

3.3 Market research and added value of students' idea

3.3.2 Key Steps For Successful Market Research



e-module 3: (social) entrepreneurship
Cooperative start-up implementation
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MARKET RESEARCH

Market research acts as a bridge between business and consumers and helps the first interpret the latter's attitudes towards a product and predict their reactions.

There are two types of market research:

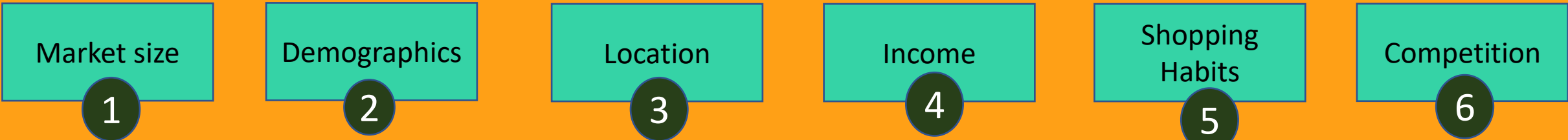
- ❑ **Primary Market Research:** done by you or by specialized market research firms for clients that match the profile you are targeting.
- ❑ **The Secondary Survey:** you receive ready-made information regarding your target customers -from published external sources of information.



MARKET RESEARCH: Goals



➤ Regardless of the type of research you will do, your goal is to gather the following indicative information:



1. How many individuals, families or businesses are your target? What is their financial size? Is this market growing or shrinking?
2. Clients: average age, marital status, gender, education level, employment, etc.
Businesses: average number of employees, annual turnover, years of operation, whether it is a private or public company, whether it produces products or services etc.
3. Where do most of your customers live?
4. You need to know your customers' average family income and average business turnover.
5. How much do they usually spend on the products or services you plan to sell? How and where do they buy so far? How often do they buy?
6. Who they are, what is their market share, advantages and disadvantages of their products, their competitive strategy, where they are, etc.?

KEY STEPS FOR SUCCESSFUL MARKET RESEARCH (1)



1) DEFINITION AND FORMULATION OF THE PROBLEM

- Ask yourself “Why do I want to do market research?”
- Balance between very specific and very broad definitions.

Example

“How a brand will be recognized by everybody” is a very broad definition that may gather a lot of useless information that will not help you solve the problem.

VS

“How the brand will be recognized by teenagers who live on the street and surf” or “How to increase brand awareness among teens” is very specific and the number of the market is rather insignificant.



KEY STEPS FOR SUCCESSFUL MARKET RESEARCH (3)



2) RESEARCH PLAN AND INFORMATION SOURCES

- Create the research plan.
- Identify the sources from which you will draw information.

KEEP IN MIND!
The variability and fluidity of the data. Changes in research data make it useless. So, the data must be up-to-date and in place to avoid generalizations.

There are two categories of data:

- The **primary data**, collected from the beginning for a specific purpose
- The **secondary data** that already exist, such as books, reports etc.



KEY STEPS FOR SUCCESSFUL MARKET RESEARCH (4)



3) SAMPLE DESIGN

- Choose your research target group.
- The choice will be made based on the problem you have posed.



If your problem is addressed to youth, your sample will be the young people.



- Who?
- How many?
- Where? And,
- Set a time limit.

Random samples are more representative of the market as a whole.



KEY STEPS FOR SUCCESSFUL MARKET RESEARCH (5)

4) COLLECTION OF DATA



5) ANALYSIS OF DATA

Once you have defined the data you need and the methods you will use, it is time to collect them!

In this step you implement the research plan (step 2).

After you collect your data, it's time to analyze them and come to conclusions.

- Check your data's accuracy and correctness (e.g., irrelevant answers) and their completeness (e.g., incomplete questionnaires).
- Then you need to classify them (e.g., by region), interpret them and statistically calculate them.
- These stages apply to both primary and secondary research data.

KEY STEPS FOR SUCCESSFUL MARKET RESEARCH (6)



6) PRESENTATION OF RESULTS

Finally, after all the steps, you can enjoy the fruits of your efforts by exporting the results. Present your results in a Report in a clear and concise way.



[4 The different stages of marketing research - YouTube](#)



TRAIN-CE-FOOD project

<https://trancefood.si/en/home-english>

Author: Maria Dalakoura (Institute of Entrepreneurship Development, IED)
mdalakoura@ied.eu

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