

24 Market Research Parameters

By Hugh Hochberg

What type of information does a firm need to acquire, using market research, to make good decisions about which markets to pursue and how to go about it? Here are 24 of the most effective types.

Anticipated level of activity

1. What volume of work is likely to exist in the market over the next five years?
2. How many projects are likely to be commissioned, and what will be the range and distribution of construction costs (or fees)?
3. What are the longer-term expectations for this market? How does it look for the next three to five years?

Client characteristics

4. Who will be your clients?
5. What are the characteristics of various client categories?
6. What are the needs that various client categories require in the way of consulting and construction-related services?

Consultant characteristics

7. What is the preferred way for these services to be provided (for example, all under one roof, consortium of firms, prime with subs, design-build)?
8. What is the profile of the "ideal" firm in relation to:
 - Location?
 - Discipline and services?
 - Size of firm?
 - Location of firm?
 - Decision-making process?
 - MBE/WBE/DBE status?

Funding

9. How will projects be funded? How secure is the funding?
10. Will there be interim funding to allow preliminary work to begin before full funding is arranged?

Lead finding

11. What are the networks with which to associate in order to tune in with clients' concerns and possible sources of leads?

Selection process

12. How are consultants selected (the formal and the informal processes)?
13. Who influences the selection processes?
14. What is the timing of new work and the selection of consultants for the work?

Competition

15. Who are the firms from the various disciplines who are most qualified to provide the services that will be sought?
16. Who are the individuals — in firms, academia, or functioning independently — who are the recognized leaders in various disciplines relative to such work? How can we get to know them?
17. Who are the active competitors in the market, and how are they perceived?
18. What is our image within the market, if we are known at all?

Indicators about the market

19. What are the trends and factors that affect the market?
20. Who else do you consider to be knowledgeable about the factors affecting this market? Is there a fit for our firm?
21. What is the potential in this market for clients and projects whose goals and needs are consistent with our vision?

22. What is the profit potential on projects in this market?
23. Are there principals and senior staff members in the firm who are enthusiastic about this market and able to play lead roles in helping us to be successful in it?
24. If we don't have all the capabilities we need, can we bring them into the firm? ■

From a lecture at the 1998 SMPS National Convention titled "Evaluate the Environment Before Shaping Your Marketing Strategy" by Hugh Hochberg of the Coxe Group. He can be reached at 206-467-4040 or at www.coxegroup.com.

Research items for a specific market segment

The following items are the ones most often considered when researching a specific target market.

What we want to know:

- How the market will look
- Influencing factors, trends
- Funding sources
- Decision makers
- Influencers
- The network(s)

The research sources:

- Our own people
- Facility administrators
- Facility co-users
- Consultants to co-users
- Equipment manufacturers
- Equipment vendors
- Government agencies
- End-user organizations
- International counterparts