

# What is Market Research?

## Worksheet

Market research is the investigation of customer needs, preferences, competitors, and market trends through surveys, interviews, focus groups, and data analysis. It provides the evidence a company needs to make smart decisions.

## Questions

1. Which of these is NOT a common market research method?
  - A) Survey
  - B) Focus group
  - C) Interview
  - D) Advertising
2. A company reads an existing industry report published by a research firm. This is
  - A) Primary research
  - B) Secondary research
  - C) Qualitative only
  - D) Expensive research
3. A startup surveys 10 people and concludes: 'Everyone will love our product.' What is the problem?
  - A) Survey is the wrong method
  - B) Sample size is too small
  - C) Questions were good
  - D) They need another survey
4. What is the main goal of market research?
  - A) To find the cheapest supplier
  - B) To reduce business risk and inform decisions
  - C) To replace all customer service
  - D) To advertise the company
5. A food company wants to launch a new plant-based snack. How should they use market research?
6. A retailer notices sales dropping. What market research could help?
7. A tech startup is considering entering a new country. What should they research?
8. Define: What is market research?
9. Define: What are common market research methods?
10. Define: What is primary data in market research?

## Answer Key

1. D) Advertising - Advertising is marketing, not research. Surveys, focus groups, and interviews ARE research methods for gathering customer data.
2. B) Secondary research - Secondary research uses existing data (reports, stats, publications). Primary research collects new data directly.
3. B) Sample size is too small - 10 people is not a representative sample. Valid market research needs larger, diverse samples to avoid bias.
4. B) To reduce business risk and inform decisions - Market research gathers evidence to reduce uncertainty and make smarter, data-driven business decisions.
5. Objective: Is there demand? Method: survey 500 health-conscious consumers. Collect: 72% would try it, 45% would buy regularly. Analyze: strong interest, esp. ages 25-40. Action: launch with targeting to young professionals.
6. Method: focus groups with recent customers + non-customers. Collect: complaints about long checkout lines, limited parking, outdated store layout. Analyze: experience problem, not product. Action: renovate store, add staff, improve parking.
7. Objective: Is the market ready? Methods: competitor analysis, local customer interviews, regulatory review, cost study. Collect: market size, pricing, legal barriers, logistics costs. Analyze: ROI forecast. Action: go/no-go decision.
8. The systematic gathering and analysis of information about markets, customers, and competitors to guide business decisions.
9. Surveys, interviews, focus groups, observation, secondary data analysis, and experimentation.
10. New data collected directly from customers or market (e.g., survey results, interview notes).

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