



**INNOVATION  
FOR GROWTH**

# **BUSINESS RESEARCH**

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# What is Business Research?

Business research is the systematic gathering of data, which, once analysed, can provide useful insights to facilitate profitable decision-making by organisations.





# Why is it Important?

- With better and more reliable data, decision-making and the quality of decisions tends to be both quicker and of greater quality.
- Research can assist organisations in their understanding of the industry sector, the market place within which they operate and their competitors.



# What are the Benefits?

- Greater knowledge about industry sector
- Greater knowledge about the market
- Greater knowledge about competition
- Greater knowledge about competitors
- Greater knowledge about the economy
- Greater knowledge about technology
- Greater knowledge about the environment



# Summary of Principal Areas of Business Research

- Market Sector Research
- Industry Research
- Competitor Analysis
- Corporate Research
- Business Topic Research
- Economic and Financial



# Market Sector Research

- Successful businesses need to have a thorough understanding of the markets in which they operate.
- Such an understanding allows organisations to sell effectively, by targeting customers.
- Furthermore, it allows companies to compete with other suppliers.
- Finally, it allows companies to identify new opportunities.



# Industry Research (I)

- The principal objectives of industry research are to:
  - Understand industry structure and competition and levels of industry profitability;
  - Assess industry attractiveness;
  - Identify key success factors;
  - Forecast future profitability;
  - Deduce strategies to improve profitability.



# Industry Research (2)

- Models used to undertake industry research include:
  - The identification of Industry Boundaries;
  - Porter's Five Forces Analysis;
  - SWOT Analysis;
  - Industry Structure;
  - Key Success Factors.





# Industry Research (3)

- Questions which are addressed include:
  - The competitive forces that exist in the industry;
  - The driving forces in the industry;
  - The relative position of each company in the sector;
  - The likely factors which will determine success or failure;
  - The attractiveness of the industry.



# Competitor Analysis (I)

- Competitor analysis focuses on both actual and potential competitors.
- It covers a wide range of issues:
  - Image and positioning;
  - Objectives and commitment;
  - Current and past strategies;
  - Organisation and culture;



# Competitor Analysis (2)

- Cost structure;
- Exit barriers;
- Strengths and weaknesses;
- Size, growth and profitability;
- Products and services marketed and sold.



# Competitor Analysis (3)

- Models used to undertake competitor analysis include:
  - Boston Consulting Group Matrix;
  - Differential Advantage Analysis and Competitive Strength Grid;
  - Critical Success Factors Comparison;
  - SWOT and PESTEL Analysis;
  - Financial Ratio Analysis;
  - Value Chain Analysis.



# Corporate Research

- Corporate research is broadly similar to competitor analysis, but with the emphasis on other organisations as opposed to competing companies.
- Such organisations might include:
  - Potential partners;
  - Potential investors;
  - Potential advisors.



# Business Topic Research

Often businesses want to understand a specific subject better. Generic examples of such research include:

- What types of ..... exist?
- What are the advantages and disadvantages of each?
- What does ..... mean?
- How does the .... framework/model work?



# Economic and Financial Research (I)

This research subset considers the following areas:

- Current, historic and forecast economic data;
- The strengths and weaknesses that exist in the economy;
- Activities or sectors which are growing, shrinking, etc;



# Economic and Financial Research (2)

- How economies, markets and businesses act and behave;
- Where and why business locate where they do;
- Who and what is driving economic growth.





# Conclusion

Business research and analysis enables businesses to make better decisions. Better decisions ultimately lead to a more successful organisation and greater profits. It is clear that not all companies have sufficient time or resources to devote to this important aspect, or wish to divert their staff from their core activities.

Innovation for Growth provides assistance in undertaking desktop, business research.

For more information, email [Innovation for Growth](mailto:info@innovationforgrowth.co.uk) or see our website: [www.innovationforgrowth.co.uk](http://www.innovationforgrowth.co.uk)



# About Innovation for Growth

Founded in 2010, Innovation for Growth is a business consultancy firm that specialises in the provision of advice to small and medium sized enterprises. We work with companies from all sectors undertaking innovation audits, and providing innovation advice so our clients can maximize their innovation capabilities and achieve their growth aspirations.

We also undertake desktop, business research and analysis, enabling our clients to concentrate on running their business.

For more on our services, please download our [Corporate Services Document](#).