

Market Research – Pot of Gold

According to a recent FORBES survey the main reasons why startups struggle can be summarized as lack of market knowledge about customer needs, competitors and recent changes in the industry.

Typical moments when a business may have a need for research

Business idea “Is there a market for it?”

Product “Do customers want it?”

Services “Is it needed?”

Competitors “What do they do and don’t do?”

Where are my customers?

Are there enough customers in my area to feed into my business?

What has changed in my industry?

Answers to these questions transform directly into revenue and profit.

This is true for

- Existing businesses entering a new market
- Existing businesses developing a new product/service
- Startup businesses focused on entering the market
- Startup businesses creating sales volume
- Pre-startup businesses validating an idea
- Pre-startup businesses creating a full picture of their market conditions

Use this as a checklist and highlight what you need. All of our advisors have an arsenal of resources for you. Business Databases are powerful if you know where to look and what to look for. There are two typical challenges: one, if the business is geographically limited, are there enough customers to draw from and second, if you can service nationally or internationally what market segment should you focus on. Of course your answer may also depend on your advertising budget and staff capacity.

Here is a short reference guide of resources:

- Reference Solutions – competitors, business customers, consumer customers by life style and/or area
- Mintel – Trends, Niches, Industry news
- Mergent Intellect – details on competitors, search for new markets/customers by profile
- IBIS world – Detailed industry reports including impact of the pandemic of 2020 on your industry

You have access to the College of DuPage Library resources on campus through the SBDC. Our advisors are always excited to have this conversation with you and help you make a plan of your needs and guide you toward the matching business database.

Most data is accumulated from public IRS data and US census data. The advantage to use a business database is the user interface and the data already accumulated for business purposes. You are always welcome to use US Census data directly.

The screenshot shows the US Census Bureau website interface. At the top, there is a dark blue header with the 'United States Census Bureau' logo on the left and a search bar on the right. Below the header is a navigation bar with links for 'BROWSE BY TOPIC', 'EXPLORE DATA', 'LIBRARY', 'SURVEYS/ PROGRAMS', and 'INFORMATION FOR...'. A green banner below the navigation bar reads 'It's 2021 Manufacturing Week! Celebrate with Census 9/27-10/1'. The main content area has a breadcrumb trail: '// Census.gov > Topics > Business and Economy > Small Business'. On the left side, there is a sidebar menu with the following items: 'SMALL BUSINESS', 'About this Topic', 'Data', 'Guidance for Data Users', 'Library', 'News', 'Related Sites', and 'Surveys and Programs'. Below these items is a link '< Back to Business and Economy'. The main content area features the title 'Small Business' in a large, bold font. Below the title is a paragraph: 'Here you will find detailed statistics about U.S. businesses that are essential to help small businesses succeed and grow.' There are three small images: a group of people in a meeting, a 'census business builder' logo, and the 'NAICS' logo. At the bottom of the main content area, there is a section titled 'Find your NAICS Code' with three columns: 'Know Your Customers', 'Start Planning Your Business', and 'Find Your Classification Code'. Each column has a small NAICS logo icon.

<https://www.census.gov/topics/business-economy/small-business.html>