



Market Research.

The following guide is intended to give you some hints and tips to help you carry out low budget market research as you work to develop your social enterprise. It should be noted however that market research is an industry in itself, and as an industry, market research is guided by professional standards based on ethics, honesty and appropriateness. It is advised that any research that you do is done in line with these standards.

Market research, whether low or high budget, must also adhere to The General Data Protection Regulation (GDPR) – you must be mindful of any personally identifiable information (PII) that you gather during your market research. You cannot hold PII about people without their permission.

How to do market research.

Doing market research is much more than just ‘talking’ to people or sending out an online survey. Market research is all about learning useful information that you can then translate into your business plan and marketing strategy. See associated guides on “Understanding Your Market”, “Developing a Marketing Strategy” and “Business Plan Template”.

Market research can be used to generate learning about all manner of business-relevant areas. Some examples are:

- WHO is my target audience, and WHAT is important to them. [to help you design your offering to best meet their needs and wants]
- WHO are my competition, WHO is doing well in business and WHAT are their unique selling points [to help you understand the landscape for your business, including potential business models that work well, availability of offerings, pricing of offerings, advertising of offerings etc. so that you can create and evolve your business in a unique and meaningful space]
- WHAT offerings are most appealing to my target audience [to help you design and/or refine your offerings]

Types of Market Research.

Fundamentally there are 3 types of market research that you are likely to consider doing:

Desk research
Qualitative research
Quantitative research



Desk Research

As the name suggests, this is research that can be done from your desk. This type of research will help you to learn from information that is in the public domain. Desk research might involve searching the internet for information, checking out social media activity or reviewing local newspaper content, for example. Much desk research can be done free of charge, but of course not all, so be clear about what you want to learn and make sure that if you are about to pay for information that it is the information that you really require.

In order to get the most out of your desk research, start by writing down the key questions that you have so that you can focus your attentions on those questions.

Some example questions that you may want to answer using desk research are:

- WHAT businesses are already out there competing in my proposed space?
- WHAT other organisations (public, private or third sector) are out there delivering services to my proposed beneficiaries?
- WHAT is the government strategy for the area relevant to my social aims?

Qualitative Research.

Qualitative research is a great option when you are really wanting to get under the skin of a question and understand something in depth. As with desk research, you need to be clear on your research questions up front so that you can best design the interaction. Qualitative research is NOT just a chat with friends. It is a structured interaction of some form which will be guided by a 'facilitator' (the facilitator may very well be you!).

Some example questions that you may want to answer using qualitative research are:

- WHAT is important to my target audience and why? (And how can I incorporate that into the design of my offering)?
- WHY do my beneficiaries face the challenges that they do? (And how can I design my offering to alleviate those challenges)?

Ahead of a qualitative research session you need to ensure that you have written down a guide for the interaction, including any specific questions you may want to ask, and any activities that you may want the respondents to do. Creating the guide is a great way to prepare and build your confidence ahead of the interaction. You can be as creative as you like with your guide (within the realms of what is ethical and appropriate of course!), so long as the questions and activities contained within it are helping you to answer your key questions. The guide will help you to stay on track throughout the interaction, which will almost certainly



be time-limited, and make sure you get the learning that you need. It is incredibly important however that you are NOT a slave to your guide – you must stay open to learning things that may surprise you during the interaction and be sure to follow up on what you feel is relevant. When putting together a discussion guide, try to capture as many open questions as you can e.g. what do you think about...? why do you believe that...? etc. Open, unbiased, questions enable people to think, and open up to you about their thoughts and feelings, revealing information that you may want to probe further. Closed questions on the other hand e.g. do you like this? (which could easily be answered by saying yes or no) tend to close the conversation down.

Qualitative research is usually a relatively small-scale interaction (often a discussion, and/or an observational session and/or a creative session) between a facilitator and one or more respondent. The respondents for the research should be carefully chosen to ensure that you get the learning that you need, so think carefully about who the best people are to help you learn about the topic you need to learn about.

Qualitative research can take on many forms. You might have heard of “focus groups” in the past. Focus groups are one way to do qualitative research, but they are most definitely not the only way to do qualitative research, nor are they the right way to do qualitative research in many circumstances. Some examples of qualitative research types are:

- 1 to 1 discussions (by phone, video or in person): Best for digging in and learning in depth. Gives you the opportunity to probe thoughts and feelings, and to understand why people think or feel the way they do. Good for understanding your target audience and their needs.
- 1 to 1 observational sessions: Best for building a real feel for e.g. the challenges that people are facing in their life in relation to your offering(s), and/or the realities of what a person does vs. what a person says. Perhaps you would want to spend some time with one/some of your proposed beneficiaries to get a better understanding of the challenges they face that you are trying to address?
- Focus group discussions (3 to 8 respondents): Best for bringing the dynamic of different opinion into an interaction and testing out different hypotheses. Can be used to evolve ideas and reach consensus, but beware of generating ‘group think’. Focus groups are not necessarily easy to manage unless you have facilitation skills.
- Group creative sessions (Up to 8 respondents): A way to get your target’s voice heard directly in e.g. your product design or advertising ideas.

When choosing a qualitative research method, choose the one that you believe will best meet your needs, and importantly is something that you feel comfortable doing.

Quantitative Research

Quantitative research is a great option when you want to confirm something or get a meaningful number of opinions to help you make a decision. Where qualitative research is about generating depth of understanding, quantitative research is about generating breadth of understanding.



Some example questions that you may want to answer using quantitative research are:

- How many people find my offering appealing?
- What new product/service do people think I should launch (from a shortlist of presented options)?

Doing targeted quantitative research requires you to have a GDPR-compliant database of defined respondents available to you. If you have such a database then you will be able to send out surveys to specific people from within that database (so long as they have given their permission for you to do so). However, if you don't have such a database then you can use social media or your website to advertise your survey and request respondents. You can run short surveys from social media (e.g. facebook) to ask questions of your social media community, and longer surveys can be created in apps like MS Forms or Survey Monkey, with links posted to your social media or website for uptake.

In contrast with qualitative research, the best types of questions to ask in quantitative research are closed questions. Examples of closed questions are:

Q: Which of the following best describes your interest in a new theatre school in D&G to help build confidence in teenagers?

A: Extremely interested / Very interested / Quite interested / Not very interested / Not at all interested

Q: How much do you agree or disagree with the following statement? "I prefer to buy experience gifts rather than physical gifts"

A: Strongly agree / agree / neither agree nor disagree / disagree / strongly disagree

Q: Which of the following names best resonates with you for a social enterprise designed to help unpaid carers experience some respite from their caring role.

A: Me Time / Caring for Carers / Respite for Carers / None / Other, please state.

Activity



Get started on your market research by first making a list of all the questions that you have about your business. If you're unsure where to start, consider asking yourself the 6 'W' questions –

WHO beneficiaries? target consumers? competition? suppliers? team? stakeholders? etc.

WHY operate? expand? evolve? etc.

WHAT offering? pricing? location? etc.

WHEN operate? promote? etc.



WHERE operate? promote? etc.

HOW create/deliver offering(s)? promote the business? grow the business?

Once you are clear on your questions then think about the best way to get the learning you require. Can you learn *via* desk research? Qualitative research? Or quantitative research? In some instances, you may want to consider a combination of more than one.

Other related information

SEDG Resource - Developing A Marketing Strategy

SEDG Resource - Understanding Your Market

SEDG Resource - Developing Digital Capabilities

SEDG Resource – Undertaking Market Research

SEDG Resource – Questionnaires and Surveys

SEDG Resource – Focus Groups

Need help?

You can contact at us and arrange a call at: sedg@tsdg.co.uk