



## **When Do You Absolutely Need To Do Research?**

**- Linda Rink, RINK Consulting**

I know from experience that research is as important a part of your marketing plan as advertising or promotion – actually, it's more important because knowledge and understanding are essential for developing strategies and tactics.

But many business owners shy away from market research. Some even seem to take pride in not doing it: "I don't need research -- I know my business!" I think the real reason is they are unsure of how to plan and conduct research – or if they even need to.

**If you're not used to doing research, how do you know when you need to?** As a quick guideline, here are nine circumstances when doing marketing research is absolutely necessary.

### **Nine situations that call for market research - which of these apply to your business?**

#### **1. Business plan for a new business**

Launching a new business requires a well thought-out business plan to reduce your risk and increase your chances for success. Knowing, for example, whether there is a large enough market for your product to support an ongoing business, is not something that should come from your "gut."

#### **2. Apply for funding**

Lenders expect to be paid back – with interest. It is up to you to demonstrate that their investment has a high probability of earning them money. Your assurances alone won't do it – you will need to document it with solid research.

#### **3. New product development**

Before you launch, validate who will buy, why they will buy, what features and benefits they desire, and at what price. This information should be the backbone of your marketing plan.

#### **4. Customer feedback**

Knowing what your customers are thinking is always a good thing! As simple an action as checking back with your customers to see if they are happy with their purchase, is research. There are many different ways to tap into "the voice of the customer;" one or more should be appropriate for your situation.

#### **5. Improving your marketing ROI**

A surefire way to waste your marketing dollars is the "shotgun" approach – just say what you think people want to hear and send it out to everybody! A little research on the front-end – segmenting your target prospects, talking to some of them to see what they consider important about your product – will increase the ROI on your marketing dollars.

#### **6. Find out which activities have produced the best results**

Do you track the results of your marketing activities? I hope so! You can also try testing to see if one marketing tactic produces better results than another. Then next time you'll know what to expect – and how best to spend your time and money.

### **7. Troubleshoot problems**

When your “gut” no longer gives you the solution to a problem, it’s time to dig a little deeper. And when the problems are big – losing market share or a key customer – you definitely want a full understanding of what could be a complex situation, before it happens again.

### **8. Documentation for sales pitches**

Often overlooked, doing research just for the sake of documentation can be a smart thing. Objective data – from either your own research with prospects, or from third-party experts -- validates your sales message and greatly increases your credibility.

### **9. Keep ahead of your competitors**

Competitive intelligence also comes under the umbrella of research. It can be on-going surveillance of websites or a visit at a trade show – but it’s still research.

**Questions or comments? I’d love to hear from you! Send a message to [lrink@LindaRink.com](mailto:lrink@LindaRink.com).**