



HOW DO YOU MARKET TO PEOPLE YOU DON'T KNOW?

MARKETING RESEARCH FOR SMALL BUSINESS

BARTLES & 
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HOW DO YOU MARKET TO PEOPLE YOU DON'T KNOW?

Would you use a commercial about mating flamingos as an ad for baby diapers? I think not.

(Well, maybe, that might be kind of funny). Yet many companies, specifically small and medium sized businesses (SMBs), waste time and money on unfocused marketing campaigns. With the introduction of social networks and the increased use of open communication channels it has become even easier for consumers to voice their opinions on a product or service, making the use of marketing research especially important. With consumers so selective in their purchases, businesses simply cannot afford negative feedback, so monitoring consumer perceptions is more important today than ever before. Enter the market researcher.

The researcher takes the barrage of feedback and data and uses it to identify what a company should be doing, giving them strong recommendations for better marketing strategies, ensuring that every dollar that goes into the marketing budget is used efficiently, rather than just throwing gum against a pole and hoping something sticks.

Many SMBs find themselves ultimately wasting their marketing budget, as they don't know how to find or utilize marketing data that benefits its specific needs and hiring a marketing research firm is expensive. Marketing research can be time intensive and expensive but small businesses are missing an opportunity to generate a better ROI on marketing initiatives by intimately understanding its clients' needs and wants. Understanding one's target market helps create specific messages that resonate with its audience at the right time. So how can SMBs take advantage of or get access to marketing research data that will help them get better ROI on its marketing initiatives? There are several different methods.



Research types

TARGET MARKET RESEARCH

Belonging is one of the key human core values in the hierarchy of needs according to Abraham Maslow's research. When a company is able to identify whom its target market is and successfully communicate and incorporate their wants and desires into its business, it creates a powerful tool for brand loyalty. After all, how can you market and sell your product or service if you don't know who you are marketing it to? Simply creating an interesting ad or logo will only go so far, as consumers have a very minimal span of attention that undergoes a constant bombardment of ads and pitches. Recent studies have demonstrated that consumers have a "perceptual readiness" to absorb ads based on the relevancy of the content to themselves¹. Thus, knowing your target audience is essential to business growth. Demographics may seem like basic data to most businesses but following consumer demographics can provide valuable information on trends that are important to your target audience. Knowing that a business' average customers are females between the ages of 25 and 45 with a college degree and a household income of \$100,000 plus and are homemakers is important information. Affluent females account for the majority of household purchases and the most important feature to market to this demographic is an emphasis on simplifying life for her and her family. Though everyone communicates differently we can still divide consumers into demographic segments giving us the ability to record trends amongst him or her.

COMPETITOR ANALYSIS

A sea of sameness in the marketplace confuses consumers and makes it hard for them to connect with and ultimately choose one brand over another. It is important to know what your competition is developing so that not only can you remain a step ahead and gain market share, but also be able to distinguish yourself from them. The company with the most successful brand is usually the first mover into the niche and the most popular, but there are exceptions as "the biggest winner is not the brand that's first into the marketplace, but the one that's first into people's minds"². Knowing who your competitors' are targeting will help you understand the niche that is being missed, giving you the opportunity to meet the needs of that audience, even if you are not the first mover into the market share. As mentioned earlier, consumers are always evolving and SMBs have to adapt to meet new and emerging consumer demands and expectations. Beating your competitors to these new consumer needs will not only draw consumers to your product or service but garner brand loyalty for a forward thinking, innovative company that they will want to do business with.

SECONDARY RESEARCH

Secondary research is utilizing data that already exists in the form of census data, published articles, and research published by marketing research firms. Many market research companies commission studies that gather general consumer data and use it for publishing articles or as a sales tool for companies to conduct primary research. Use of secondary research is an effective way of gathering basic demographics for regions or industries, which can give a good understanding of one's consumer base and target audience.

¹ Mick, David Glen, S. Ratneshwar, and Gail Reiting. "Selective Attention in Consumer Information Processing: The Role of Chronically Accessible Attributes." *Advances in Consumer Research* 17.1 (1990): 547-53. Print.

² Ries, Al, and Laura Ries. *The 22 Immutable Laws of Branding: How to Build a Product or Service into a World-class Brand*. New York: HarperBusiness, 2002. Print.



PRIMARY RESEARCH

Primary research is data that is commissioned specifically for the client and is owned by said client. The client has the right to decide whether this data will remain private or be available to the public. Primary research can be designed with qualitative and quantitative methodologies and can answer a variety of questions from broad demographics to very detailed psychographics.

Methodologies

There are several methodologies that SMBs can use to get custom marketing data about its target market without breaking the bank. By researching your existing customer database, you can find out what marketing messages are resonating with your target consumers. In doing this, you can utilize several methodologies ranging from traditional focus groups and online surveys to ethnographies, which are observation based research.

CUSTOMER FOCUS GROUPS

Customer focus groups are a traditional qualitative research methodology that gives businesses an in-depth understanding of its customers. Using this methodology "researchers gain a better understanding of group behaviors and motivations and of differences and similarities among groups. The strength of the data is based on saturation of common themes from one focus group to the next"³. This is a good way to test new products or services and test various marketing messages. Generally, focus groups are more expensive than other methodologies because of the cost of renting facilities and incentives paid to respondents. Also, "participants wishing to portray themselves favorably may give responses that could distort the data"⁴.

DINNER DISCUSSION GROUPS

Dinner discussion groups are an innovative twist on the traditional focus group. This qualitative methodology is conducted in a more relaxed atmosphere that generates informative details about consumers buying behaviors and attitudes towards products, services and brands. This form of data collection is less structured and more free-flowing, and can give the researcher genuine data that defines customer motives. In this form of methodology it is advised that owners and management not be present, as it may influence participants willingness to criticize or be truly honest.

ETHNOGRAPHY

Ethnography is an observation-based method that has been utilized by anthropologist for years. By observing people's movements and behaviors one can determine subconscious habits that influence buying behaviors and rationale. This method often "unearth[s] consumer behavior in a natural environment, something not possible within the rigid confines of a conference room with executives looming beyond a two-way mirror"⁵. Observation is often a more effective way of gathering information than a focus group and is absent of bias and participant flaws. This methodology is a great way to garner customer's feelings about services and products as people use non-verbal communication in the majority of their interactions, often about 90% of the time. Observing these non-verbal communications and routines is effective in determining how to communicate to target audiences in their forms of gathering information at the appropriate time. One major

3 Zacharakis, Jeff, Marie Steichen, and Gabriela Diaz De Sabates. "Understanding the Experiences of Adult Learners: Content Analysis of Focus Group Data." *Adult Basic Education & Literacy Journal* 5.2 (2011): 84-95. Print.

4 Zacharakis, Jeff, Marie Steichen, and Gabriela Diaz De Sabates. "Understanding the Experiences of Adult Learners: Content Analysis of Focus Group Data." *Adult Basic Education & Literacy Journal* 5.2 (2011): 84-95. Print.

5 Wasserman, Todd. "Marketing Research and Public Opinion Polling." *Brandweek* 44.40 (2003): 28. Print.



advantage to this methodology is that it is cost efficient for the SMB but in its conduction, however, it is criticized, as there is no communication or dialog present with the respondent.

INTERCEPTIONS

By intercepting consumers as they are shopping, researchers can ask the respondent questions about their buying habits immediately before, during, or after their purchase. This helps produce data that can give insight to consumers' shopping decisions. An advantage to this methodology is that you catch the consumer as they are thinking about their purchase, which eliminates any faulty recall of memory, giving a very accurate analysis of buying habits. An important thing to keep in mind, however, is that there is a lower response rate than other methodologies. This form of gathering data is very inexpensive but still collects real observations that can be extremely valuable to SMBs.

TELEPHONE INTERVIEWS

Telephone interviews can be either qualitative or quantitative in nature. Qualitative telephone interviews are individual interviews (IDIs) that ask open-ended questions and flow like a conversation. The advantage to using this method is that "[t]elephones may allow respondents to feel relaxed and able to disclose sensitive information, and evidence is lacking that they produce lower quality data."⁶ The qualitative model is a good cost efficient option for conducting interviews as they can be readily done at anytime, anywhere. The quantitative telephone interview is based more on gathering data and usually consists of multiple-choice questions, which will produce results based on high percentage numbers that one can draw conclusions with. However, the quantitative model is becoming obsolete and has become replaced by online questions instead. These two methodologies require post-collection research, which will identify the data found from the interviews and how to apply it.

ONLINE SURVEYS

Online surveying is extremely effective at gathering data as the modern consumer has become more technologically savvy and prefers to communicate on their own timetable. Online surveys have a great track record as "the Internet is becoming the primary route to market for many businesses, and small companies appear to be embracing new technologies and online initiatives to not only survive, but thrive"⁷. Generally, online surveying is quantitative in nature but qualitative answers may be gleaned from online surveying depending on the vehicle of communication (for example, bulletin boards and online focus groups.) For SMBs, there are tools such as Survey Monkey that can survey databases with a variety of questions on any subject or message. Limitations depend on cost and imagination.

Our Approach

With consumer shopping and buying habits constantly evolving, it is extremely important for businesses to understand how its clients perceive and purchase its product or service. Bartles & Associates customizes each research project for our clients' goals and objectives, because not every methodology is appropriate for every consumer, business or goal. There is a methodology for every business and every budget, we find the best fit and help you obtain valuable information and decipher consumer habits and behaviors.

6 Novick, Gina. "Is There a Bias against Telephone Interviews in Qualitative Research?" *Research in Nursing & Health* 31.4 (2008): 391-98. Print.

7 Domainz EBiz. "Businesses Embrace Social Media, Reject Group Buying." *Nzbusiness* (2011). Print.



RESEARCH

About B&A

Based out of Charleston, SC since 2008, Bartles & Associates is a marketing and branding firm, which offers an ingenious and innovative blend of visual identity and effective marketing strategy. We employ a holistic approach to determining the specific needs for every client, which has proven to be a key aspect in our business model. Our combination of expert strategic planning and original, sophisticated design ideas is what differentiates us from the rest. We thrive on collaborative thinking to solve marketing and branding challenges, and strive to consistently create fresh, relevant, and flawless identities for our clients. Our five-phase methodology and holistic approach takes into account every aspect of a business. We research and identify a company's philosophy, transform philosophy into identity, develop a strategic plan to drive that identity, put the plan into action, and turn action into the efficient delivery of your brand and image to your customers.