Market survey is a valuable tool to help minimise risks and increase the probability of success. However, that doesn’t mean it is a sure-shot way to eliminate risk and guarantee complete success. You should undertake market assessment with a survey before you finalise marketing plans for your product or service. This chapter aims to explain what a market survey is and how to conduct it.

Markets are changing rapidly, becoming complex and competitive. It is difficult to keep pace with the rapidly changing demand and supply patterns as an entrepreneur is unable to respond quickly to a new environment. He needs better market understanding and a market survey puts him in contact with the market. A systematic use of this tool can reduce risks in decision-making.

What is a Market Survey?

A market survey is an objective and systematic collection, recording, analysis and interpretation of data about existing or potential markets for a product/service. This definition will be better understood by looking at the objectives of a market survey. During a market survey, one needs to focus on:

- Size of the market and the anticipated market share in terms of volume and value
- Pattern of demand—seasonal or fluctuating in time (in a month, day, etc)
- Market structure
• Buying habits and motives of buyers
• Unique selling proposition of certain products/services
• Past and present trends affecting the selected product or similar product

**Process of Conducting a Market Survey**

A systematic 5-point process is involved in a market survey:

1. Defining objectives and specific information needed:
   - Identifying source to obtain information
   - Assessing time and cost for the study
   - Working methodology and action plan
2. Selecting a sample size by determining whom to contact and when
3. Preparing questionnaires for the survey
4. Collecting data and analysing it
5. Preparing a report, based on analysed data

**Primary and Secondary Sources of Information**

Conducting a market survey does not always mean contacting people directly. There may be information in the form of reports, published material or documents of trade/industry associations. Data may be collected from two sources:

- Primary data sources: Information coming straight from those in the specified market, e.g. in the toy market, information obtained from toy manufacturers and traders.

- Secondary data sources: Data existing in reports or in a published form and may not have been collected for specific purpose. Such information can also be had from census office, banks, traders and manufacturers’ association or published anywhere.
**Schedule for Market Survey**

A market survey is not restricted to collecting information on the market for a product, but also about marketing infrastructure and existing market conditions.

Designing a market survey schedule could fetch a lot of data. Questions may be designed on these areas:

- Existence of competitors, their products and marketing strategies
- Information on all consumer groups
- Information on competing products/ similar products
- Attitude of existing/potential consumers, including buying preferences, behaviour etc.

**Don’ts of Conducting a Market Survey**

- Do not be prejudiced. As an entrepreneur, you must be open-minded and confident.
- Do not be impatient or argumentative. Your objective is to get information.
- Do not reveal privileged information to others, for you may lose the trust of your sources.
- Avoid taking notes while discussing. Make notes immediately after an interview. People are not comfortable if one writes while talking.
- Don’t interview without preparation and sequencing of questions. Ensure that the interviewee has time for you.
- Don’t approach competitors as “likely competitors” but meet them as “potential clients” to get best results.

**Market Research: 10 Tips to be More Effective**

1. Clearly identify the issue/problem that needs to be investigated. See if any published/secondary sources of information are available for this problem.
2. Based on existing information, check if the problem can be defined or narrowed down. Further, with this as your basis, write down “terms of reference” for any subsequent study.

3. Try to look at the problems from different angles:
   - your own point of view as producer or seller
   - customers/consumers’ viewpoint as buyer and end users of products/services
   - competitors’ viewpoint for they may have addressed similar problems

4. Try to remain objective throughout the market research process and check impulses/gut feeling from totally influencing the research.

5. Prepare schedule in as simple and clear a form as possible.

6. Maintain a tight control on the subject. If other subjects surface during the research, give them the attention they deserve.

7. Complete the research promptly and maintain confidentiality lest the competitors hear of it and forge ahead in the market.

8. Be prepared to take necessary action, which the research identifies.

9. Use the research immediately for the good of the enterprise.

10. Review all market research exercise and processes—the lessons learnt and areas to improve next time.

**MODEL QUESTIONNAIRE FOR MARKET SURVEY**

**For Market Potential**

Collect data about sources of market information like consumers, suppliers and manufacturers.

**A. Consumers**

- What is their annual consumption and requirement?
- What is their present source of supply?
- What is the customer’s brand loyalty and preferences about price, quality, payment terms, etc?
- Are they satisfied with the present product and supply?
- What is their purchasing criteria and purchasing power?
- What is the consumption pattern? (basis to calculate their requirements)
- What could be the future consumption pattern, in quantity and quality due to technological changes, etc?
- What is the size of the average order, specifications and time and frequency of their placement?
- Will any government institutions/departments or any company/industry buy the products? Is it possible to establish linkages with them, and how?
- What is the life of your potential buyer?
- Their age group, sex?
- What geographical area they live in? Urban, village and which part of the country?

B. Suppliers (Traders)

- Who are the principal traders in the item, their range of products and business terms/commissions, etc?
- What are the possibility to trade with them and on what business terms?
- What is the normal stock level maintained and problems in stocking?
- What are future predictions on business conditions?

C. Manufacturers and Competitors

- What are their products range, installed capacity, selling price?
- What are their normal business terms about payment, price, etc?
- What are their salient features, like technical skill, finance, other resources, etc.?
- What are their strengths and weaknesses? (Try to do their SWOT analysis)

- Where do they get information regarding market and consumer profiles from?

**For Information on Raw Materials**

- Who are the major manufacturers/suppliers?

- What is the time required to get raw material after order placement? Supply terms (tax structure, price, packing, payment, etc)? Cost of transportation?

- What is the standard or minimum order quantity?

- Is raw material freely available or is there a quota system?

- Will any decision/policy affect its availability or price?

**For Information on Machinery and Equipment**

- Who are the manufacturers/suppliers?

- What capacity, specifications and brands are available in market?

- What is the price of the machine? (Consider all costs—taxes, transport, accessories, etc.)

- Which electrical equipments, like motors, starters, switches, are needed?

- What performance guarantees/warranties are given? Is the supplier/manufacturer reputed and reliable?

- What is the normal repair/maintenance cost per year?

- What spare parts would be frequently required?

- What quality and maximum output (production) a machine can give?

- Does the supplier train you/staff to acquire skills to operate machinery?
Suggested Sources of Technology and List of Machinery Manufacturers and Suppliers

A K G FOOD PRODUCTS
168 B B Chatterjee Road
KOLKATA – 700 042
Pr: Food Processing Equipments

A M B AGROTECH
Ashvini Layout
Nr. Sahakar Nagar
AKOLA – 444 004
Pr: Mini Dal Mill

A V ENGINEERING WORKS
12-A, Adj.Hira Automobile
Factory Area
PATIALA – 147 001
Pr: Automatic Biscuit making plant

ADVANCE EQUIPMENT CO.
Navjivan Society
Building No.3/2/7
Bombay Central
MUMBAI - 400 008
Pr: Bakery Equipments, Meat/Fish, Poultry Processing/Packaging plant

AERO THERM SYSTEMS PVT.LTD.
Plot No.1517, Phase – III
GIDC (Vatva)
AHMEDABAD – 380 445
Pr: Hot Water Generators, Steam Boilers, Fluid Bed Dryers, Tray Dryers

AGARAM INDUSTRIES
126, Nelson Road
Aminjikarai
CHENNAI – 600 029
Pr: Milk Analytical Instruments, Pasta Making Machines, Food Analytical Instruments

AGRITECH INDIA FOODS
8, Manilaxmi Apts.
Daxini Society – Maninagar
AHMEDABAD – 380 008
Pr: Processed Food Machinery, Beverage Processing Machinery

AGRO THERMODYNE CO.
8/4, Shamanna Layout
B/h. Mangaram Factory
Gorugunte Palya
BANGALORE – 560 002
Pr: Bakery/Biscuit making Equipments

BAHUBALI ENGINEERING
5, Parekh Nagar, S.V. Road
Kandivali (W)
MUMBAI – 400 067
Pr: S S Food Processing Equipments

BAJAJ MECHANICALS
C-582, New Friends Colony
NEW DELHI – 110 065
Pr: Food Processing Equipments
BAKER ENTERPRISES
23, Bhera Enclave
Nr. Peera Garhi
NEW DELHI – 110 087
Pr: Bakery Machines, Machines for Buns, Hotdogs, Cookies, Rusk & Cakes

BANSAL FLOUR MILL ENGINEERS
4/5-B, Asaf Ali Road – Gr. Floor
NEW DELHI – 110 002
Pr: Grading/Sizing/Cleaning Machinery, Spices Cleaning Machines

CENTRAL ENGINEERING WORKS
380, Patel Roadways
COIMBATORE – 641 009
Pr: Commercial Kitchen Grinders

CHALLENGER PRODUCTS
12, Devaki Niketan
396,402 Kitchen Garden Lane
B/h. Lohar Chawl
MUMBAI – 400 002
Pr: Pizza Ovens, Sandwich Grillers, Idli Steamers

CHEMICAL CONSTRUCTION CO. PVT.LTD.
Br: 956/57 T.H.Road
CHENNAI – 600 019
Pr: Poultry Feed Plant, Coconut Processings, Oil Refinining Plant, Solvent Extraction Plant, Vanaspati Plant, Veg. Oil Refining Plant

CONGAS FOOD SERVICES EQUIPMENTS (PVT.) LTD.
4, Krishnapur Road, Dum Dum
KOLKATA – 700 028
Pr: Bakery Equipments, Commercial Kitchen Equipments Refrigeration Equipments

DAIRY DEN LTD.
A-29, GIDC Electronic Estate Sector – 25
GANDHINAGAR – 382 044
Pr: Soft Ice-cream Machines, Juice Dispensing Machines, Fast Food Vans

DANDEKAR BROTHERS
Factory Area, Shivajinagar (N)
Sangli – 416 416
MAHARASHTRA
Pr: Knit Grinding Machines, Groundnut Decorators, Grinding Mills, Chaffcutters, Sugarcane Crushers

DELHI INDUSTRIES
4, Paharganj Lane
NEW DELHI – 110 055
Pr: Fruit & Vegetable Processing, Canning/Bottling Equipments and Machinery

DELTA CORPORATION
201, Wadala Udyog Bhavan
Naigaum Cross Road
Wadala – MUMBAI 400 031
Pr: Internal Gear S.S. Pumps for Food Processing

EASTEND ENGINEERING CO.
173/1, Gopal Lal Thakur Road
KOLKATA – 700 035
Pr: Fruits & Vegetables Processing Machinery & Equipments

ELMEC INDIA
P B No.7624,
No.37/38, Goodshet Road  
BANGALORE – 560 053  
Pr: Packaging Machines, Heat  
Sealing Shrink Packaging, Seal  
Machines, Bottling Machines,  
Bag Closures

EMERGE SYSTEMS &  
SERVICES PVT.LTD.  
A-2/4, Arjun Towers  
Satellite Road  
AHMEDABAD – 380 015  
Pr: Waste Food Disposers

EMERSION ENGG. ENTERPRISES  
Nr. Gate Station  
SURENDRANAGAR – 363 001  
Pr: Cookers, Vacuum Batch,  
Packaging Machinery,  
Break/Biscuits Machinery,  
Cutting & Wrapping Machines,  
Bubble Gum

ESS EMM CORPORATION  
205-H, Vivekanand Road  
Ramnagar  
COIMBATORE – 641 009  
Pr: Baking Equipments, Ovens,  
Deep Fat Fryers, Bread Slicers,  
Meat Mixers, Juicers, Coffee  
Grinders, Vegetable Cutters,  
Cutter/Mixers, Veg. Processing  
Machines

EUROTECH FOOD &  
PACKAGING MACHINES  
K-17, Ghiroangi, Malanpur Ind. Area  
Dist. Bhind, GWALIOR, M.P.  
Pr: Nut Roasting Plant, Form-Fill-  
Seal Packaging Machines, Namkeen  
Frying Plant

FLORA ENGINEERING CO.  
A-4, Laghu Udyog Kendra  
I.B. Patel, Goregaon (E)  
MUMBAI – 400 063  
Pr: Industrial Ovens (for  
Dehydrating Roasting.  
Drying of Food Products

FOOD TECH ENGINEERS  
31/A, Ghanshyam Ind. Estate  
Veer Desai Rd., Andheri (W)  
MUMBAI – 400 058  
Pr: Machinery for Fish/Meat, Veg.  
Fruits, Frozen, Pulps, Juices

FOODMAC ENGINEERS  
(PVT.) LTD.  
Bassi Road  
Sirhind 140 406 PUNJAB  
Pr: Automatic Machinery for  
Biscuits Cookie/ Crackers Cream  
Sandwiching

FORAM FOODS PVT.LTD.  
397, Swami Vivekanand Road  
Vile Parle (W)  
MUMBAI – 400 056  
Pr: Lug Cap Sealing Machines,  
RTE Snack Food Plant,  
Pickle/Jam making plant,  
Packaging Machines

GADEKAR & ASSOCIATES  
PVT.LTD.  
304, Sector 21A  
FARIDABAD – 121 001  
Pr: URSCHEL Food Cutting  
machinery, Snack Food Fryers

GAYATRI FABRICATION  
WORKS  
Tarun Plastic Ind. Estate  
Gali No.10, Mogra Road,
Andheri (E)
MUMBAI – 400 069
Pr: Kitchen Equipments – Pizza
Ovens, Potato Peelers, Bulk
Cookers, Deep Fat Fryers,
Griddle Plates

HEATTRAN SERVICES
180-A/131, NSP Complex
(Opp Royal Agencies)
Dr. Nanjappa Road
COIMBATORE – 641 108
Pr: Pizza Ovens, Bread Baking
Ovens, Heaters for Steam Boilers

GENERAL MECHANICAL
INDUSTRIES
National Tankiwala Ind. Estate
Steelmade Compound
Marol Maroshi road
Andheri (E)
MUMBAI – 400 059
Pr: Confectionery Equipments

GOLDEN ENGINEERING
INDUSTRIES
A-87, Naraina Ind. Area
Phase – I
NEW DELHI – 110 028
Pr: Sealing & Cutting machinery,
Pouch/Bag Making Machinery,
Veg. Oil Refining Plant

INDIAN DAIRY EQUIPMENTS
CO.
364, Azad Market
DELHI – 110 006
Pr: Milk Testing equipments,
Cream Separators

H P INDUSTRIES
2, Hoaquim Cottage, Vazir Glass
Works Rd.
J B Nagar, Opp. Tata Infotech Ltd.
Andheri (E) MUMBAI – 400 059
Pr: Conveyors, Automatic
Pickle/Chutney/ Jam Filling &
Capping Machines

INDO STAINLESS FABTECH
PVT.LTD.
439, Sideo Ind. Estate
Ambatur CHENNAI – 600 098
Pr: Milk Coolers,
Milk Chillers, Cooling Tanks,
Milking Machines

HARI OM INDUSTRIES
Dhebar Road (South)
Atika Ind. Area
Str.No.3, Nr. Jaydev Foundry
RAJKOT – 360 002
Pr: Potato Cutting Machines, Dry
Fruit Cutting Machines, Banana
Wafer Machines, Other Food
Processing Machines

INDUSES FOOD PRODUCTS &
EQUIPMENTS LTD.
238/B, Acharya J.C. Bose Road
KOLKATTA – 700 020
Pr: Paddy Processing, Parboiling,
Drying equipments

INDUSTRIAL AIDERS
BD-135/1, Tagore Gardens
NEW DELHI – 110 027
Pr: Dairy/Food Chemical
Equipments

INTERNATIONAL FOOD
MACHINERY
A-13, Kailash Colony
NEW DELHI – 110 048
Pr: Blanches, Groundnut, Hammer
Mill Dehydration Machinery for
Onion & Garlic
J K ENGINEERING WORKS
Bus Stand Road
RAJPURA – PUNJAB
Pr: Bread/Biscuits Machinery
Bakery machinery

JWALA ENGINEERING COMPANY
12, Survey Industrial Estate
Sonawala Cross Road No.1
Goregaon (E)
MUMBAI – 400 063
Pr: Fruit & Vegetable Processing & Packing Machinery such as
Fruit & Vegetable Preparatory,
Fruit Juice Concentration Equipments, Mushroom Processing & Canning line, Peas Preparatory & processing line Potato Chips Line, Pulp Concentration Plant

K.S. ENGINEERING WORKS
Factory Area, Nr. Ranjit Press
Patiala – 147 001 PUNJAB
Pr: Biscuit Plant, Papad Plant & Bread Plant

KAG FABRICARES PVT. LTD.
A-26N, Gali No.4
Anand Parbat Ind. Area
NEW DELHI – 110 005
Pr: Bread/Bakery Plant

LARSEN & TOUBRO LIMITED
Plot No.101, GIDC
Ranoli DIST. BARODA
Pr: Food Processing Machinery

Market Survey Tools, Preparation of Schedule and Technique of Data Collection  63