ENGG 683 – Market Research

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Market Research

Problem

- What is the problem?
- Who is your buyer?
- How will the product be used?

Solution

- What is the priority for the features of the product?
- How much would people be paying for similar or alternatives?
- How will they use the product?

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Primary vs. Secondary

- Primary – Direct interaction with the customer

- Secondary – information you get from any source that is not the potential customer
  - Government reports, news sources, banks and financial institutions, …

Qualitative Research

- Exploratory research to help understand a topic

- Having a conversation with people

Quantitative Research

- Statistical data collection and analysis

- Online surveys, …

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Order …

Interviews

Surveys

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Primary Market Research – Customer Discover

- Involves direct interaction with potential customers to understand them in all dimensions.

- Profile them into segments

- Ongoing – never stops!

"Customer is the expert of their problem and you are the expert in finding a solution to that problem"

- Elaine Chen

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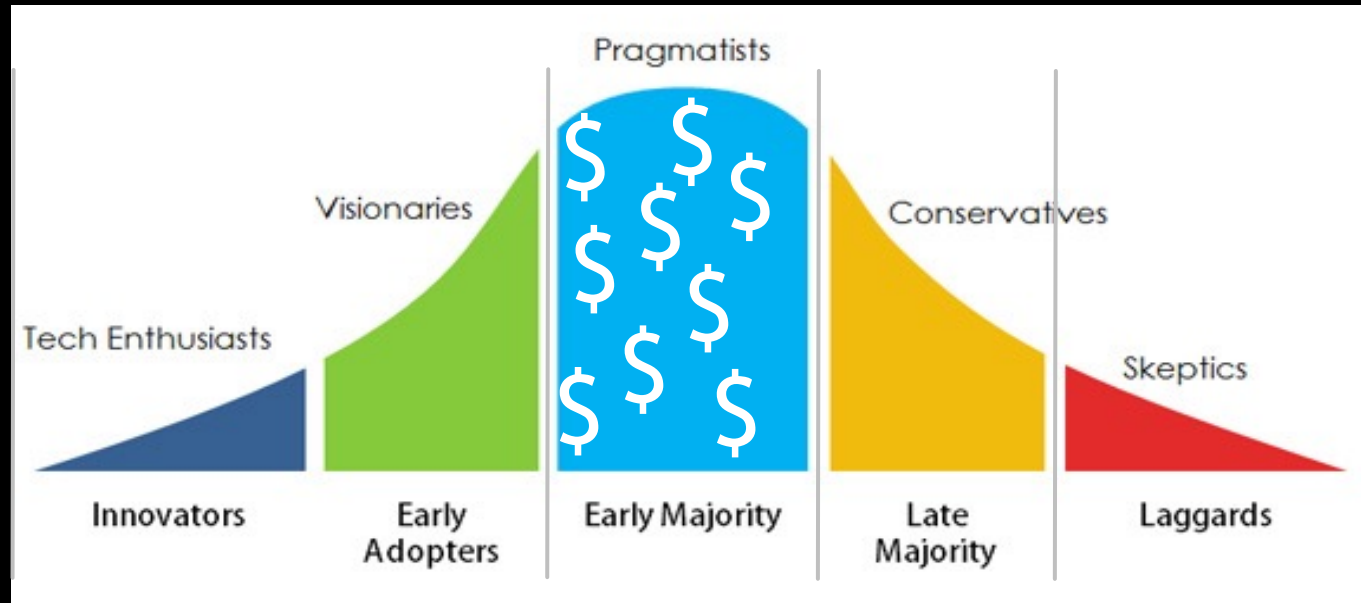
Customer Segments

How to divide customer groups?

Based on:
- Their distinct needs
- The different distribution channels
- Types of relationships
- The different parts of the offer

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Adoption Life Cycle

	Innovators	Early Majority	Late Majority	Laggards
Know They Have A Problem	✓	✓	✗	✗ ✗ ✗
Actively Trying to Solve It	✓	✗	✗	✗ ✗ ✗

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Customer Segments Types

Mass Market

Same segments, channels, value propositions and customer relationships
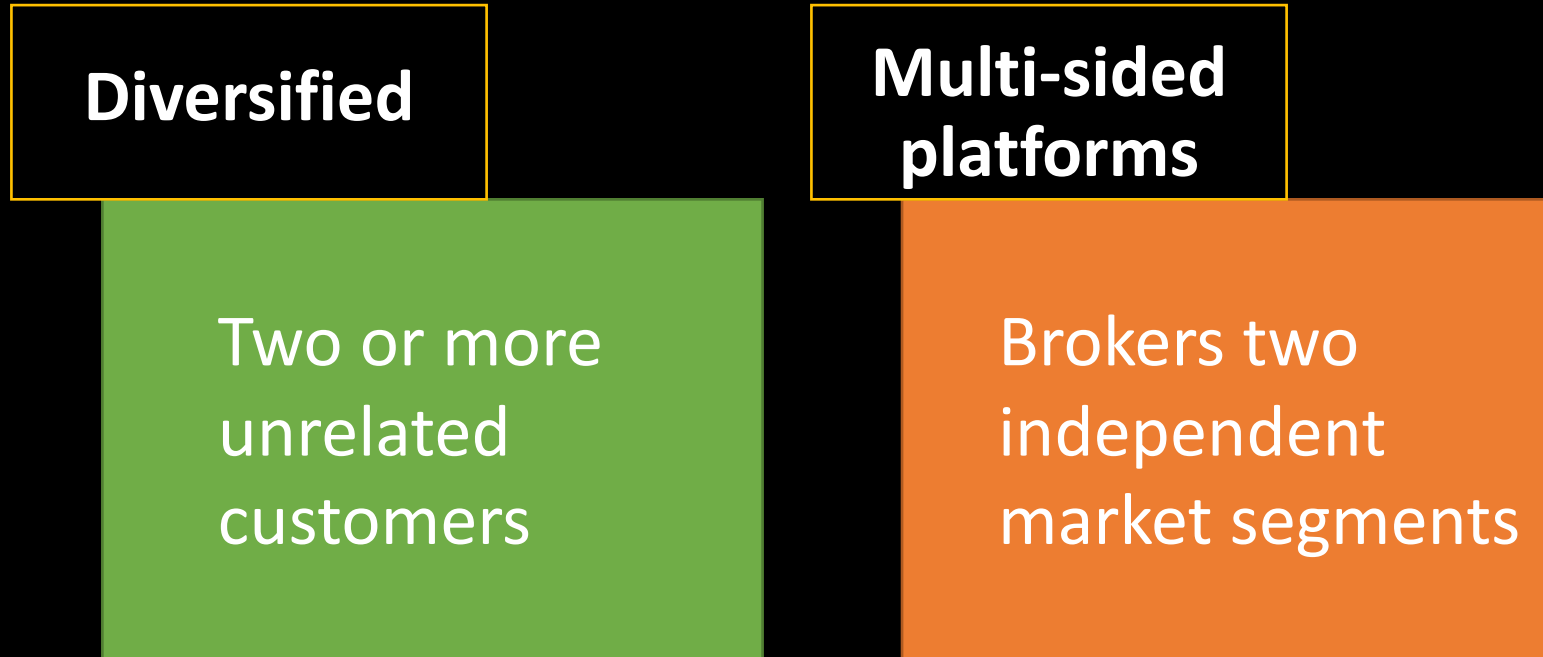
Niche

Specific customer segment
Highly tailored offering specialized

Segmented

Similar offering with key dimensions tailored for specific segments

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Customer Segments Types – Cont'd

Diversified

Two or more unrelated customers

Multi-sided platforms

Brokers two independent market segments

Making primary market research simple

GO out

Observe and listen

Interact and engage

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LISTEN

How do you Select your primary customer?

VIDEO by Justin Wilcox

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Good Primary Market Research

- Develop a structured process

- Follow the process!

- Avoid confirmation bias

- Avoid selection bias

- Avoid asking friends and family

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Develop a plan

1. Write out the goals and objectives of the research
2. Define recruitment criteria for the people you will interview
3. Develop a list of questions
4. Develop a supporting source of content
5. Recruit
6. Run this research program
7. Analyze the results and plan next steps

          * Sourced from Elaine Chen's Primary Market Research Primer Guide

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Customer Development and nailing the value

ACTIVITY – Breakout rooms

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Project Introduction

Find a venture idea by finding a problem to solve.

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Project Grading Scheme

Grade Component	Percent
1. Team commitment	5%
1. Final Report	(80%)
a. Innovation opportunity & potential	10%
a. Market research & beachhead market b. Customer interviews & end user profile	10% 5%
a. Value proposition quantification b. Competitive advantage	5% 5%
a. Business model b. Key assumptions & risks identification	10% 5%
a. Minimum viable product b. Financials	15% 10%
a. Writing style and format	5%
1. The Pitch	15%
Total	100%

Project Deliverables

There are three deliverables for this project with the following deadlines

- Team commitment – Jan 30th
- Pitch – March 25th
- Final Report – April 3rd

Project Teams

Form a critical part of this project

a. Team Contract

b. Peer evaluation

THANKS!