

# Easy-to-Use Marketing Research Template for Micro and Small Businesses

## SPECIALIST SERVICES FOR THE SELF-EMPLOYED

Did you know? There are more than 2 million self-employed people in Australia.

When you are in business for yourself you need all the help you can find. At Independent Contractors of Australia we specialize in issues for the self-employed/micro-business person.

To assist we have produced a series of easy to use templates and practical advice covering:

- Business Plans
- Marketing Plans/Audits
- Marketing Research
- Finance
- Promotional Hints
- Contracts

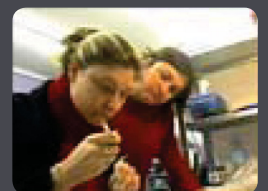
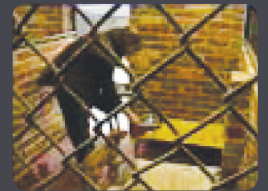
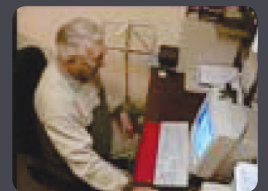
We have also produced a series of short video clips. We've interviewed self-employed people about what they say are the most important things to do in operating your own business. They talk about:

- Cash flow and debt management
- Work-life interface and balance
- Facing difficult times
- And more

You can find all these practical tools and information at:

[www.contractworld.com.au](http://www.contractworld.com.au)

We also keep you up to date on issues for the self-employed.



# Easy-to-Use Marketing Research Template for Micro and Small Businesses

Detailed below are some templates to assist the market research efforts of your business.

Ideally, market research should become an ongoing part of your regular business activity, wherever possible. Market research is all about understanding the broad market and specific customer (and potential customer) facts or evidence (as opposed to anecdote and supposition) in a given or chosen market. It is from solid and grounded market research findings that business and marketing strategies are developed as opposed to one person's (or a small group's) preferences and thoughts.

Market research is a very sophisticated component of big business today, with many different styles of research that are possible. In many instances it is also very expensive to conduct.

However, for small business, market research needs to be free or low cost and relatively simple to make happen. In most small businesses this is where there is / are significant gaps in business performance.

The main two types of market research for small businesses are –

- Primary research
- Secondary research

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## Secondary Research

This is the first part of the entire market research activity that needs to be undertaken.

Put simply, secondary research is information that has already been published or made available in the public domain for your broad industry, which includes competitive information, trends on the industry and markets within the industry, supplier information, overseas/foreign market information and so forth.

This information is important for a small business operator to understand as it will provide feedback on the health of your industry and market(s) and may confirm that your business activity has good future prospects (or the opposite or something else). This is good to know!

## What do we want to find out?

What we need to know in small business is the following (there may be other/additional specific issues you may like to access for your industry/market):

- How big is the industry and/or market in some form of measure (\$'s retail, \$'s wholesale, \$'s landed at docks or some volume measurement – eg. kilos, litres, etc.)
- What are the trends associated with the above info over the last 5 or so years?
- Are there any future trends or projections available for your industry over the next 2 or 3 years re the first point?
- What are the overseas/foreign trends in your industry and/or market (say in Nth America, Europe and Asia)?

- Who are the major competitors and what are their shares of the market at the current time (or latest info available)?

- What are the dynamics and nuances associated with each significant competitor that will/are close competitors to your business?

- Who are the major suppliers to the industry and what are the trends and/or issues in this area?

- What are the prices being charged by competitors for key products/services?

- What are competitors' trading terms?

- What are competitors trading hours and/or delivery policy?

- What other relevant information is there to your market/industry that can be sourced?

## Sources of secondary information

Small and micro businesses may need to spend anywhere from 5 to 30 plus hours doing this secondary data search. It should become an ongoing aspect of your business activity so that you can navigate your industry and market to optimise your small businesses potential (otherwise the business has only partial or very poor vision of its industry/market).

Some sources of secondary info are –

- *Libraries* – visit a TAFE and/or university library and ask the librarian for some assistance in seeking info on your industry/market – where are the books, magazines, databases, etc.
- *Industry Associations* – find out which is the best or most relevant industry association for your market/industry. The best industry associations are those that offer a suite of services to members, such as industry info, lease advice, banking/credit assistance and advice, legal advice, business insurances at competitive rates and more.

- *Trade Magazines* – subscribe or regularly access the range of trade or industry magazines for your industry. What info and trends does it reveal in Australia and overseas?
- *Local Government* – have very useful community and economic information that can reveal the amount of people or some other profile that your business may be interested in learning about. For geographic specific businesses (i.e. those that are anchored in a specific location) local government stats is/are very important to assess.
- *Australian Bureau of Statistics (ABS)* – The most powerful data collection and warehouse of information in Australia. This body captures information over a diverse range of areas and activities. Much of the information is free and the ABS can be paid for the assembly of specific information that may require data mining of data bases that are not freely available. The ABS website is challenging to navigate and may require phone contact to obtain advice as to where info is located.
- *Industry Reports and Proprietary Information* – Accessing proprietary information and reports that are sold to customers, but many or parts of many are revealed in press articles or on data bases. Reports from research firms such as BIS Shrapnel, Dun & Bradstreet, Bloomberg and IBISWorld can be very useful. Many of these reports can be accessed for little or no cost to small business (try libraries as a point of access).
- *Government* – Federal and state governments can offer some very useful information through their various departments and government organizations on many or most industries and markets.
- *Other* – There are many other sources of information such as the banks (via their economic research areas), trade unions, consumer organizations (eg. Choice), Austrade, ASIC and more.

## Primary Research

Once the secondary information search has been completed it should have been able to confirm some target market(s) for your business or raised some concerns where the present business activity needs to be carefully reviewed.

Primary research is only conducted with your best potential or existing targets markets(s) as these are the potential and existing customers you are most interested in learning more about, and working out how your business can conduct more profitable activity with them.

Primary research can be conducted on the three different markets which are available for most businesses, namely –

Consumers

Organizations (B2B – Business to Business; B2G – Business to Government; and B2NP – Business to Not for Profits)

International

Market research is a challenging area of business activity but is crucial to developing the right offer for your market. **It is not easy to do and can be very challenging!**

Australia is a first-world economy and in most modern economies government and private organizations research the population continually. As such, most people loathe market research, because it is in their face most weeks of their lives. However, for us in small and micro businesses it is very important and, generally speaking, is an area where most small businesses place little or no effort, in contrast to large businesses that take the whole matter very seriously.

In small business we need to survey the following groups on a regular basis –

- Our customer base
- Our lapsed/previous customers
- Our competitors' customers
- Our competitors

The following words and phrases are a big turn-off for most Australians – *research, market research, surveys, questionnaires and some others*. Try not to use them when conducting your primary research, instead use words and phrases such as opinion(s), feedback, opinion poll, study and similar. These words are arguably less confronting and softer.

Your survey needs to be concluded in no more than 5 minutes, 2 to 4 is ideal. Surveys that run into 15 plus minutes should be paying the respondent for participation, as it is too time-consuming and annoying for most Australians.

Try and get a minimum of 50 completed surveys, preferably more if possible, to allow for a meaningful sample size and to reduce the likelihood of bias. A range of methods to conduct the surveys should be trialled to see which is best for your business needs (e.g. Face-to-face, phone, internet, email, fax and traditional mail).

The survey should have somewhere between 6 to 15 questions and the content area or the prime issues that should be covered are as follows –

- Behaviour

Who uses; who buys; when is the product/service used; where is it used; why is it used; how is it used and similar information

- Likes and Dislikes

Those who use the product/service: what do they most like about their favourite provider(s)?

Those who use the product/service: what do dislike about previous provider(s) that they have used?

- Market Gap

Is there some opportunity in the market where current providers are not addressing or sufficiently addressing the needs of some customers or potential customers (in other words a market gap)?

- Strategy Issues

Obtain some feedback on your proposed or existing product or service range (perhaps show pictures or demonstrate if necessary) – likes and dislikes

Obtain some pricing feedback on what customers or existing customers are prepared to pay for your products/services; what are they paying for competitive products/services?

Where would they expect to go to purchase your products/services (i.e. traditional retail, over the phone, internet, direct delivery, etc.)?

If they needed a new or replacement provider in your market, how would they locate a suitable provider?

Identification/branding/business name(s)

Of your list of identification options, which is the best fit for your existing or proposed business activity?

## Some Typical Questions

Do you purchase the following type of product/service? Y / N

Who in your family (or business) uses the product/service?

When is the product/service used?

How is the product/service used?

Which day(s) and what time(s) of day do you use the product/service?

Why is the product/service used/consumed?

What do you most like about your favourite brand or offering (or provider) in the market?

What do you dislike about previously used brands, offering or providers in the market?

Is there some need or service that you possess but find it difficult to access/purchase suitable products/services for?

What are your thoughts of the following product/service (show a picture or demonstrate or describe)?

What are you presently paying for your existing products/services in this market?

How do you typically purchase your preferred products/services (i.e. Where do you go or how do you purchase)?

If you needed a replacement provider or offering, how would you locate a suitable range of options?

Of the following business names/brands, which do you prefer?

Once the surveys have been completed, analysis and interpretation of the results is required. Summarise the findings by question and assess the impact of each question (and overall) on your business (new or existing).

This should lead to a greater likelihood of a successful business or improved business activity for an existing business.