

Before putting money into a new venture, savvy entrepreneurs make another kind of investment: the dedication of time for market intelligence. They learn everything possible about the market they wish to enter, who's succeeding or failing in it and what alternative products or services are currently filling the need the entrepreneur aims to meet.

Market intelligence helps predict demand for a product and can lead to changes in the proposed offering or result in a pivot to another market sector. It can also cause an entrepreneur to abandon an idea, thereby saving money that would be lost on a venture doomed for failure.

WHERE TO START

General questions can be easily answered, and they often lead to more specific information that illuminates opportunities. For example, an entrepreneur considering an initiative in a new geographic area would first learn about that area. Is the population rising or falling? What about wages and employment? A product that serves the needs of young people might not gain enough traction in a community that's largely made up of the retired.

The government keeps reams of statistics about these and related issues. Good places to start are the U.S. Census Bureau (www.census.gov) and the U.S. Bureau of Labor Statistics (www.bls.gov).

Likewise, the identity of future competitors is entry-level information. Many trade associations list their membership on the Web, and the local chamber of commerce is usually a source of help even to non-members. Hoovers.com is an invaluable — though not free — source of information about almost every American business.

Often there is no better source of data about a market than trade journals. These may cost an exorbitant amount for a subscription, but the best of them offer access to searchable databases, as well as provide news and current information about relevant government regulation.

The internet has made more market intelligence public than ever before, and there's plenty of low-hanging fruit. Search engines such as Google will deliver many levels of information — the more obscure and specific found beyond the first result page. Use Google News at every stage of the search to find articles about things like rival products or a CEO's approach to risk and leadership.

The internet can also lead to blogs covering the latest news in a market. Read them for inside, real-time information.

Competitor websites can be mined for information. Most have a "Press" link containing press releases that indicate what a company has been doing and what's important to its leaders.

U.S. Securities and Exchange Commission filings can be found at www.sec.gov. The information is extensive, and businesses are legally required to tell the truth.

The University of New Mexico Bureau of Business and Economic Research (bber.unm.edu) is a primary source of New Mexico economic, social and demographic data. University librarians can help locate public papers and dissertations on industry issues.

PLAY NEWSHOUND

All news reporters know the same secret: People love to talk about subjects about which they are expert. Professors who have written about the industry are often willing to answer questions from people who show an interest in their work. Even direct competitors will sometimes respond to questions if the topic is general and doesn't involve disclosure of proprietary information.

The nonprofit economic development organization WESST gives workshops on market research at its six locations around the state. Visit www.wesst.org for more information.

Finance New Mexico assists individuals and businesses with obtaining skills and funding resources for their business or idea. To learn more, go to www.FinanceNewMexico.org

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