



**“It’ s tough to make predictions,  
especially about the future”  
– Yogi Berra**

**(a.k.a. Market Research)**

**Dean Chang**

**Mtech Ventures Director**

# About Me: Dean Chang

- **Current Position**

- Mtech Ventures Director, University of Maryland
  - TAP Incubator, VentureAccelerator, TERPS Lab, UM \$75K Business Plan Competition, UM Technology Startup Boot Camp, Entrepreneur Office Hours, Faculty Venture Fairs

- **Education**

- MIT: BS, Mechanical Engineering
- Stanford: MS/PhD, Mechanical Engineering/Robotics
- Wharton: MBA

- **Work Experience**

- 15 years in Silicon Valley
- Employee #4 of venture-backed, Stanford-based startup
- Helped lead company to IPO (NASDAQ: IMMR) and partnerships with Microsoft, Apple, BMW, Samsung, Electronic Arts, Logitech, & others

# Does Apple Conduct Market Research?

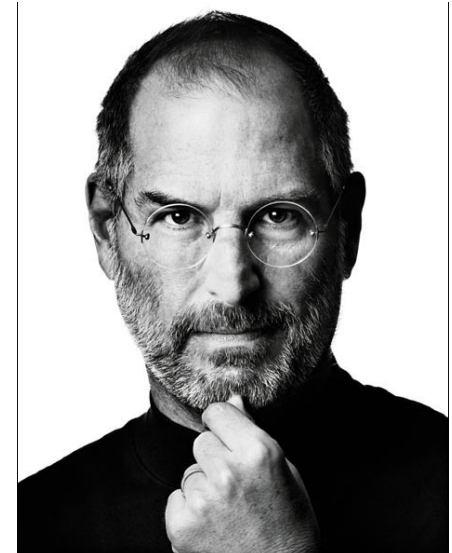


PHOTO: ALBERT WATSON

# If You're a Startup, You Need Market Research!

- Product development is **very** expensive
- Market research is cheap by comparison
- Know there's a market first!
  
- Investors won't take you seriously without credible market research

# Market Research for Startups

- **Will anyone buy your product?**
  - Who will be your first customers, and how many of them are there?
- **Who are your competitors & what are the competing products?**
  - Financials, Product Differentiation, Market Strategy, Sales Channel, Resources, Investors
- **How big is the potential market?**
  - Is this a \$1M, \$10M, \$100M, or \$1B+ market?

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**Customer Discovery:**  
**Steve Blank Video**

**Focus Groups**  
**Surveys**

## **The Four Steps to the Epiphany**

*Successful Strategies for  
Products that Win*



**Steven Gary Blank**

# Focus Groups

- Format: 8-10 paid participants, 1-2 moderators, ~1 hour, one way mirror, video, etc.
- Good moderator essential to not lead participants or inhibit participant feedback
- Good for assessing user needs and feelings & evaluating product concepts
- Results should not be quantified (e.g, “6 out of 8 said they would buy it”)

# Surveys

- Use “backward approach” - What would you do with the answer if you knew it?
- Make questions specific, concise, unambiguous
- Eliminate redundant questions, fewer questions better
- Use 5 point scale (not 1-100!)
- Pre-test with small test group first

YOU’VE ONLY GOT ONE SHOT, SO GET THE SURVEY PERFECT BEFORE EMAILING IT OUT TO DOZENS OR HUNDREDS OF PEOPLE!

# Surveys

- Excellent online email survey tools:
  - [www.surveymonkey.com](http://www.surveymonkey.com)
  - [www.zoomerang.com](http://www.zoomerang.com)

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# Secondary Data Sources

- Trade Associations
  - Examples: Solar Energy, Airlines, Toys, Video Games
- 10-K Annual Reports/SEC Filings
  - Examples: Logitech, Apple, iRobot, Under Armour
- UMD Library: [www.lib.umd.edu/cgi-bin/databases.cgi](http://www.lib.umd.edu/cgi-bin/databases.cgi)  
or [www.vbic.umd.edu](http://www.vbic.umd.edu)
  - Hoover's, LexisNexis, IBISWorld, Mintel, Factiva
- Corporate Websites
  - Examples: Sony Computer Entertainment
- Newspapers/Periodicals
  - Examples: Google, LexisNexis
- Government/Census data ([www.census.gov](http://www.census.gov))

- Corporate Websites & 10-K Annual Reports
  - <http://ir.logitech.com/?cl=us,en>
  - <http://sec.gov/edgar/searchedgar/webusers.htm>
- Trade Associations
  - <http://www.theesa.com/>
  - <http://www.seia.org/>
  - <http://www.awea.org/>
  - <http://www.iata.org/index.htm>
- Business Databases
  - <http://www.vbic.umd.edu/> (Intel, IBISWorld)
  - <http://www.lib.umd.edu/cgi-bin/databases.cgi>
- Surveys & Focus Groups
  - <http://zoomerang.com/>
  - <http://www.surveymonkey.com/>
  - <http://www.youtube.com/watch?v=pcj7QT0Abk8>