

The Importance of Market Research

Market research is the attempt that businesses and entrepreneurs must take to learn more about their customers and the market they are operating within. Market research provides a lot of advantages for small and large business. Some businesses may not see the need for market research as they believe they have understood what their customers want. Therefore, some companies fail or would allow the competition to take over. Where one company fails to do what is important or required for the business, they competition would not do the same. The competition would take advantage of this opportunity to conduct market research and satisfy the customer's needs.

The two methods of market research would be primary market research and secondary market research. Primary market research is when the researcher acquired the data themselves through surveys, focus groups, one and one interviews and Ethnographic research. Secondary research acquiring data that has already been acquired through sources such as the internet and publish books and articles. As such market research plays an important role within any business. Some of the advantage of market research are:

- It Easily Spot Business Opportunities and challenges.
- Lower Business Risks.
- Create Relevant Promotional Materials.
- Know who is the company's target market.
- Outsell Competitors and provide strong competition within the market.
- Set Better Goals for Your Business and improve business growth.
- Make well-informed business decisions.

It Easily Spot Business Opportunities and challenges

The economy is always changing as the customers change their preference, taste within products, and adjust to different products. At first not all the customers would like a product but as time goes by, they would adjust and start to like, appreciate, and want the products. Market research informs the business of these changes within the economy so they can improve their products to meet these customers' needs and wants. The company would analyze the trends within the economy, the age range, and the demographics. Over time these would change as they are not permanent. Market research would highlight the challenges faced with the present product and how can it be improved. Once this opportunity is utilized the company may acquire more customers.

Lower Business Risks

When starting a business, there is always a risk involved in the decision process. There is no grantee that the business would be successful or unsuccessful unless you try. Conducting market research lowers the risk that the business face. The information can be used to attract investors and be shown to financial institutions to acquire loans. It also motivates the entrepreneur and the potential business partners of the business.

Create Relevant Promotional Materials

Promotion of a business and its product is always important as certain factors would catch the customers attention. To achieve the goal of acquiring the customer attention, we first need to know what the customers wants and what do they require. As this is an important factor in acquiring customers and retain the present customers. Advertising any promotional material might send the wrong message to the customers. This might lead to losing certain customers rather than acquiring more. So, when promoting a business, a product it is important to know what the customers are interested in and that the right message is being advertised.

Know who is the company's target market.

Every company has a target market that they know would be interested within their products. An example is that video game companies would not advertise certain games to teens and adults as they know these types of games would only be interesting to younger children. Automotive companies would always advertise certain vehicles in different aspects to acquire the preferences of the customers. The company would not advertise a sports car with a mom going to pick up her children from school. Knowing who your target market is important to knowing what to advertise to them to acquire and retain the customers.

Set Better Goals for Your Business and improve business growth.

Every company needs a set of goals and objectives which outlines what the company is aiming to achieve within the economy. The goals and objectives help the company to improve on its growth as they are always changing based on the economy. To create these goals and objectives the company needs to know more about the economy and which direction it is heading. Market research provides the incite of the economy and how good or bad the company is operating within the economy. Information such as what can be done to improve operations, the opportunities of acquiring a different target market, the challenges that the company face and future goals and decisions to be made can all be analyzed when conducting market research.

In conclusion, market research has a lot of benefits and should be utilized within every company. Failure to do so leads to many uncertainties in the future and the entrepreneur might be misreading the growth of the company and economy. Entrepreneurs should take advantage of using market research to achieve the company goals and objectives. There are many benefits of using market research. As easy a business may start, is as easy the business may fail. Use market research to prevent your business from failing at all costs.

There are different methods that can be applied to achieving these results. The method which the entrepreneur use depends on what type of product of service is being offered. As the economy is always changing so would your business. Take advantage of the opportunity that is being provided for you.

Ezannas Moses- A graduate student in Technical Management of DeVry University- Small Business Management and Entrepreneurship. There are many challenges that we encounter in life, but we must always persevere and conquer these challenges. We all have a goal we want to accomplish, a future we hope to obtain and a choice to be made. The path may not always be laid out for us, but is what you do next, is what matters the most in life. Always pursue your goals, as there are no greater rewards than self-fulfillment and personal development.