

Research on-the-cheap

If you have little or no market research budget, should you forget about market research and just wait for a creative brainstorm? The answer is no: There are low-budget solutions to help you obtain useful market data. Your brainstorm will be more targeted if market research informs your thinking. If you are planning to launch a new product or service or a new communications campaign or some other new marketing strategy and you need information about current or potential buyers' attitudes, opinions, perceptions and behavior, here are five market research approaches you can try with little or no budget. For best results, try more than one approach sequentially and use the findings from each step to inform the next step.

1. Mine your company's market research files

Someone else in your company or your client's company may already have a recent research study covering the same market, industry or topic that you are interested in. Ideally, these reports are housed in your company's centralized, indexed, searchable file of market research studies. If not, try sending around an e-mail asking your colleagues if they have any studies that can inform your project. You could find that the person in the next office has just the market research report you need.

Try contacting the research vendors that your company uses most and ask them if they have previously conducted a study on that market, industry or topic for your company. If there has been employee turnover in your company, some past reports may have been lost, but your market research vendors may still have copies and will send them to you.

In one corporation where I worked, an entire division was disbanded and all of its research reports were sitting in boxes under empty desks. Luckily I was able to retrieve, store and index them in our central research file. These reports were fairly recent and still useful to other people in the company.

Even research reports that are not current can be helpful in generating ideas or raising red flags that prevent major errors in strategies or tactics.

2. Search for published market research studies

A gold mine of free and inexpensive market research studies lives



By Bonnie W. Eisenfeld

Five low-budget market research approaches

Editor's note: Bonnie Eisenfeld is a Philadelphia-based independent marketing research consultant. She can be reached at 215-567-1635 or at bwehr@earthlink.net. To view this article online, enter article ID 20090206 at quirks.com.

in cyberspace. If you have the perseverance to tap into this lode, you will be surprised and delighted when you hit pay dirt and learn how much valuable information can be obtained quickly and at minimal cost compared to a customized study.

I have found published studies on just about every market, industry or topic that I have researched. In some cases, these studies included comparative information on specific competitors' market shares, advertising effectiveness, customer satisfaction, corporate reputation and other key comparisons. I have found forecasts of planned purchases, estimates of current and future market size, buyers' attitudes and motivations, new segment opportunities, reasons for non-usage, drivers of demand, best practices and problems and issues in an industry.

Market research surveys are sponsored, published and distributed by research companies, nonprofit organizations, consultants, publications, industry, professional and trade associations, and government agencies, and many of these studies are available on the Web. If your company belongs to an industry, professional or trade association, find out how to get access to the association's proprietary published research reports.

I have found that it is most efficient to search online library databases for excerpts of market research studies published in business and news journals and then go to the Web site of the sponsor or publisher for more details. If you are good searcher and have access to a business library online database, you can do the search yourself. Otherwise, you may have to pay an expert to do it. But the expert searcher's fee is still going to be a lot less money than a customized study.

Published market research studies may be obtained free of charge or, in some cases, for a small fee, which is likely much lower than a new customized research study.

3. Conduct do-it-yourself inter-

views

You and your team can conduct interviews yourselves with customers, prospects and referral sources at virtually no cost. Generally, this method is most useful for qualitative research because, for practical reasons, your sample size will be limited. In addition, by using open-ended questions and probes, you can obtain real insight into your respondents' thoughts. If you have no market research experience, you should consider using an expert market researcher to train you on developing your questionnaire and conducting your interviews to avoid bias and capture the most important information.

I once worked for a bank that was about to launch a money-market account targeted at the high-asset consumer market. Nobody in the marketing department fit that category and we wanted to find out what would attract those people and their money to our bank. Over the weekend, we each interviewed three people who were current holders of money-market accounts, a total of 30 interviews, and we got a consensus that interest rate was the primary and only variable of importance. Consequently, our bank came out with the highest interest rate and no unnecessary added features, and we captured a huge share of market.

Since that time, I have trained many non-researcher teams to conduct interviews with customers and prospects. These teams consisted of people in marketing, product management, finance, legal or other functions involved with new strategic initiatives. My training workshops began with a brief overview of interviewing techniques, followed by break-out groups in which workshop participants role-played interviews. Attendees each played the role of interviewer, respondent, note-taker or observer. After each role-play, participants were debriefed and gave their opinions about the experience. The workshops allowed them to be involved in the research process and to share their concerns in a

non-threatening environment.

Participants made a lot of mistakes during the training, as you would expect. Interviewers needed to be trained to ask open-ended questions, listen to answers, probe and not be leading, defensive or judgmental. Note-takers needed to be trained to write what respondents say in respondents' own words. (Audio recording is better but cannot be used without respondents' permission, so note-taking is still an essential skill.) At the end of the workshop the group discussed what they learned from the content of the interviews.

Participants reported that after they had conducted real-life interviews, they appreciated the training more because they had learned from their mistakes and were better able to obtain useful information from the respondents.

4. Consider omnibus panel research

Omnibus research means that you can add one or more questions to a study that is shared among several clients. Both telephone and Web panel market research companies offer omnibus research. You can get a couple of questions fielded for a lot less than a customized study. The panels are made up of pre-recruited households in all demographic categories using a national probability sample. The omnibus panel method is particularly useful when you need to obtain quick and customized information not available through published sources. This method is an option for quantitative market research only and generally applicable only for consumer markets.

5. Distribute self-administered questionnaires

Distributing self-administered questionnaires on-site (for example, to visitors or customers), via e-mail or on a Web site is a method that can be implemented more cheaply than approaches requiring interviewers or moderators. Although it may mean sacrificing systematic sampling procedures, the self-administered questionnaire method

still enables you to obtain usable data.

Self-administered questionnaires can generate not just quantitative measurement data but also qualitative data such as new issues, ideas and motivations. The design of the questionnaire is the key to obtaining detailed write-in qualitative data. Each scaled question should be followed by an open-ended question about the respondents' reasons for his/her rating or suggestions for improvement or some other question that needs a write-in response. In order to motivate respondents to write detailed responses, I recommend leaving a lot of space for them to say everything on their minds. One line will not do it.

In a research project I conducted, the objectives of the research were to measure customer satisfaction and to obtain ideas for improvement. In these cases, the budget allowed us to use only a self-administered questionnaire, distributed on-site and on the Web site. While findings showed that customer satisfaction ratings were generally very high, respondents wrote a great many suggestions for improvement, leading to many opportunities for increased business.

Using self-administered and easily-distributed questionnaires eliminates some but not all costs. You still may need to pay an expert to assist you with the questionnaire development and do the coding, tabulation and analysis.

Sharpen your skills

Is expensive market research better research? The answer is sometimes yes but not always. As outlined above, there are less-expensive research methods that can provide valuable, useful information. While the extra work these methods require may be onerous, the effort you put into them will sharpen your information-finding skills while also stretching your organization's research dollars. | Q