**HOW TO DO MARKET RESEARCH**

**What?**

Market research or market assessment means gathering information about a new market and about the habits, needs and beliefs of future clients. It is a very important part of starting a new business, because it helps you finding out the most important needs of clients. It also gives some ideas about what other people are doing and what the competition is within the market.

**How?**

**1.** You need to collect as much information as possible about the market you are interested in.

*If you are for example interested in opening a business for repairing shoes, then you need to dig into this very specific market of shoes: What is the current pricing of shoes? What are the production costs of shoes? Are there other businesses in the neighborhood repairing shoes? What price do they ask for repairing a pair of shoes?*

The easiest way to gather information is by doing a Google search on the internet or by asking good questions to people who know more about the topic you are digging into. You can also go to the local library and see if there is any information available on your topic.

**2.**  Ask questions to understand what people really like and what they would really need. Asking a lot of questions is the easiest way of doing a market assessment.

Questions you can ask in your neighborhood when you still want to explore all possibilities;

* What do people in your neighbourhood want?
* Why do they want it?
* When do they need it?
* How would they use it?
* What is already out there?
* What are other people offering?

**3.** There are different ways to gather answers to the questions you have:

* **Personal interview**; this means doing interviews and ask questions to one specific person at a time. During a personal interview with someone, you can ask a lot of questions and go more into detail in the answers they give. It is important to prepare the answers you will ask them on a piece of paper beforehand**.**
* **Focus group**; this means asking questions to a group of people. The goal of the focus group is to start a discussion among the participants. You have to carefully prepare the questions beforehand, and be attentive to the answers given during the discussion. Also, you will have to facilitate a focus group very carefully, to stick to the topic chosen to discuss.
* **Observation**; You can also observe what people do in their daily lives. Watch carefully what their habits are, what their needs are to understand their behaviour. Write your observations on a piece of paper.