

M1: Explain and justify methods used to identify the target market for the proposed business.

To identify my target market for my Nails shop I am going to use primary and secondary market research. Market research is finding out information about what potential customers want and also to meet their needs in the beauty industry. I am going to use 2 methods of primary research and another 2 methods of secondary research. These include: Surveys, Visits to similar businesses, Internet and Published text books. This should provide a wide range of information which can decide what I should do with my business.

Collecting surveys is one of my primary methods. The advantages about collecting primary research are that it is up to date because I have just collected it. It will obviously meet my specific needs as I am asking the questions and those questions will be based on what I want to know about my business. Also, it is unique information, fresh so I can make improvement straight away. In addition, competitors can not use this information as it my information which I have gathered. There are a few disadvantages to collecting primary research and they are that it is very expensive to gather. This is because I am starting from scratch and need all the resources and equipment to produce surveys and hand them out.

Another method I am going to do is visits to similar businesses to see what my competition is. The advantage of choosing this method is that it is up to date as it is fresh information. Visits may not meet my specific needs as I may be able to ask personal questions about the business, but for other purposes it should meet my requirements. Also, this does not take much time to collect, apart from travelling. Again with this method it is unique information because I am asking the questions so it meets some of my needs. Additionally this is my information which I have collected and I chose not to publish it so, other competitors can not view it. Collecting this type of information is relatively cheap, as it is just a visit and I will record the information. But normally collecting primary research is very expensive as I am starting from scratch.

Collecting information of the internet is one of my secondary researches. The advantage about this method is that it is cheap and it does not take that much time to gather. This is a major plus point as I may need information fast to make my shop better. There are a few disadvantages about this method and they consist of: the information normally displayed is not up to date. It may be normally be 1 year old but customers change their opinions on things and this is why it is important to stay on top of this. Normally the information does not meet my specific needs and researching on the internet may be a waste of time, but there are thousands of resources on the internet which is bound to meet my needs. Also because it is on the internet, other competitors can view the same information, so if I decide to use

the information my shop will not be unique because other shop keepers can use the information as well.

▲Another method I am going to use is to gather information from published text books. The advantage about this method is I am getting information fast and it is not expensive to find. The disadvantages for using this method is, it is not up to date, books are published along time ago and once they have be written they can not be updated. ▲Also, some information may not meet my needs and therefore, this may become very time consuming. The major disadvantage is that my competitors can see what I may use. This may mean that my shop may be like others and customers may get bored of the same thing.

Here I talk about some methods that I will not use because of the disadvantages connected to them. Theses include primary and secondary research: Questionnaires, Interviews, Observations of customer actions and choices, and the secondary research consist of Market Trends and General Information such as newspapers, yellow pages.

For the primary methods, it is not that I would not choose to do questionnaires or interviews, but they are all mainly the same to surveys. They are asking the customer questions about my needs. They are all expensive to run because I am starting from scratch. ▲Also, the competitor can not see any of this information and it is original. For the secondary method I did not chose to research by looking at market trends because I do not know how old the information is and because I am only doing a nails shop, the website may not have my specific queries. ▲Also, it will be a waste of time if I did not find anything, where as published books, the information may be old, but it is fast and efficient. ▲Also, with the general information I am already looking at published books, so newspapers and yellow pages can come under this category but sometimes newspapers can be very biast so, as a reader I would not know which newspaper to rely on.