

# Making the most of your market research

BUSINESS GUIDE

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## Terminology

There are certain terms that will be useful for you to be aware of when we are talking about market research. The definitions below are helpful to distinguish for the purposes of understanding this guide.

- **Primary research**

This involves the collection of original or first-hand data often through the likes of surveys, experiments or tests.

- **Secondary research**

This method of research exploits existing resources such as previous surveys and industry research studies that help answer the question(s) you may have.

- **Quantitative data**

This is data that can be counted or measured. The data will express a certain quantity, amount or range. We say that quantitative data defines.

- **Qualitative data**

This is data that approximates or characterises but does not measure the attributes, properties or characteristics. Qualitative data describes.

## The basics of data interpretation

Once you have carried out your market research you need to consider how you are going to interpret the information you have gained to provide the vital insight needed to inform your current, and potentially future, business decisions.

The process of collating and analysing information may not only be important for yourself, but also your wider stakeholders, be that your employees, friends and family or even lenders.

This stage of the market research process is all about making sense of the data in order to draw valuable conclusions from it.

### 1. Go back to your research goals

Before you start sifting through the information you have obtained, revisit your initial reasons for carrying out the research. What were your intentions? What questions were you hoping to get answered? What information were you hoping to gain?

If you are starting a new business, it's likely you will want to know more about your customers, competitors, the interest in your products or services and pricing. Whereas, if you are an existing business, you may be asking more specific information about your products or services.

This exercise will help you to organise the data and focus your analysis to ensure you are drawing the right conclusions.

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*"It is all very well having collected information and sifting through it but the real value is in interpretation to support business decisions."*

## 2. For quantitative information....

If you are interpreting quantitative information it's worthwhile organising the information in such a way that you can easily add number ratings, rankings or yes and no answers, for example, in order to start drawing conclusions.

From this, you can then start to work out the data averages, and consider how you may convey the information. This type of data plays into the hand of being displayed visually be that through graphs and charts or key facts and figures.

## 3. For qualitative information...

Commonly, qualitative data will be verbal answers from interviews, focus groups or it may be additional comments from a survey.

When it comes to interpreting this information start by reading through all the information and organising it into similar categories i.e. concerns, suggestions, recommendations, positives.

From this you should then start to identify patterns or associations and casual relationships which will help you draw the information together.

## 4. Interpreting information

It is all very well and good having collected the information and sifting through it but the real value is in interpretation to support business decisions. The next step is to try and put the information gained into perspective and in a format that can be understood by others.

For example, you may have more of a steer on what pricing strategy will best suit your product or service, or if you are looking to branch into a new market or design a new product the data you collect may help with this decision.

The above guidance is very much a starting point when it comes to analysing data. There are statistical tests and techniques that can be carried out that will help you reach other goals with your data. For example:

- Using information obtained from a small group (i.e. sample of customers) to make judgments about a larger group (i.e. all customers)
- Comparing groups to see if there is a difference in how they respond to an issue
- Forecasting what may happen based on collected information

Statistical testing is used to estimate the significance of conclusions and is often used in large market research projects and may not be necessary for the type of project you are undertaking.

*"This stage of the market research process is all about making sense of the data."*

### TOP TIP:

Save an original copy of the data so you can always refer back to it if needed.

