

Research 101

How to **get started**, **find what you need**, and **get an edge** on the competition.

Why do C-Suite execs spend time researching industries, companies, and trends?

Good research allows them to minimize guesswork and make smarter business decisions. For example, the data they gather guides them when:

- Making financial and marketing plans
- Fine-tuning products
- Expanding the customer base
- Preparing for a downturn

Financial Power

Being informed about things that impact future business is also a requirement for funding. VCs, investors, banks, and even future employees need to know that you know what you're talking about before they'll give you their money or time. **If you can't answer their questions, they'll move on to someone who can.**

What's the cost of failure?

If you underestimate the size of the market, or overestimate your target consumers' buying power, you might end up with a poor product-market fit ([Juicero](#), anyone? [Google Glass](#)?).

OK, how do I even begin?

You'll be collecting information from a variety of sources, analyzing it, and synthesizing it into something you can use. You're not just reciting facts like you did in school, you're taking those facts in, figuring out what's important and what's not, and determining how to **apply** what you know to your particular situation.

Where do you find information?

Unfortunately, there isn't a magical document out there that will tell you everything you need to know. You'll have to collect information from different sources—articles, interviews, analyst reports, government data, and social media—to build a well-rounded picture.

If you've never conducted research before, you may not know what you're looking for, where to look, or how to get started. It sounds difficult, but don't worry—we're here to help!

You want to find information in three categories:

Industry

Get to know the industry so that you can:

- Ensure there's room for your product or service
- Spot opportunities
- Anticipate obstacles and challenges

Customers

Know as much as you can about your customer so that you can better meet their needs and become their first-choice product or service.

This includes current customers, potential customers, and former customers.

Trends

Your goal is to stay up-to-date on what's happening in the world, so that your business aligns with how people think.

For example, as more people started seeking personalized health care, fitness trackers saw an increase.

INDUSTRY

Industry analysis is meant to help you review various market and financial factors in your industry that will affect your business, including evaluating your competition.

Know your industry

You'll need to identify your target industry (or industries!) so that you know you're talking about the same landscape as everyone else.

Reports

Industry reports are an efficient way to get a snapshot of what's happening in a particular market. There isn't a standard format, but they typically include current conditions, risk factors, key statistics, key companies and/or C-Suite executives, and market segmentation. Depending on the level of analysis, they may also describe current and forecasted performance.

Articles and interviews

This is a broad category and includes everything from influential bloggers and industry experts to articles in the Wall Street Journal or specialized trade publications. Some will be accessible via a simple Google search, and you'll find others searching in news and trade databases.

Try it

Industry research is Day 1 in the [Build Your Base Research Guide](#), which will walk you through what to do to build a base of knowledge.

CUSTOMERS

If you don't know the customer, how can you possibly meet their needs?

Information from consumer research can help you answer business questions critical to success. If possible, you should try to learn as much as possible about your customers, including (but not limited to):

Characteristics

- Who are your primary/secondary customers?
Basic demographics (age, gender, location, etc.)
- What's their purchasing power?
Income and educational levels
(This can help determine appropriate pricing.)
- What's important to them, and how important is it?
Personal values

Acquisition & Retention

- What would make a person start buying this item?
There may be a moment or opportunity you can leverage.
- What are the key factors in their decision?
Knowing what these are can help you position your product for success
- What made former customers stop purchasing your product?
Did they just not need it anymore, or were they dissatisfied?
- What might draw former customers back?

Lifestyle/Stage

- Do people need this at a specific life stage, or for particular circumstances?
This can help you fine-tune your marketing approach and plan for attrition.
- Where do they go online? How can you use that to find and address them?
- What do they search for? How can you use that to refine your product or offering?

TRENDS

Trends are things that are “in the water”—concepts, practices, habits, or ideas that are pervasive on a global or cultural level. Business leaders study trends to find new avenues for their products, identify new customer bases, or see hints that the consumer might be going in a new direction—anything that might have an effect on the business, good or bad. For example: are people embracing [hygge](#)? If so, then maybe it’s not the best time to launch an app that focuses on going out. If the personalization trend has hit your location (hint: it probably has), is there a way to make your product customizable?

Because trends are multidimensional, things that may not seem relevant to you at first glance often are—or can become so. At a high level, identifying a few trends and thinking through how that will change your business is a good practice to do on a regular basis.

Trend analysis for your business is a **three-step process**:

1. **Identify the trends.** Trend analyses and reports can help with this, but they are not available for free. We’ve included a couple sources in the resource guide, but this is one where legwork will be required.
2. **Analyze the effects.** Once you’ve spotted a few trends that may have an impact, think through the implications. Look at your product or services through the lens of the trend, and identify possible ties. For example, thinking about the larger trend that has more people thinking of pets as part of the family (45% of American dog owners bring or want to bring their dogs to work, 32% of pet owners in China would pay more to take pets to venues like hotels or restaurants), how might this change your business in the beauty sector? Products that work for humans *and* their best friends might appeal. Home building or furnishing? Can your product specifically address dog needs? Entertainment? Pet-friendly nights, or a pet-friendly section of the venue?
3. **Revise your plans.** Now that you’ve identified trends and whether they pose an opportunity or a risk, how will you adapt to take advantage of the opportunity or avoid the risk? Enhancing your product or service to anticipate trends will lead to continued business success, both in the present and the near future.

What do you do when your industry or demographic is new, a hybrid, or under-reported?

Get creative.

Public interviews from CEOs, industry websites, and annual reports, trade journals, online forums (there's a Reddit for almost everything). You may need to follow a trail of information to find anything useful, but the knowledge you pick up along the way will be of use.

Get social.

The more you can segment your target audience, the better you'll be able to stalk research them on social media. Think about places like subreddits, the comment sections of publications that would appeal to your users, the Twitter and Instagram feeds of your competitors. Keeping tabs on what your users like will help round out your view of them so that you can anticipate their changing needs.

DIY.

If you conduct your own research directly with your current or potential users, that's called primary research. This can bring you close to the consumer, and you can get insights and ideas that would not have occurred to you on your own.

You can use surveys, focus groups, or interviews to find out what people want, their threshold for pricing, and their brand loyalty.

What's Next?

Start with the [Build Your Base Research Guide](#), which will walk you through a four-step process to building a base of research. You can also reference the [Resource Types Cheat Sheet](#).

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