or as useful as they planned. For instance, focus groups are a useful technique for giving insight; however, they should not be substituted for quantitative insights. So, when setting out your market research strategies, be sure to select the most appropriate and effective techniques to reach your overall research goal.



**Selecting the wrong research firm or market research provider.**

Just as you would choose a photographer based on their portfolio of photos, when selecting the best market research firm or solutions provider, you should take a look at the research they have produced in the past. If your goal is to find a firm to actually conduct your research for you, look at the quality of their analytical ability and the creativity of the researchers. However, your market research strategy might be to go with a market research solution provider, particularly if large amounts of information already exist in your specific vertical. In this case, organizations should look for a provider that not only has a solid

library of research, but also has a variety of purchasing solutions. By choosing a provider with multiple solutions, you can find a service that will most closely match your research needs and give you the most value for your money.



**Expecting research to provide all the answers.**

While market research provides organizations with ample information, many make the mistake of assuming it has all the answers. Market research reduces risk, and it increases your probability of making the right decision. But, it does not guarantee an answer to every question or a solution to every problem. So, you should approach your research with that mentality.



**Viewing research as an expense rather than an investment.**

Most good things come at a price. Market research is no different. You cannot expect to gather truly useful and quality information without having to spend a pretty penny. The mistake most organizations make is viewing their market research simply as an expense. Yes, you must spend money (and sometimes a lot of it) to obtain the results you want, but the benefits your organization will see in return far surpass the cost. Market research will hugely impact your business and its future success. So, you have to view it as an investment rather than just money out the door.

### What if Market Research Doesn't Answer My Question?

A single market research report can answer thousands of questions for hundreds of organizations. In fact, catering to a wide variety of needs is usually viewed as one of their most versatile benefits...for the publisher, at least. But, when it comes to obtaining specialized information, syndicated reports, although one of the most cost- and time-effective options, sometimes fail to deliver the depth and/or specification you need for a particular project. So, in attempts to avoid spending unnecessary time sifting through reports that are too general, or too broad, you may be forced to consider alternative market research options.



Often, users of market research, whether they are in the marketing department of a large organization, the founder of a start-up, or the CEO of a Fortune 500 company, want to know:

- Should we launch this product?
- How do we expand our business?
- Is the market for our products growing?
- Are we targeting the right audience?
- How well do we know our customers?

A good market research report must be narrow enough to answer a customer's specific question, but broad enough to apply to a variety of organizations who might need the information. A quality report will have market size and outlook, a competitor overview, new product trends and consumer insights. However, sometimes a report covers everything except your specific product. Especially if you're launching something new, by the nature of it, there may not be a published report relevant enough to provide all the answers you need—although, you should try that route first.

Despite what some will say, there is not a market research report for every business, every topic, and every niche.

So, should you take a stab in the dark?

***Not advisable.***

Custom research, however, is an alternative. Whether you're hard-pressed for time or you're overwhelmed with a number of extensive projects, custom research can give you the specific results you're seeking without costing you too much valuable time.

Don't be scared though. This is not a consulting project where a team comes in for a year-long adventure as you launch a new product. A good custom research report will take the time to understand the specific circumstances of your challenge, but it will also bring the perspective of the broader marketplace so you don't end up with an echo of your preconceptions.

Start with a syndicated report. It's the best, first option to get a lay of the land, and, hopefully, it answers your specific question. But, sometimes custom is the way to go to help you derive what has yet to be defined.

# **Chapter 5**

## **Market Research Licensing Solutions**

Once you have searched, found, and evaluated the syndicated market research that satisfies your needs, you must decide which user license will be the most appropriate match for your required usage. Just as you thought the hard part was over, unfortunately, licensing can be one of the most confusing aspects of market research. The type of license you purchase will dictate who can access the report and to what extent it can be used. You need to consider numerous factors in order to choose the right licensing solution for your organization.

The first step is to evaluate not only your organization size, but also the size and structure of the intended department of use. This is critical in understanding who will require access to the report, and, therefore, determining which level of licensing you'll require. For instance, the needs of a department head within a small organization will be vastly different from those of a 10-member research team within an international corporation. You must do your best to predetermine your potential usage, and, then, familiarize yourself with the available licensing options.

## Available Licensing Options and Who Can Use Them

Licensing solutions range from quite restricting to very flexible, all depending on your needs and budget. Who can use a report and how they can use it varies with each license type, and this is made even more confusing by the differing terms among publishers. However, this breakdown should help guide you through the complicated maze of market research licensing.

### Single-User License

#### What It Allows:

Typically chosen because of its lower price point, a single-user license is the most basic option available. This solution restricts usage to only one individual: the purchaser of the report. Because many people often misunderstand the parameters, it's crucial to note that usage is limited to a single user, as opposed to the common misconception that the restriction applies to the number of allowed report copies. It's also important to distinguish that single-user does not refer to one user at a time or one user group; it is an individual who will be reading and utilizing the report for the entire organization. As a result, failure to fully understand these limitations can lead to potential copyright issues. Thus, a single-user license can often times be restricting and almost unusable for some organizations.

## Primary Candidates for Single-User Licenses:

Small to medium-sized organizations are the primary candidates for single-user licenses. Typically, in small businesses there is only one department head or researcher requiring access to a report. Because there is no departmental team, the user can utilize the report for individual analysis and, with the proper citations, internal reporting. Additionally, medium-sized organizations with only one person serving as the lead on a project can also benefit from this economical licensing solution.

If a single-user license seems like the best fit for your needs, it's good to note that if the assigned user leaves the organization or experiences a departmental change, you can most likely contact the publisher to discuss transferring the license to the new individual requiring access.

## Global-User License

### What It Allows:

The other generally standard licensing solution is a global-user license. This option permits access to a report across an entire organization. So, an individual from any office location or within any department can access and use the report. Therefore, the price of a global-user license is typically 2-3 times the cost of a single-user.

### Primary Candidates for Global-User Licenses:

Large, multi-office, and international corporations are perfect candidates for a global-user license. These organizations will need to share reports with different offices and departments. Often times, within larger corporations, there is not explicit knowledge of the needs of each department; therefore, the purchaser does not know if people in other departments or office locations need to access the report, or could benefit from its use in some way. By investing in a global-user license, organizations are protecting themselves from liability and copyright issues. In addition, they are gaining value in the report by allowing it to be utilized by others and for future needs.

## Alternative Licensing Options

If you find that neither standard licensing solution adequately fits your organization’s needs, there may be other options. Many publishers will offer a variety of alternative licenses, but the key is that you typically will have to ask about them. If you think this is your best bet, it’s probably a good idea to contact your market research specialist to discuss what options may be available through your publisher. Some of the more common alternatives are listed below:

Multi-User License	Site-User License	Departmental-User License
<p>Permits access to typically 1-5 users</p> <p>Good for organizations who have a few key individuals within the organization who will require access to the report</p>	<p>Permits access to the entirety of one physical office location</p> <p>This solution is best for organizations with only one office who can utilize the report across many departments</p>	<p>Permits access to a single department within an organization</p> <p>This solution is best designed for organizations with a departmental team who are collaboratively working on a project</p>

## Licensing Advice

Pay attention to the cost difference between licensing options. If the difference is relatively small (ie: \$500 license upgrade on a \$4,000 report), it’s going to be more valuable to purchase the upgraded option.

You should also note that you usually CAN upgrade your user license after purchasing the report. Be sure to consult your research specialist before repurchasing the report under a different license. Once you have determined your needs and purchased the report with the appropriate user license, evaluate your report usage within the first two months of the purchase. The optimal window for obtaining licensing upgrades is within the first 30-60 days.

# **Chapter 6**

**Conclusion: How  
to Define Market  
Research Success**

A “good” market research report can cost you thousands of dollars. And when I say “good,” I mean a report that helped you make a difficult business decision: should we buy company X, should we invest in industry Y, who are the competitors we should fear, who are the customers we should go after? While some may find it hard to determine to what extent, market research is unequivocally helpful when trying to make an affirmative decision (ie: should we enter this market?), and it can be equally helpful in informing on what to avoid. Yet, often times, defining success when using market research can be a major gray area. Success doesn’t always translate into definite measurable—that would be way too easy and convenient, right? Plus, success can be an extremely subjective concept. What a small entrepreneurial technology company might call success can be vastly different from success as defined by a Global 2000 corporate powerhouse.

So, how do you determine a market research ROI?

Maybe, you consider getting a ROI on market research in terms of maintaining a large library of business intelligence for an affordable, fixed cost. Or, maybe you define market research success in more elusive terms, for instance, time saved, work outsourced, or perspective gained. Or, maybe, for those of us so lucky, market research success is gift-wrapped and delivered to you in a perfect scenario. The report advising on a hot emerging market was all you needed to launch a new, wildly successful product; or, a report forecasting the downturn of a market helped you get out before it was too late; or, maybe, market research helped you discover an entirely new business opportunity that will result in very clear, undeniable ROI.

The market research process is a long and involved one, but one that is certainly worthwhile. By determining each piece of the puzzle before you begin, you are preparing your organization for the best chance at success. You simply have to follow the steps and then assess your outcome in order to make any necessary adjustments moving forward.

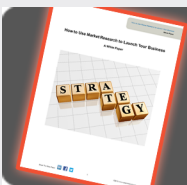
### *The 6 Quick Steps to Market Research Success*

1. Assess your market research needs
2. Determine your budget
3. Decide which type of market research will answer your questions
4. Find the right report or solution
5. Choose a license
6. Define what market research success will mean for you.
7. Assess your outcome, and do it all again!

If each cog in the machine, whether that's just you or a 10-member team, works together to implement these steps, you'll help move your organization one step closer to writing that captivating success story of which every business owner dreams.

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