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وزارة التعليم العالي و البحث العلمي



How to build your startup The market research

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Definition

Market research is the process of evaluating the viability of a new service or product through research conducted directly with potential customers. Market research allows a company to define its target market and get opinions and other feedback from consumers about their interest in a product or service.

The market study allows to :

- Understand precisely the expectations of the market (customers).
- Measure the needs of future customers.
- Validate the interest of the project.
- Build an adapted offer.
- Find a marketing strategy.
- Evaluate the feasibility of the project.

The market study steps

Define your market

take a general picture of the market.

- Identification of the market and its evolution.
 - In which market will your company evolve?
 - Who will be your customers or users (the customer, the one who pays, is not necessarily the user)?
 - What is the geographical dimension of the market(s) you wish to target?
 - What are the market trends in value and volume?
- Find the products or services that are direct or indirect competitors
 - Find out which products will be direct competitors of your product.
 - Identify the indirect competitors, i.e. those who can substitute your product.
- Define the players.
 - The definition of the main players is important for a thorough knowledge of your market.
 - The competitors.
 - The customers.
 - The users. The prescribes.

Analyze the request

obtain more information to be able to make decisions later on.

- Study the overall evolution of demand.
 - What is the size of the market and what are the quantities sold?
 - What is the number of customers in the market? How is this number changing?
- Study the behavior of the customer and the user.
 - When do they (the customer) buy or use (the user) the product and/or service you offer? How do they do it? Where do they use it? Why do they do it?
 - Are they satisfied?
 - What are their motivations? What are their obstacles?
 - What is their perception of the product and/or service?
 - What are the characteristics of the product and/or service that could encourage the act of purchase or use?
- Study the segmentation of the demand.
 - Select which of your identified customers (and/or users) to target first to market your product or service.
 - For individuals, use distinctive criteria such as: gender, socio-demographic criteria, consumption modes and styles.
 - For companies: number of employees, activity, turnover, location, etc.

Analyze the offer

a detailed analysis of the offer will allow you to establish your strategy more precisely.

- Analyze the global evolution of the offer.
 - Present the different products (and/or services).
 - Define the companies present on the market as well as the leaders.
- Analyze the characteristics of the offer and the competing companies.
 - Who are they? Where are they?
 - What do they offer? At what price?
 - How do they sell? What are their financial results? Who do they sell to?
 - How do they communicate? What are their competitive advantages?
 - What is their market share?
 - Are customers/users satisfied?

- political analysis.
 - What is the political stability?
 - Are there any particular tensions?
 - What is the current regime?
 - What is the policy on taxation, trade, startups, etc.?
- economic analysis.
 - What is the current economic situation?
 - What is the unemployment rate?
 - What is the disposable income? What is its evolution?
- social analysis.
 - What is the culture?
 - What are the values and norms?
 - What is the level of education?
 - How are the demographics changing?
 - What are the consumption habits?
- technological analysis.
 - What are the upcoming technological evolutions? Are they frequent?
 - Which sectors are concerned?
- ecological analysis.
 - What is the sensitivity to sustainable development issues?
 - What measures have been taken to protect the environment?
 - How is waste handled?
- legal analysis.
 - What is the legislation that governs your activity?
 - How can it evolve?
 - What is the role of public authorities?
 - What is the role of influential groups and professional organizations?

The steps Summary

For each step of the realization of your market research, you can follow the following steps:

- Searching for information:
 - Research existing information.
 - Conducting a questionnaire.

- Conducting interviews.
- Synthesize and analyze the information collected.
 - Verify the veracity of the information.
 - Study the questionnaire.
 - Analyze the answers of the interviews.
- Write the report on the information collected.
 - Identify market opportunities and risks.
 - Define the keys to success and market constraints
- Estimate the projected turnover from the information collected.
 - Take several hypotheses.
 - Draw up your forecasted accounts