

Market Research

Printers want to know what market research can tell them; how to go about collecting it; and whether it's something that should be done in-house, or farmed out to a market research specialist.

Let's look at those questions one at a time. The answer to the first one is that market research can tell you something about just about anything you want—or need—to know, subject only to two limitations. The first limitation is contained in that word “something.”

You should understand right from the start that market research is almost never fully conclusive. Research professionals are very fond of the word “indicates,” because that's what market research does. It *indicates* the feelings or opinions of the people whose input makes up the volume of data collected. It's a basic rule of interpreting market research that the more people you survey, the greater the likelihood that the *indications* are correct.

That statement leads to the second limitation of market research for printers. You have to apply a certain measure of your overall resources to any “home-grown” market research project. In other words, there's a cost involved. That cost might be measured in dollars, in time expended, even in prep and press time required to produce a printed survey. However you measure it, one of your most important considerations in any market research project you might contemplate is whether you can afford the cost of research that will give you meaningful and accurate results. That means a combination of both the quality and the quantity of data you collect.

Public Domain

Before we consider the sort of market research that you might develop yourself, it's worth noting that there's a great deal of existing research available to you on a variety of relevant topics through the public domain. The data and/or conclusions of quite a bit of printing industry and other related market research gets published in trade magazines and industry newsletters, and you can buy reports based on market research on any number of topics ranging from customer service preferences to pricing to future market needs. This sort of research can be very helpful in dealing with some of the broad issues, like the impact of desktop publishing and design, and the expectations of future demand for specific printed products.

The kind of research printers are asking me about is usually more specific to an individual printing company, though. In fact, the single most important question printers seem to want answered through market research is “How good a job are we doing in our own marketplace?” That sort of information is going to have to come from your own research.

Customer Satisfaction Survey

One of the most basic forms of market research you can initiate to answer that key question is a customer satisfaction survey. This is basically a matter of asking your existing customers if they're happy with the job you're doing. This can be done by mailing out survey forms, by telephone survey, or by one of two face-to-face techniques; individual customer interviews or focus groups.

I've always preferred face-to-face techniques when dealing with current customers. I think a mailed survey is too impersonal when considering the relationship you want to be present with an existing customer, and it's also the technique that's least likely to get a response. I think you'll agree that a survey form received through the mail is pretty easy to ignore.

I also think that a telephone survey can be too obtrusive for a customer relationship. Again, consider your own feelings. How would you feel about having a telephone survey call from one of your suppliers interrupt your own work day?

I think the most effective individual interviews will be conducted on an appointment basis, and I like the idea that they'd be conducted by the salesperson handling the account along with someone representing top management. Don't just “wing” these things, though. They should still be structured around a specific list of questions designed to gauge the customer's satisfaction with your quality, service, and every other element of the printer/customer relationship.

Focus Groups

Focus groups add an interesting dynamic to the market research process. Rather than in individual face-to-face interview, a focus group brings together a group of customers and attempts to create an “open forum” discussion. Focus groups are often held in special facilities with one-way mirrors through which the group can be watched, or

video-taped for future analysis. Someone has to lead the group, and take the role of facilitator. The ultimate object is to get each customer to add his or her own opinion on each topic put before the group.

What's interesting—and potentially very valuable—about focus groups is that people will very often say things in a group that they wouldn't say in an individual interview. The customer who might just say "everything's great" to the sales rep and sales manager might be more critical—read that *honest*—if someone else in a group raised an example of a shortcoming in your company's performance.

And while you'll be gratified every time someone gives you high marks in any facet of your business, the most valuable information most printers get from this type of market research is what they're doing *wrong*. Because those are the things that threaten your existing customer relationships, and the *worst* thing that can happen to a printer is to lose an existing customer over a problem that you didn't even know you have.

Do It Yourself

Should you develop this kind of market research yourself, or bring in an outside specialist? That really depends on whether you have the expertise you need internally. Most printers should be able to put together a suitable questionnaire or survey form, and should certainly be able to print and mail it, or conduct telephone or individual face-to-face interviews. If you're comfortable with that part of the project, but unsure of what to do with the answers, it might be a good idea to get some guidance from a specialist on organizing and interpreting the data. You should find no shortage of market research specialists or general marketing consultants in your area to help out with any or all parts of such a project.

An outsider might be especially valuable as the facilitator of a focus group, since the purpose of the research is to gain all available data and opinion. That means *listening*, and I've seen too many cases where an owner or manager of the "host" company felt the need to respond and defend against any criticisms raised right in front of the focus group. That can result in confrontation, which is a long way from market research!

Other Research

There are several other types of local market research that a printing company would likely find value in. Not the least of these would be pricing surveys, and research on other competitive factors.

Next month, I'll discuss some of those research opportunities. And in particular, I'll describe a type of survey called an *image study*.

Another thought is to entertain earlier in the day, rather than later. It's almost certain to cost less to take a customer out to breakfast than out to lunch, or to lunch rather than dinner. (And as a side-benefit, don't you love the idea of having your salespeople out on the street early enough to be taking people to breakfast?)

It's also likely to cost less to bring food in instead of taking people out. The strategy of bringing donuts or bagels in on an early-morning call has become very popular—from both the sales side and the customer's side!—and there are variations on that theme that work well at any time of the day.

There is a danger of falling victim to false economies in that particular strategy, though. You should consider that in some cases, the most important value of entertaining is to get a customer or prospect *out of* the office, either to establish a neutral ground or to ensure a long enough period off uninterrupted attention to get your business done. Simply keeping expenses down is not the most important issue. Getting the business is! And you should be willing to spend a little more when it will give you greater results!