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Market Research... Who Me?

by

Debra J. Perosio

Department of Agricultural Economics

New York State College of Agriculture and Life Sciences, Cornell University

Smart marketing means continually knowing what your customers need and want. For big corporations, this usually means having large marketing departments or hiring consultants who conduct sophisticated and expensive research--all in an effort to gauge customer satisfaction.

The dilemma for the small business owner is that traditional market research can take so long and cost so much that the entrepreneur may find himself out of business before the research is done! However, all is not lost, there are several techniques that have proven successful for many small business owners:

- 1) Management Team--Choose a group of people who are familiar with your business and whom you respect. This team can act as a sounding board to react to new ideas.
- 2) Focus Group--Ask a small group of your customers out for lunch to discuss the business and kick around new ideas. It is important to be open-minded to their comments and ideas and to properly recognize and reward them for their time.
- 3) Informal Survey--This is done either by asking your customers a few questions privately or through a short written questionnaire. In either case, if a customer is uncomfortable with the survey, thank them for their time and wish them a good day. For those customers who complete the survey a small token of appreciation is a nice gesture.

- 4) Suggestion Box--This is a simple idea that works, but only if you read the suggests daily, do something about them, and thank the people who submitted them (if they signed their name) with a note or a call indicating how you will be responding to their suggestion.
- 5) Complaint Analysis--Complaints are one of your most powerful tools. If handled properly, not only can you improve your business, but you can gain a customer for life. So, encourage your customers to complain, work with them to solve the problem and learn from the experience!
- 6) Customer Analysis--It is important to know who your customers are. You might want to gather information such as: age, size of family, gender, average amount of purchase, what radio station they listen to, what newspapers they read, ethnicity, income, and the like. Remember, the more you know about your customers, the better you will be able to satisfy, and even anticipate, their needs.
- 7) Customer Want List--Keep a small notebook by the register or some other handy place to record every request you get from a customer. Reviewing this list occasionally will help you review your product line in search of new products to carry and possibly some to discontinue.
- 8) Advertising Notebook--Place a copy of each ad that you run in a three-ring notebook. For radio and TV ads, make a note describing the ad. Next to each ad, write a few comments about how it worked, the date it ran, and how much it cost. This will help you make more informed decisions in the future.
- 9) Industry Analysis--When you have a chance to get away from the business, make it a point to visit similar types of businesses. Bring along a camera and take pictures of signs, store fronts, decor, and products. Talk to the owners of these shops and compare notes--it will benefit both of you! Subscribe to trade journals and attend trade shows whenever possible.

While you may not be a big corporation with your own marketing department, you have a far more powerful advantage--close customer contact. Take advantage of it by utilizing a variety of these market research techniques. They will make your customers happy, while keeping your business healthy.