

# DENVER BUSINESS JOURNAL

MARCH 16-22, 2007

## STRATEGIES

# Research often overlooked in business planning

**A**s company owners and executives turned their attention to business planning for the new year, many forgot to employ a key tool that can aid the business-planning process, minimize risk and potentially increase profits: research.



PLANNING

MARCY  
PHELPS

Research means doing one's homework to make sure the business and the business-planning process are on track. Typical items that should be researched and factored into business planning include new competitors, industry trends,

technological developments, changes in market conditions and more.

But if research isn't done correctly, businesses can waste time (and therefore money) and delay the planning process.

Here are five key steps for finding the business intelligence that will help you build a better, stronger business plan:

- **Be clear about what you need to find.**

You must know what you're looking for to be able to find it. Make a list of the key questions you're trying to answer. Then, identify keywords and synonyms to use in the search.

Think about where you might find your answers. Could they be in a company brochure, a key executive's presentation or an article in a trade publication? Could they be easily located in research conducted by some sort of association or governmental agency?

In short, who cares enough to write about this topic, and where do they write about it?

Target information that can make a difference for your business planning and brainstorm ideas for the most likely places to find it.

- **Use a variety of research sources and learn to use them well.**

While the Internet is a great place to start your research, keep in mind that what you need may not be available on the Web. Sometimes people are the best source.

Call an expert. Talk to customers, as well as those who bought elsewhere.

When you do turn to the Web, don't stop

at Google. Use more than one search engine, because you'll frequently come up with different results. Use the help pages at these search engines so you can take advantage of features that add more precision to your searches.

Don't forget about the online research databases. These contain great research that you'll never find using a general-purpose search engine.

Some are available for free on the Web:

(1) D&B Sales and Marketing Solutions ([www.zapdata.com](http://www.zapdata.com)).

(2) Guidestar ([www.guidestar.com](http://www.guidestar.com)).

(3) FindArticles ([www.findarticles.com](http://www.findarticles.com)).

Online databases that aren't free include:

(1) LexisNexis ([www.lexisnexis.com](http://www.lexisnexis.com)).

(2) Highbeam Research ([www.highbeam.com](http://www.highbeam.com)).

(3) Hoover's ([www.hoovers.com](http://www.hoovers.com)).

Others include Business Source Premier, Business and Company Resource Center, America's Newspapers and ReferenceUSA/InfoUSA. They charge fees — but access generally is free from the public library.

Once you break the Google habit, you'll be surprised at the additional information you'll find for your business planning.

- **Ensure that the information you find can be trusted.**

Anyone can post a Web site or call themselves an expert. Determine who's offering the information. Why are they offering it? For example, does the source have any type of vested interest in the information they're releasing?

If the Web site doesn't indicate who wrote the material, ask. There's usually an e-mail link or other contact information. Look for an "About Us" or similar type of area.

Read up on the site's mission. If there's no information about the site's author or sponsor, I'd think twice about using it.

Also, see who else links to the site. You can do this in Google by going to its "Advanced Search" page and entering the site's address into the "Link" search box. If some reputable groups link to the site, it's an indication that the site is authoritative.

Finally, is this the most current informa-

tion available? Sometimes historical information is what you need, but in most cases, you need the most up-to-date information available.

Become a good information consumer. Your goal is to base your analyses and decisions on research that's as accurate and unbiased as possible.

- **Turn your research into something you can use.**

Anyone can gather a lot of information. The real trick is to review your research, find what's truly strategic and determine what it means for your business. Look for trends, inconsistencies and gaps in the research. Is this a topic that people are talking about, or is no one discussing this? If not, why?

Sometimes it helps to run the research by an expert in the field. You then want to condense the key findings into an executive summary or a bulleted report. Share those findings with key people in your organization and begin applying the information to your business planning.

- **Set up a process for ongoing research.**

Markets, technology and competitors can change on a dime, not just once a year. Ongoing research efforts quickly identify pending market changes that will affect your business and allow you to prepare for them.

Set up a process, timetable and budget for conducting and analyzing research on a regular basis, and clearly assign who's going to do the research. And then make sure the research actually gets done and is factored into business planning on an ongoing basis.

Business planning is only as good as the information that drives the strategic decisions. Great research, whether you do it in-house or hire a professional, is the best, first way to ensure that your business planning process is valid, and based on facts and what's really going on in your industry.

It's also the best way to be fully prepared to take advantage of burgeoning opportunities and get a jump on competition.

**Marcy Phelps** is president of Denver-based Phelps Research. Reach her at [phelps@phelpsresearch.com](mailto:phelps@phelpsresearch.com) or 303-239-0657.