

Market Research

The process of identifying your potential customer Decision Marketing Units (DMUs), determining your market segments, and then developing a targeted strategy is called market research. This research involves gathering additional information about customers, competition, and overall market potential.

Before you invest any money in your project, you need to determine:



Answers to these questions will help you better understand what your potential customers, your “target” audience wants. This information about them is called demographic information.

Having answers to these questions will help you determine your market niche and facilitate writing your business plan. Remember that the purpose of your business is to sell products at a

profit, not to make products and hope they might sell.

Conducting market research is part science, part research and part intuition. While large companies contract with consultants to conduct extensive market research before developing a new product, small businesses with limited capital need to keep the process simple and objective - beyond your family and friends.

Of course, there is no better market feedback than repeat sales. If possible, consider offering your product as a free sample to a targeted group and collect feedback to determine how to proceed. Collect and incorporate into your product your customer feedback on product quality, quantity, packaging, appearance, etc.