

# 10 Tips for Doing Market Research

## CALIFORNIA SMALL BUSINESS DEVELOPMENT CENTERS:

**NORTHERN CA  
REGIONAL NETWORK**  
Humboldt State University  
Serving the Greater  
San Francisco Bay Area  
(707) 826-3920  
www.norcal sbdc.org

**NORTHEASTERN CA  
REGIONAL NETWORK**  
CSU, Chico  
Serving California  
Northeast of Sacramento  
(530) 898-5443  
www.necsbdc.org

**CENTRAL CA  
REGIONAL NETWORK**  
UC Merced  
Serving Central California  
(559) 241-7414  
http://sbdc.ucmerced.edu

**LOS ANGELES  
REGIONAL NETWORK**  
Long Beach Community  
College District  
Serving Los Angeles,  
Ventura & Santa Barbara  
Counties  
(562) 938-5020  
www.smallbizla.org

**ORANGE COUNTY /  
INLAND EMPIRE  
REGIONAL NETWORKS**  
CSU Fullerton  
Serving Orange,  
San Bernardino &  
Riverside Counties  
(657) 278-2719  
www.leadsbdc.org

**SAN DIEGO & IMPERIAL  
REGIONAL NETWORK**  
Southwestern Community  
College District  
Serving San Diego &  
Imperial Counties  
(619) 482-6388  
www.growmybiz.org

**For a start-up, market research determines whether your business can succeed. Once you're in business, market research keeps you in touch with what customers need. Whichever stage you're in, these 10 tips will get you started.**

1. **Know what you need to learn.** If you're a startup, you might use market research to pinpoint your target customers. If you're expanding, you might use it to determine where to open a new location. Stay focused by listing specific questions you must answer.
2. **Research your industry.** Assess whether the industry you plan to enter is growing or declining. What niches are most promising? Once you're in business, keep up with industry news to stay on top of trends.
3. **Research your target customers.** If you sell within a limited area, you'll want to know the population, income level and demographic breakdown of the residents. If you sell online, your customer base might be nationwide or worldwide, but you still need to determine how many potential customers exist.
4. **Research your competition.** Assess your competition locally, nationally and globally. Create a "SWOT" analysis of your competition's *strengths*, *weaknesses*, and the *opportunities* for and *threats* to your business that they pose.
5. **Research your indirect competition.** If you're opening a pizza restaurant, your competition isn't just other pizza restaurants. It's any restaurant — and any place where people spend discretionary income, such as nightclubs, amusement parks or theaters.
6. **Gather published information.** Go online or visit your library for information from industry publications and websites, associations, trade shows and conferences, and consumer publications. The U.S. government provides a wealth of data; visit the SBDC's website ([www.smallbizla.org](http://www.smallbizla.org)) and Business.gov ([www.business.gov](http://www.business.gov)) for resources.
7. **Do surveys.** Surveying potential customers is easy and free using online survey tools such as BuzzDash.com ([www.buzzdash.com](http://www.buzzdash.com)), PollGenius.com ([www.pollgenius.com](http://www.pollgenius.com)) and SurveyMonkey.com ([www.surveymonkey.com](http://www.surveymonkey.com)). Poll customers on your website or by e-mail, and analyze the results.
8. **Focus.** Recruit people from your target market for a focus group. If you target moms, for example, contact local PTAs. Pay participants for their time and get demographic information to ensure you have a broad sample. Show them your products or explain your services, and get feedback.
9. **Get help.** There are many free or low-cost sources of assistance, including the SBDC and SCORE ([www.score.org](http://www.score.org)). Contact nearby college or university business or marketing departments; sometimes professors and students will help you research as part of a class project.
10. **Keep it up.** Make market research part of your day-to-day business activities. Use receipts, delivery orders and invoices to track where customers come from. Monitor inventory trends to track which products sell best. Use Google alerts and Twitter search to see what people are saying about your business. Staying on top of customers' needs and interests will reveal potential growth areas.

### By Rieva Lesonsky

*Rieva Lesonsky is founder and President of GrowBiz Media, a content and consulting company that helps entrepreneurs start and grow their businesses. Before launching her business, she was Editorial Director of Entrepreneur Magazine. Follow Rieva at [Twitter.com/Rieva](https://twitter.com/Rieva) and visit [SmallBizDaily.com](http://SmallBizDaily.com) to sign up for her free TrendCast reports.*