



MARKET RESEARCH ESSENTIALS

You have a business idea but you're not sure where to begin. Who should you sell your product or service to? Where? And how?

START BY EVALUATING THE FEASIBILITY OF YOUR IDEA THROUGH MARKET RESEARCH. THERE ARE TWO MAJOR TYPES OF MARKET RESEARCH:

- Primary research – information you collect yourself
 - This can be done through observation, surveys and questionnaires (regular mail or online), interviews, focus groups, etc.
- Secondary research – research done by someone else
 - Statistics Canada, Canada Business Network and Business Development Bank of Canada are good sources (**check links below**).
 - Look at business magazines and visit your local library as well.
- Each method has its advantages and disadvantages:
 - Primary research
 - Pros – since you have control over the process, the information you need is collected in the format you need it
 - Cons – expensive and more time consuming; may collect inaccurate information because of your own bias
 - Secondary research
 - Pros – gives you access to information you may not be able to collect/compile yourself; could be a lot bigger sample; generally less costly and time-consuming, since the research is ready
 - Cons – may not be relevant or you may not know how to interpret it; may waste too much time looking for relevant data

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- Goal: to better understand your market and the different stakeholders that operate within the market - customers/clients, competition, suppliers, partners
- Things to remember
 - It's not a one-time activity – stay on top of trends in your industry
 - Use the data to develop your business strategy

WHAT YOU NEED TO FIND OUT MORE ABOUT?

- **Industry**
 - Is it in a growth, maturity or decline stage?
 - Suppliers and buyers power assessment
 - Threats and opportunities
 - Any statistics that may help you with your own projections
- **Market analysis**
 - What is the market size? Market value?
 - How easy is it for a new business to enter the market? What are the barriers?
 - Substitutes
 - Threats and opportunities
 - Is there seasonality?
 - What are some forces that may have an impact on your business? (government regulation or technology, for example)
 - What is your target market?
 - Who are they? What are the demographics (age, gender, income level, etc.) and psychographics (values, opinions, attitudes, lifestyle) of your ideal clients?
 - What are their pain points? Their needs?

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- **Competition**

- Who are they? What is their market share?
- What are their characteristics – strengths and weaknesses? How do you compare to them?
- How do they differentiate themselves?
- Who are their clients and how do they communicate with them?

WHAT'S NEXT?

- Combine primary and secondary research to get the best results
 - Ask your friends and family for help – get their opinion on your product/service – how much would they pay for it, what do they like best, what is missing?
- Create a prototype, test and adjust

Don't get lost in too much data - your YES Business Coach can assist you to approach market research in a structured and productive way.

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LINKS:

Statistics Canada - <https://www.statcan.gc.ca/eng/start>

Canada Business Network - <https://www.canada.ca/en/services/business.html>

Business Development Bank of Canada - <https://www.bdc.ca/en/pages/home.aspx>

Ressources Entreprises - <http://www.ressourcesentreprises.org/en/>

Info Entrepreneur - <https://www.infoentrepreneurs.org/en/>

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