Market Research

High Quality Data and In-Depth Analysis for Small Businesses

Michael Singleton
Innovation and Market Research Manager
501.683.7700
masingleton@ualr.edu
asbtdc.ualr.edu

ASBTDC

ARKANSAS SMALL BUSINESS AND TECHNOLOGY DEVELOPMENT CENTER

ASBTDC Market Research Services

- Enabling entrepreneurs to access *data* and *analysis* typically affordable only by large companies.
- Valuable research and insight free of charge for small business clients to assist them in making *sound business decisions*.
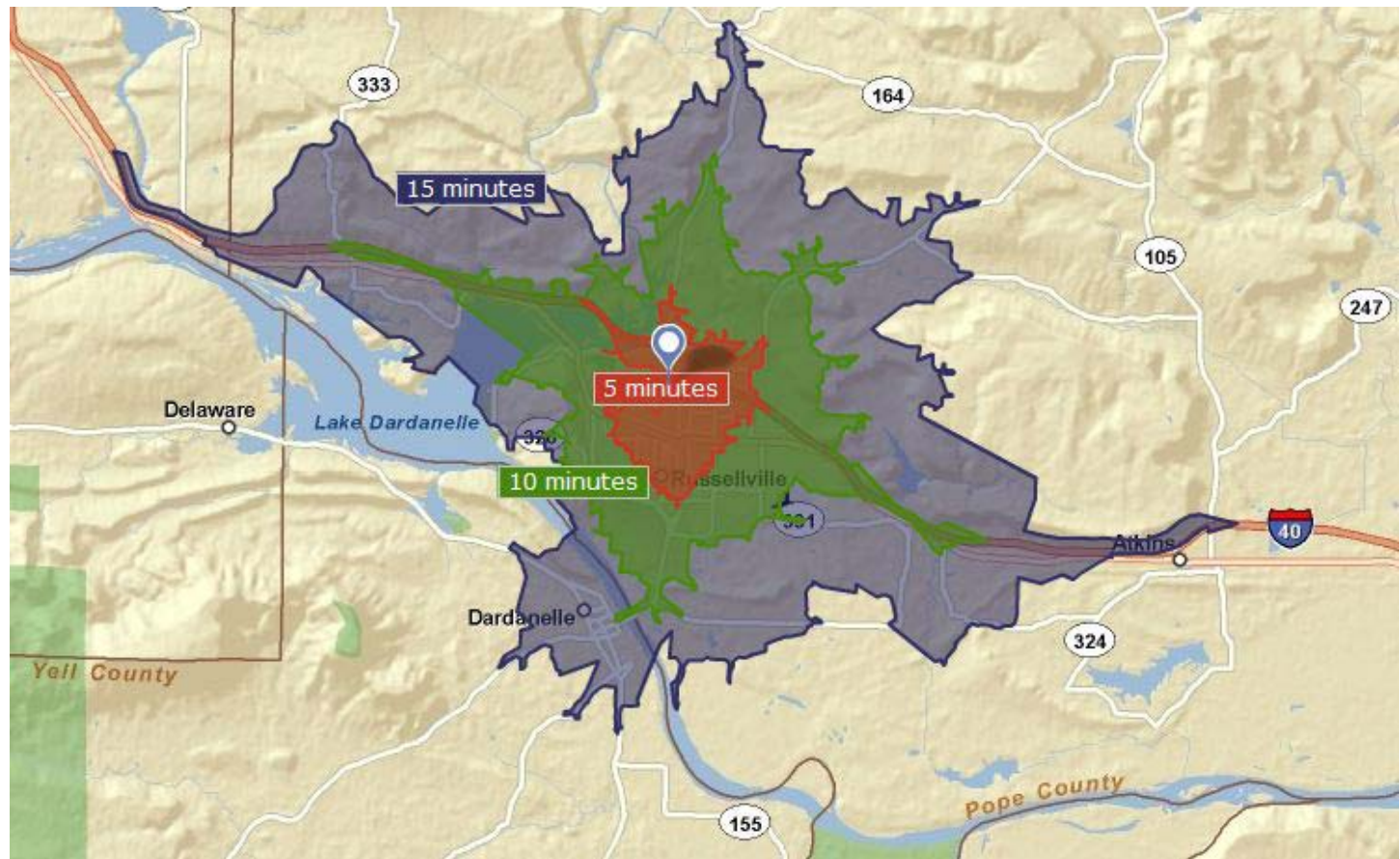
If you build it, they will come.
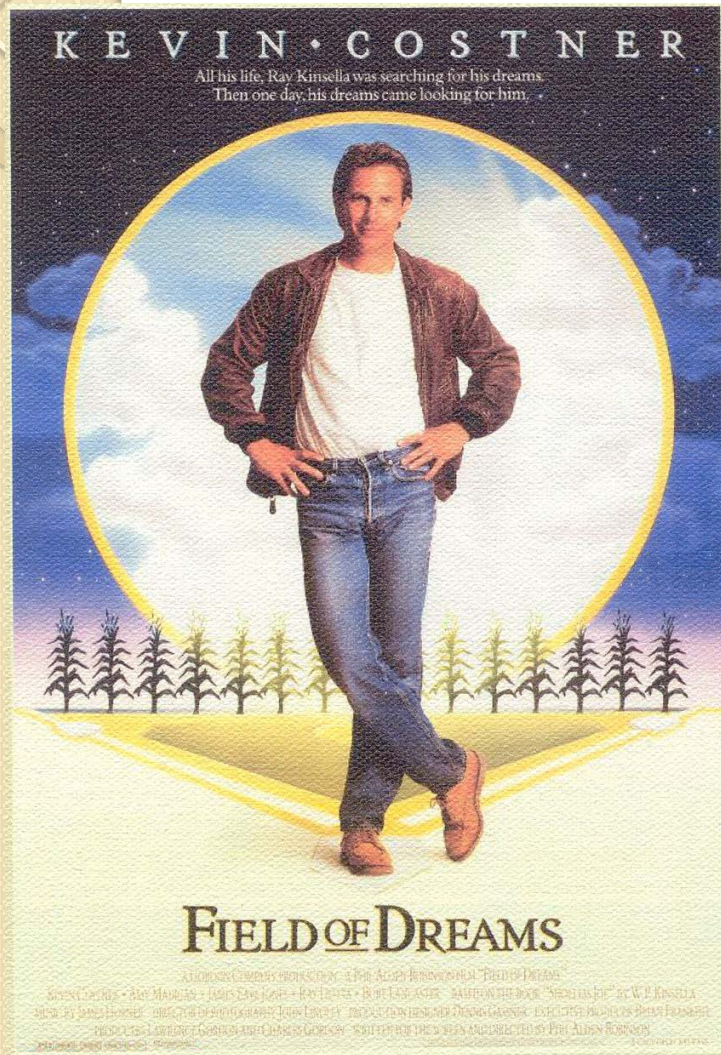
If you build it, will they come?

Site Selection

Calculate drive times and traffic counts

Site Selection

Find target customers

Site Selection

Assess market potential

- Over 2000 variables
  - Electronics and internet
  - Financial investments
  - Health and beauty
  - Pets and pet products
  - Restaurants
  - Retail
  - Sports and Leisure

Market Potential

- User defined trade areas
  - Geography
  - Simple radius
  - Polygonal
- Optimize merchandise mix
- Plan successful advertising campaigns
- Make expansion decisions

Market Potential

Product/Consumer Behavior	Expected Number of Adults	Percent	MPI
Fast food/drive-in last 6 months: weekday	27,922	67.1%	100
Fast food/drive-in last 6 months: weekend	20,278	48.7%	100
Fast food/drive-in last 6 months: A & W	1,224	2.9%	58
Fast food/drive-in last 6 months: Arby`s	6,032	14.5%	69
Fast food/drive-in last 6 months: Boston Market	3,677	8.8%	165
Fast food/drive-in last 6 months: Burger King	10,806	26.0%	70
Fast food/drive-in last 6 months: Captain D`s	531	1.3%	24
Fast food/drive-in last 6 months: Carl`s Jr.	2,786	6.7%	114
Fast food/drive-in last 6 months: Checkers	1,215	2.9%	86
Fast food/drive-in last 6 months: Chick-fil-A	5,373	12.9%	103
Fast food/drive-in last 6 mo: Chipotle Mex. Grill	6,763	16.2%	300
Fast food/drive-in last 6 months: Chuck E. Cheese`s	903	2.2%	47
Fast food/drive-in last 6 months: Church`s Fr. Chicken	1,087	2.6%	59
Fast food/drive-in last 6 months: Dairy Queen	4,663	11.2%	67
Fast food/drive-in last 6 months: Del Taco	1,705	4.1%	126
Fast food/drive-in last 6 months: Domino`s Pizza	6,306	15.2%	107
Fast food/drive-in last 6 months: Dunkin` Donuts	6,504	15.6%	136
Fast food/drive-in last 6 months: Fuddruckers	2,359	5.7%	196
Fast food/drive-in last 6 months: Hardee`s	1,233	3.0%	38
Fast food/drive-in last 6 months: Jack in the Box	5,155	12.4%	114

Analyze Potential Customers

- Compile Demographics for a trade area
- Profile Customers
- Track Customer Behavior
- Target New Markets
- Find B2B prospects
- Identify consumers for direct marketing

Analyze Potential Customers
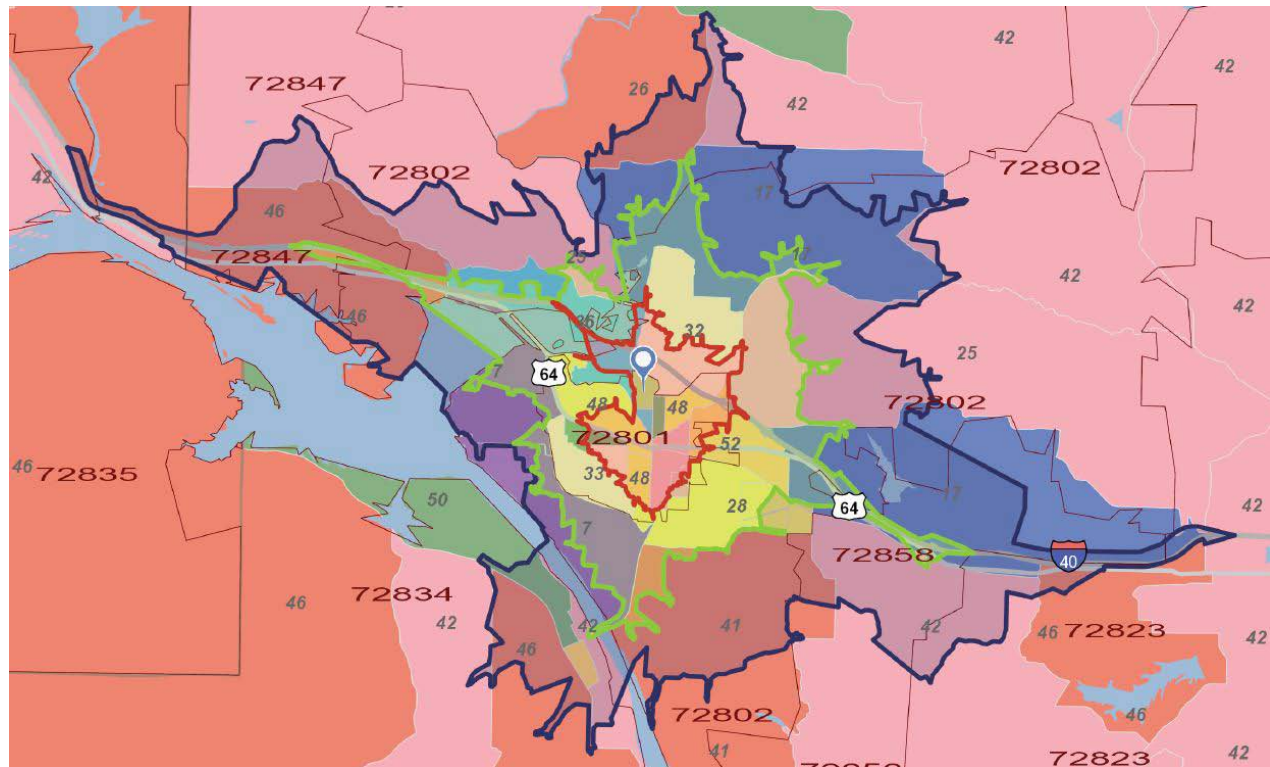
Business to Business

- Customers
- Competitors
- Strategic partners

Analyze Potential Customers
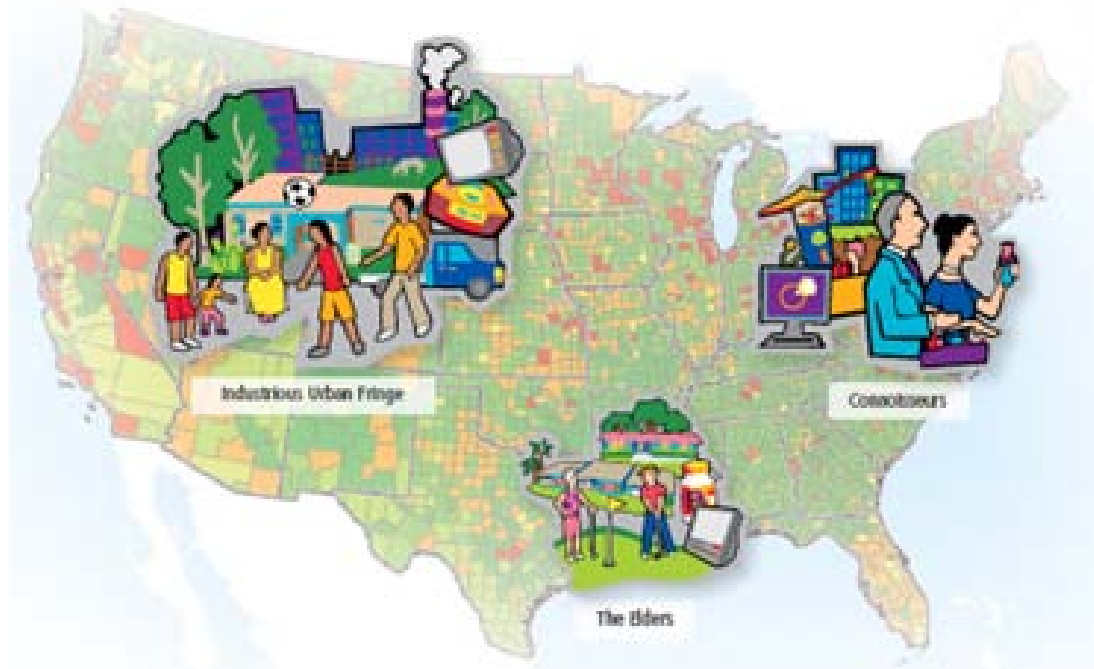
Market Segmentation

- Gives business owners a richer picture of their customer base by combining demographic, lifestyle, and lifestage data into descriptions of individual neighborhoods.

Analyze Potential Customers

Market Segmentation

- The Community Tapestry system helps business owners better understand who their customers are and what motivates their purchasing decisions.

Analyze Potential Customers

ESRI's Community Tapestry

- 65 unique market segments
  - Socioeconomic
  - Demographic
- Who are my best customers?
- What do they buy?
- Where can I find more like them?
- How can I reach them?

Great Expectations (39.7%)

Demographic

Young singles who live alone and married-couple families dominate the *Great Expectations* market, although all household types are represented. The median age is 33.2 years. Some residents are just beginning their careers or family lives. This segment has a higher proportion of residents in their 20s and a higher proportion of householders younger than 35 years old, compared to the U.S. proportions. The ethnic diversity and racial composition of this segment are similar to the U.S. levels.

Socioeconomic

The median household income of $37,684 and the median net worth of $43,152 are low compared to the U.S. values. Approximately 29 percent of residents aged 25 years and older have attended college (slightly above the U.S. average), but only 16 percent hold a bachelor's or graduate degree (somewhat below the U.S. average). Seven percent are enrolled in college or graduate school. The higher proportion of younger residents improves the 68 percent labor force participation rate. The manufacturing, retail, and service industry sectors are the primary employers in this market.

Residential

Great Expectations neighborhoods are located throughout the country, with higher proportions in the Midwest and South. Half of the householders own their homes; the other half rent. More than half of the households are single-family dwellings; approximately 40 percent are apartments in low- or mid-rise buildings. The median home value of $114,837 is approximately three-fifths that of the U.S. median. Most of the housing units in these older suburban neighborhoods were built before 1960.

Preferences

Great Expectations homeowners are not afraid to tackle smaller maintenance and remodeling projects, but they also enjoy a young and active lifestyle. They go out to dinner, to the movies, to bars, and to nightclubs. They enjoy roller-skating; roller-blading; playing Frisbee, chess, and pool; watching foreign films on DVD; and attending auto races. They read music magazines and listen to rock music on the radio. Residents watch courtroom dramas, reality shows, sitcoms, news programs, and dramas on TV. They occasionally take advantage of the convenience of fast-food restaurants. Little traveling is done in this market. Still focused on starting a career, many are not preparing for retirement by investing for the future. Residents shop at major discount and department stores, and also order frequently from catalogs.

Analyze Potential Customers

Identify consumers for direct marketing

- Geography
- Income/Home Value
- Lifestyles
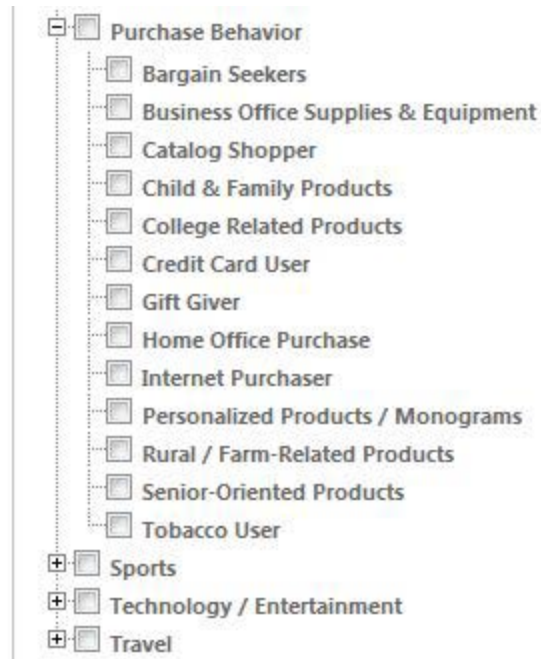
Industry and Financial Information

- Industry Profiles
- Identify trends and challenges
- Determine Market Size
- Check financial benchmarks and ratios

Proprietary Market Research

Industry Profiles

- Market trends
- Industry Challenges
- Financial Benchmarking
  - Analysis
  - Forecasting

Annual Retail Sales Growth - Census Bureau