

a word to our potential clients . . .

Why You Need Market Research

Market research is a vital part of any successful organization. Market research can identify and describe customers, group them into segments, and determine what and why they are buying/using certain products/services. Market research enables businesses to forecast what today's customer will want in the future, how the company will meet those needs, and how their services, quality, and technical abilities compare with competition.

When should you do research? Research should have a purpose, a question to answer. Do research when you must make decisions; when you can't afford to be wrong on a decision; when the risks and opportunities are big. In today's dynamic environment these situations present themselves all too often. Consequently, wild-eyed, seat-of-the-pants, roll-the-dice mangers who make decisions without proper and effective market research in today's world of business will likely fail. To be successful, management must define a strategic plan or scope.

Market Research in the Strategic Planning Process

Strategic planning is not just another buzzword coming from the nation's top business schools; it is an effective tool used by the most successful companies. Being strategic means being clear about the organizational objectives, being aware of the organization's resources, and incorporating both into being consciously responsive to a dynamic environment. The process raises a sequence of questions which can be answered by strategy research. It can help planners examine, experience, and test assumptions, gather and incorporate information about the present, and anticipate the future. A successful strategic plan is . . .

- results focused,
- information-based,
- written and worked,
- ongoing and flexible,
- operations driven, and
- measurable.

Market research is an essential part of any successful strategic plan and is important in both the early and late stages of the plan. With the combined efforts of a results focused management team and market investigation from SCI Research, questions such as, "Where are you going?", "What is the optimal target market?", "What is the optimal strategic position?", "How will you differentiate?", "What is the best package?", and "What is the optimal price?" can be answered (indeed must be answered to ensure long-term success of the strategic plan).

After the plan has been implemented, it is important that managers measure the strategy (or plan) to test its effectiveness. This type of strategy research can help managers decide whether to continue with the plan. SCI Research will give

management insight on better effective directions for replacing unsuccessful initiatives. Many of today's leading strategic gurus agree on four common reasons why strategic plans fail:

- (1) lack of ownership by leaders and / or staff,
- (2) poor information led to faulty conclusions,
- (3) no meaningful performance measures, and
- (4) no connection between the plan and the real-world activities of a firm.

Fortunately, strategic market research can prevent three of the above four failure reasons (2, 3, & 4). Gathering reliable and useable information from consumers / competitors will eliminate the most damning: faulty conclusions. SCI Research will gather information from the correct sample using the most reliable methods.

Market research from SCI can test the applicability of a strategy through various research methods (qualitatively). The most appropriate means of testing strategies such as advertisements, new product / service ideas, new packaging, or just to gain a fast consensus of the target market, is through the use of a qualitative methodology -- focus groups.

Today, management has the advantage of being able to test markets before costly mistakes are made. Through the 'triangulation' of new market ideas, market surveys and focus group research, an effective management team can fine tune marketing strategies before introducing them to the general public.

After implementation of the strategic plan, SCI's customer satisfaction surveys (quantitatively and qualitatively) will measure the performance of the strategy among consumers. Market research is the tool used to measure customer satisfaction, which is important due to the increase in buying power of consumers across all industries. Your customers drive profitability!

Observing and interpreting human behavior is "the foundation for our survival" (Babbie, 1992, ed.). Oftentimes we consciously or semiconsciously link or interpret human behavior or acts. We informally affiliate behaviors, or acts with each other. All too often, these informal causal links that we make are wrong; that is, we guess the wrong reasons about why humans act in certain ways.

Company decisions are often based on these wrong causal links, and can wind up being deadly. Through informed market research, SCI can test these informal causal hypotheses about 'how the world works', and we can become aware of human behavior on a more logical level. Using research analysis and factor analysis, we can test causation for acting in certain ways, and also test (future) hypothetical behavior scenarios. In this sense, informed market research from SCI does much more than get at a customer's likes and dislikes. It calculates future consumer behavior, and helps draw clear links between human behavioral acts.

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