



 upmetrics

Market Research Kit

Market research is a sure-shot way of growing your business. Know what you are getting yourself into, research the market before you start.

Hi There!

Thanks for downloading this E-Book.



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What Is Market Research?

Market research gives you something tangible to base your marketing decisions on. It helps you take strategic decisions to improve the outcome of your marketing campaigns.

Competitive research is a powerful tool to help you take data driven decisions. In today's competitive market, competitive research can help you stay ahead of your competitors.

Research should be conducted frequently to keep your data relevant. Frequent research helps you keep up with the changing market trends. It also helps you understand your competitors moves and the results they get from the same.

And to help you get all the benefits of market research we have compiled a set of templates and resources for you. Moreover, this kit also comes with handy instructions to walk you through the process.

Do you want to plan your business faster?

Upmetrics can help you at every step of writing your business plan. So, what are you waiting for!



Start writing your business plan today!

Understand the market better



The first step towards an effective market research is to understand the current situation of the industry thoroughly. You can also take a look at the past trends to understand how the industry has changed over the years.

One of the best ways of doing so is through porter's five forces analysis. It consists of five elements:



1. Threat of substitution



2. Threat of new entrants



3. Bargaining power of buyers



4. Bargaining power of suppliers



5. Existing competitive rivalry

Let us look at all of the above in detail.



Threat of substitution

For this parameter you'll analyze the substitutes to your product. These are not alternative options of the same product, but different goods that can replace your product category altogether.

For example, if you have a soap brand you'll have alternatives like shower gels, organic soaps, or people who avoid soaps altogether due to allergies or chemical content. So, you can see that the threat of substitution in the soap industry is fairly high, if not very high.

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Bargaining power of suppliers

In this section you can analyze the number of suppliers, the amount of raw material you need, etc.

In the soap market, there's a fair number of raw materials you need and many of which are irreplaceable. Hence, the bargaining power of suppliers is very high.

Bargaining power of buyers

Here you'll analyze to what extent can your buyers dictate your prices. It depends upon the amount of substitutes present, alternatives and so on.

As there a number of options to move to in the soap industry if your prices get a little too high, bargaining power of buyers is fairly high. But at the same time people associate a soap's quality with its price. So, your pricing would also be based on your target market and their purchasing power.



Existing competitive rivalry

In this segment you'll analyze the existing market competition and how much impact it'll have on your business.

For example, the soap market has a fair number of existing competitors that have a good market share. Hence, the existing market rivalry is very high.

What do the results say about your business and industry?

If there are more lows than high, it means that the competition in your industry is low and making your mark as a business would be easier.

But if there are more highs than lows, you'll have to think about something significant that helps your business stand out.

Above all, to get the best results keep in mind that the forces in the industry would change constantly and you'll have to stay up to date with it to face the obstacles.



CHAPTER 2

Stay ahead of your competition



Porter's five forces is a great tool to understand the industry, but to understand where you fit in the market a SWOT analysis is crucial.

SWOT analysis includes a study of your business's strengths and weaknesses and how the same will help you grab opportunities and increase the threat to your business in any given situation.

It helps you maximize the impact of opportunities and minimize the effects of risks.

Here's how you can conduct a SWOT analysis:

Strengths

Strengths are the internal advantages a company has. The strengths might be unique to the company or they might be common to a few companies.

For example, for Pinterest its exceptional designs act as a major strength. Pinterest attracts attention with an optimum combination of images, illustrations and DIY clips.



Weaknesses

Weaknesses are the internal disadvantages a company has. It can be anything from poor team work to lack of resources. These aspects make you weaker against your competitor.

For example, Pinterest is designed in a way that it looks like it is for women, but it can actually serve all audiences. Hence, it is Pinterest's weakness that it cannot capture its potential market completely.

Opportunities

In this segment you'll look at the industry, market and the needs of your customer base to find ways of growing your business.

For example, the increasing consumption of visual content on the internet can be a big opportunity for Pinterest to grow their business.

Threats

In this segment you'll include external risks your business will have to deal with. It can be anything from government laws and regulations to upcoming competitors.

For example, Pinterest faces a threat from sites that attracts audience of a wider demographic. Also, there's a threat from sites that copy interest's content without giving credits.

What does the analysis say about your business?

SWOT analysis gives you an overview of how the strengths and weaknesses of your business will impact your ability to grab opportunities and deal with threats.

You can use it to understand how to get the maximum out of your strong points, and on which areas you need to work upon for business growth.

Know what your buyers want



Standing out amongst your competitors is necessary, but it all boils down to what your buyers think of your product or service at the end. Hence, it is very necessary to get your buyers reviews and feedbacks on your product or service through any method that works for you.

Knowing how your buyers perceive your product is important irrespective of whether your business is a new or existing one.

One of the tools you can use to do it, is focus group survey or research. This is an effective tool to understand your target audience better.



A focus group survey can help you with the following:

1. It can help you understand your target market's needs.
2. It'll help you understand what your target market thinks about your products.
3. You can figure out if there are any changes that should be made in your marketing campaign or product.
4. It helps you understand the impact of your product.
5. Such surveys can often help in getting new product ideas.
6. It can help you in understand what your audience thinks about your competitor's product.
7. It can also help you formulate an effective pricing strategy.

Here's how you can conduct an effective focus group survey.

Define your Buyer Persona

A buyer persona is a sketch of your ideal customer. It includes characteristics like demographics, occupation, buying habits, product preferences, etc. It helps you focus your marketing and strategic efforts on a specific group of people.

Surveys

The next step is to conduct the survey. For the same you'll create a group of questions of different forms ranging from multiple choice, true or false, rating based or open-ended questions



Here are a few categories that you should include in your survey:

Demographic Questions

Try to understand the basic facts about your surveyed group like age, gender, occupation, income, geographic location, etc.

Think about how these factors can influence their buying decisions and design your product based on that.

Competitors/Industry Questions

This section will help you understand your target market's perception about your competitors. It'll help you understand the impact of your competitors.

You can ask questions like what brand comes to your mind when you think about a certain product, etc

Product Questions

These questions will help you understand what your respondents think about your product if they have used it previously.

Ask questions to identify the experience people had with your product, its strengths and weaknesses according to them, etc

Brand Questions

Ask your respondents if they have heard about your brand, what do they think about it, what do they associate with it, etc.

This helps you understand your brand's image in the market

Business Questions

If your product is going to be used by businesses ask questions about the kind, size and needs of the business to develop better products.



Focus Groups

Focus group surveys are questions designed specifically for your major audience. These are more in-depth and specific questions. It gives you deeper insight of your target market.

Ask for follow up questions and comments

You might find a brilliant idea from what your consumers have to say about your product. Ask for follow up questions and information. This might help you in developing new products or updating the existing ones.

Bring in a sample

Bring a sample product for your audience to experience first hand and get their opinions on the product's usage, quality, and required optimizations.

Ask questions about price and competition

Ask them what they feel about your product's competitors and prices, and ask them why do they think so. This is the main benefit of focus groups; you get to understand the reasons behind opinions and get accurate answers about what the same means to you.

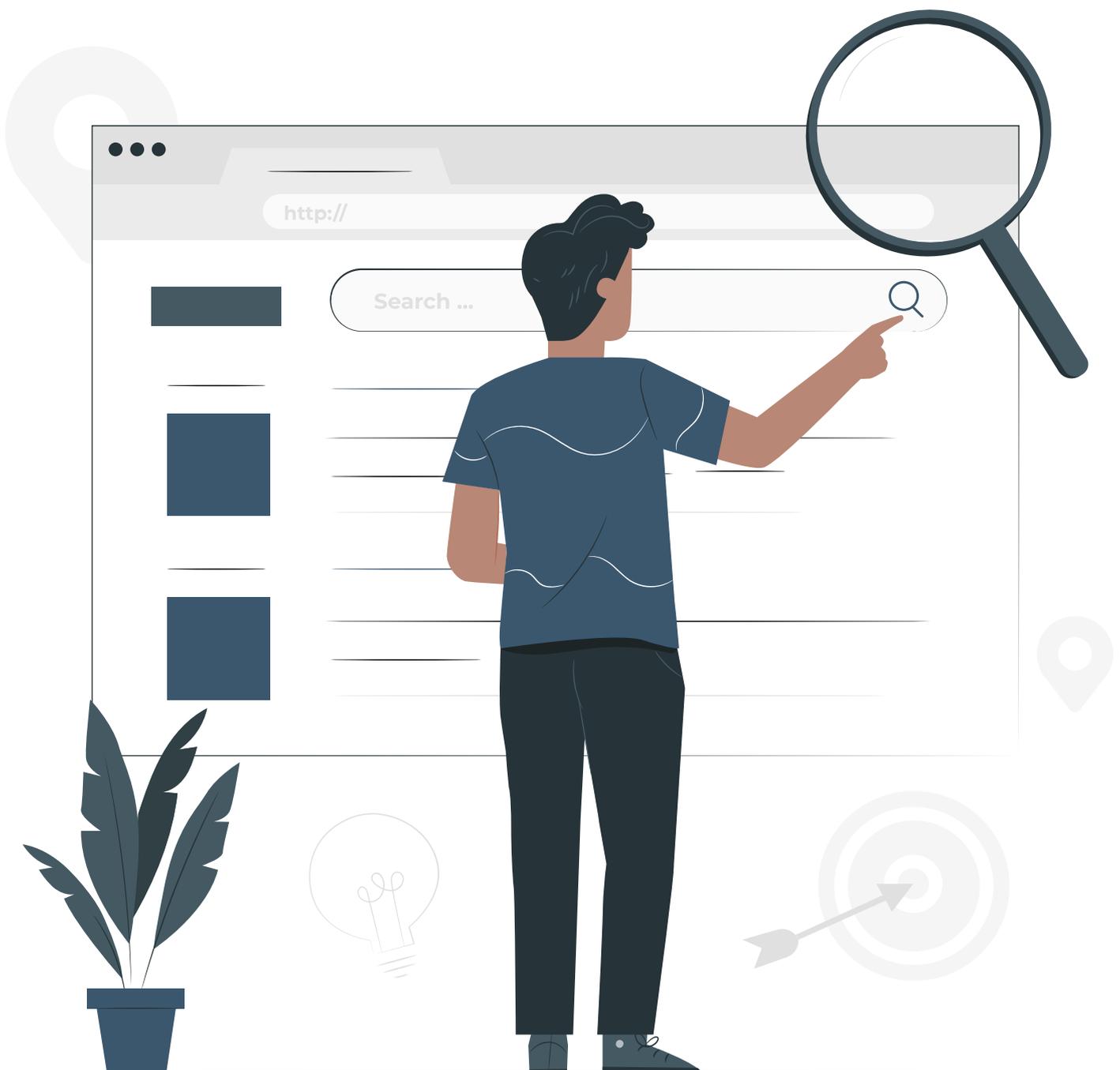
Leave time for further questions and suggestions

Leave time for your audience to ask questions and give feedback at the end. It helps you get maximum out of your focus group.

Present your findings

Now, once you are done with all the analyses and surveys, you'll present to your team, investors or stakeholders to take actionable steps.

In such scenarios you'll have to decide beforehand what would be the tone and information included in your presentation based on your audience. Different audiences would find different data useful. Hence, make sure you keep in mind who your target audience will be.





The following tips will help you create a well-rounded presentation:

Background

Give information about why you conducted the research in the first place. Were you trying to develop a new product idea? Trying to find out the reason why a certain product is not working? Or if your company is introducing a new product, were you trying to check its validity, etc.

It helps your audience understand the meaning behind your research. It helps them grasp the question your findings are trying to answer.

Participants and methodology

This segment includes how you collected the data you are going to present. This helps your audience understand the biases that might have affected your data based on the method.

It would thus help them make better sense of the same.

Key Findings

Now you'll list out the major conclusions of your research. This data answers the question you explained previously in your background section. This segment consists of the main reason behind your research. You might also have certain ideas based on your research and use this section to support your claims.

Steps to be taken

Now that you have presented the findings of your research, what next? How will the research data help you?

Give actionable steps that can be taken on the basis of the data. It can either be a new strategy, a marketing campaign, a product idea or expansion need, etc. List out clearly, what can you do with the research data.



Conclusion

This market research kit will help you understand your target market and competition better and formulate effective strategies based on the same.

A thorough market research helps you formulate better and effective marketing strategies. Which eventually acts as a stimulant to your business growth and success.