

answerNet
WHITE PAPER

What is Market Research?



About AnswerNet

AnswerNet is the largest privately held telemessaging company in the world and a full-service provider of inbound, outbound, automated, electronic and business process outsourcing (BPO) call center services.

AnswerNet operates over 50 contact centers within the continental United States, Canada and one near-shore location in Costa Rica.

We provide a wide range of services, from our core capabilities of telephone answering, hotlines, customer service sales, lead qualification and market research to a variety of business process outsourcing options including CRM hosting, email management and order processing.

What is Market Research?

Market research consists of testing the public or market (defined as the people or businesses of interest) to determine the acceptance of a particular product or service. It is used to establish which portion of the population will or does purchase a product, based on age, gender, location, income level and many other variables. Market research allows companies to learn more about past, current and potential customers, including their specific likes and dislikes.

Market Research data is used in a variety of ways:

- To develop a target audience (defined as a specific group of prospects with a proven desire for a product or service)
- To determine how often the target audience will buy a particular item, how much they are willing to pay for it and their overall satisfaction with it
- To provide information on where companies should focus their resources

For example: Company A has launched a cellular telephone with large, easy-to-see buttons, the ability to pre-program numbers and does not allow outbound dialing or calls from numbers that have not been set up in the phone. The company surmises that this product is perfect for young children who need to be able to reach an adult quickly, but are precluded from making random calls. Advertising for such a product would obviously target parents of small children. However, could there be a larger audience? Through the market research data collection process and the subsequent analysis of that data, Company A discovers that this product is ideal for the elderly, infirm or those with special needs. Now,

the advertising can also be developed to target caregivers, hospitals, social workers and others, dramatically broadening the market and revenue generated by this product.

Remember the “Pepsi® Challenge” where two cola products were put side by side for a blind taste test? That was market research—and a very famous advertising campaign!

Market research also helps companies determine funding and development for new products by predicting how a product will be received in the marketplace, how it stacks up against competition and whether or not the timing is good to release it. The data accumulated lets businesses make sound decisions and forecast inventory and spending, increasing or decreasing prices or production as the data indicates.

AnswerNet conducts both inbound and outbound data collection campaigns and surveys using live agents and state-of-the-art technology, such as computer-assisted telephone interviewing (CATI), Interactive Voice Response (IVR), email and web chat for product and services research and political polling. Contact AnswerNet at 800-411-5777 or online at www.AnswerNet.com/market-research-services.asp for more information on how to create the ideal market research program for your business.