

QUICK & DIRTY RESEARCH

You can produce amazing (and useful) information without wrecking your budget.

BY DON AKCHIN

Marketing begins with information. Good marketing is acting rationally (and creatively) on the basis of good information: what you know is true—not what you believe is true, assume is true, or have a hunch is true. To assemble information, you begin with research. Research, therefore, is the linchpin of all good marketing.

Who Are Your Customers?

Before you can find out what your customers want, you have to know who they are.

A customer is the person you serve. In retail, it's the buyer. In a service organization, it's several people: the population who receive services; the contributors who make your service possible; the volunteers; the staff.

You would do well to heed Deep Throat's advice to Woodward and Bernstein: "Follow the money." That is, your primary customer is your revenue source.

What Do You Need to Know?

At the Gargantua Corporation, a dozen people receive handsome salaries to analyze market research. And these people don't even conduct the research; they pay outside firms thousands of dollars to draft the questionnaires, make the telephone calls, conduct the focus groups, and crunch the numbers.

Well, hurray for Gargantua. As for you, you're lucky to have \$150 budgeted for research. So if there's research to be done, guess who's going to do it?

Not to worry. That's where Quick and Dirty (Q&D) Research comes into play. You can produce amazing (and useful) information and come within a few dollars of that \$150 budget.

Begin by assessing how much you know, and what you need to find out. Here are a few key questions to ask:

- What do you already know about your customers? Are they primarily of a particular age? gender? income level? Which of your services do they prefer (based on spending)? How long have they been customers?
- What do you already know about your marketplace? What's the population of the area you serve? How is it

distributed in terms of wealth, age, education, geography? What are the economic/demographic trends?

- What do you wish you knew? Here are a few things you might wish to know:
 - What do your customers think of you (or, as New York City Mayor Ed Koch used to ask everyone he met, "How'm I doin'")?
 - What do prospective customers think of you? Do they know about you at all?
 - What services would your current and prospective customers like?
 - Where might more customers be found?
 - What do you need to do to retain customers longer?

What's Out There Already?

You may be amazed at how much information you can use that someone else has already collected. For example:

Your Business Office. What can you learn from your own customer lists? For example, can you determine how your customers are distributed by ZIP code? by age? by income? by marital status? by gender? by their level of participation or frequency of purchase? by educational attainment? by how long they have been customers?

The Economic Development Office. You're not the only one following the money. Somebody in city, county, regional, or state government is pulling down a hefty salary to woo more business to your area. To do that, they gather information about the local economy. Use it—or find their sources and go to them for more complete data.

Census Data. Available for free on a Web site near you.

Directories put out by your competitors and prospects.

What If It's NOT Out There?

If information on your customers isn't already out there, here are some ways to gather it:

Use an Outside Vendor. If you've got the money, honey, they've got the time. The disadvantage is cost. The

advantage is their skill in asking questions, compiling data, and analyzing results.

Use a Q&D Survey. You can survey people via the mail, Internet, or telephone. You can also survey people at an event. Enhance response by keeping it short and sweet, asking only what you need to know, and offering a bribe—some sort of reward for those who complete the survey.

Use the Q&D Focus Group. Find a facilitator who's experienced in asking questions. Hold separate focus groups for a variety of different customer types, such as your donors, your prospective donors, your staff, the people you serve, and so on. Keep the groups small (10-15 people), and ask only what you need to know from each group. Again, keep it short and sweet, and offer bribes for participation.

Use the Q&D One-on-One. List three or four key questions. For several weeks, ask those questions of every customer you see. (This makes good small talk at receptions.) Take notes on the answers you receive.

How Do You Put It All Together?

Market information comes in two basic flavors: **Quantitative** information is “statistically valid.” Even though you got information from as few as 100 individuals, your sample represents a larger universe. Thus, your numbers mean something in describing that larger market. (The larger the sample, the lower the “margin of error.”) Written questionnaires and telephone surveys, if constructed correctly and given to a good sample group, can provide quantitative data.

Qualitative information is more subjective. It consists of attitudes, impressions, and emotional reactions and can't be projected to represent a true picture of the total market. One-on-one interviews with customers, focus groups, and customer feedback offer qualitative information.

The two are complementary. Each can be useful, and together they can be extremely useful.

Say, for example, you need a theme for your upcoming fundraising campaign, which has a goal of \$1,000,000. The best slogan will be the one that not only grabs the attention of your target audience but also connects with what appeals to them about your organization and its mission.

Begin by bringing together several focus groups of up to a dozen people. One group might be active givers, another group people who have not contributed in the past but fit the same demographic profile as your contributors. Your group moderator poses questions to get each group talking candidly about your mission; what emotions it raises for them; the characteristics of fundraising appeals that impel them to give; and what is most compelling about your organization and its agenda.

There's No Crowd in Focus Groups

For reliable results, conduct focus groups in multiples of three. Reasons:

- **Using only** one group means you'll likely miss a direction a second group might take.
- **Questioning two** groups almost always leads you in a second direction.
- **Bringing in** a third group will tell you which of the two directions is most likely.

Source: *Marketing Planning* by James Taylor, Prentice Hall, cited in *Communication Briefings*, 1101 King Street, Suite 110, Alexandria, Virginia 22314.

Out of each group discussion will come phrases, unrehearsed reactions, impressions, and possibly a group consensus. (More likely, two different groups will come to different conclusions.)

Now you try to validate the leading ideas, themes, and impressions with a quantitative survey that seeks to answer the questions: Did the focus group participants reflect the thinking of my target audience? How well do these ideas play to a representative sampling of the audience? Which ideas get the most positive reception?

Armed with your research, list phrases that express the idea with the greatest drawing power. Reduce your list to a few of the best options. Next, convene a few members of the audience (past givers, non-givers), show them the approaches, and get more qualitative impressions on what works.

Then go raise that \$1,000,000. Your chances of success are now much higher, because you're not guessing at the best approach; you have *tested* the approaches and used good research to guide you. And when you succeed—as you will, of course—the small expense of that front-end marketing research will have paid for itself many times over. ■

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These publications are available from the Society for Nonprofit Organizations' Resource Center, 608-274-9777, www.danenet.org/snpo.

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