

# "How To Minimize Market Risk And Maximize Profits Using Granular Survey Research!"

*(One of Several Audios In Your Series of FREE Marketing Research  
Trainings from Drs. Glenn & Sharon Livingston)*

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**Dr. Sharon Livingston:** Hi Glenn.

**Dr. Glenn Livingston:** Hi baby, how are we doing?

**Dr. Sharon Livingston:** I'm good. What are we talking about today?

**Dr. Glenn Livingston:** I was hoping that you could help me get on tape the basics of how I use surveys to break up a market, assess the risk throughout the markets so that I know what my likelihood of success is as I either roll out a new product or expand business in a new way.

**Dr. Sharon Livingston:** So can I ask you a totally silly question?

**Dr. Glenn Livingston:** You just did.

**Dr. Sharon Livingston:** Are we on tape?

**Dr. Glenn Livingston:** Oh yeah, we are recording right now.

**Dr. Sharon Livingston:** But we aren't taping anymore are we?

**Dr. Glenn Livingston:** Well, I'm recording on the computer.

**Dr. Sharon Livingston:** It's just amazing to me how technology changes all the time and that what you're offering to people is a new paradigm and just like we used to use tape, now we go right to the computer. It just amazes me.

**Dr. Glenn Livingston:** That was very slick. I didn't see that coming.

**Dr. Sharon Livingston:** {laughter}

**Dr. Glenn Livingston:** Just like you might think that a very simple survey of your market in general is a terrific way to assess your market before you go to market or you

roll out any portion of your business or you try to optimize any part of your business. The truth is that, while it's terrific to do that and most marketers don't even do that kind of research. There are dramatically new and different ways to assess your market.

**Dr. Sharon Livingston:** And to think about the research itself.

**Dr. Glenn Livingston:** Yeah.

**Dr. Sharon Livingston:** It's so cool.

**Dr. Glenn Livingston:** Yeah.

**Dr. Sharon Livingston:** So, teach me.

**Dr. Glenn Livingston:** {laughter}

**Dr. Sharon Livingston:** When I'm the qualitative person, you're the quantitative.

**Dr. Glenn Livingston:** Well, I don't know if everybody listening to this is going to know about my background and your background. Could you help me say that in just a few sentences without being boring?

**Dr. Sharon Livingston:** I don't know. {laughter}

**Dr. Glenn Livingston:** {laughter}

**Dr. Sharon Livingston:** I don't know. I can try. I think we both have our loves of research and it comes from different aspects. I do what's called qualitative research, as you know. Qualitative research is mostly talking to people on an open-ended basis and inviting them to, kind of, spill their guts and you want their brains and their hearts and their guts. You want the whole nine yards and you do it with mostly open-ended questions. Then we go back and interpret and we try to figure out what all that means.

**Dr. Glenn Livingston:** You've actually done this for over fifty of the *Fortune 500*, haven't you?

**Dr. Sharon Livingston:** Definitely. Yeah.

**Dr. Glenn Livingston:** Yeah.

**Dr. Sharon Livingston:** Quantitative is a more structured approach where you really get at the skeleton of what the issues are. You can do, it's called quantitative because what you do is, you collect a lot of information in a way that's standardize that you can analyze it.

**Dr. Glenn Livingston:** Right. Quantitative is the bones and qualitative is the flesh and the heart.

**Dr. Sharon Livingston:** The meat and the heart.

**Dr. Glenn Livingston:** So, yeah if you have flesh and heart and soul without the bones...

**Dr. Sharon Livingston:** Then you can't stand up.

**Dr. Glenn Livingston:** If you have the bones and you don't really have the...

**Dr. Sharon Livingston:** It's not very warm and fuzzy.

**Dr. Glenn Livingston:** Yeah.

**Dr. Sharon Livingston:** Right.

**Dr. Glenn Livingston:** Some of the things that I want people to know about us is that we were both psychologists, first and foremost. I actually grew up in a family of psychologists, mom and dad and...

**Dr. Sharon Livingston:** Seventeen other people.

**Dr. Glenn Livingston:** It's just ridiculous when you're at a family reunion; it's just a situation comedy. The reason that's important is that when we wound up entering the field of marketing research, we did it from a perspective of being deeply attuned to people. So even when we are talking about quantitative research, what I'm really looking for is a deep attunement. Of course, I am trying to abstract that and put numbers on it, look at the size of opportunities and the size of pitfalls, and figure out how to leverage that. But I still think of myself first and foremost as a psychologist. The short story is 9/11 came along and kind of uprooted both of our lives and I wound up taking a sabbatical from my practice and a sabbatical from all the consulting work I was doing in corporations. I used to consult for the same clients that Sharon would. I kind of freaked out, moved to New Hampshire, and made my wife move to New Hampshire with me and I decided I wanted to be an internet marketer. You can read the rest of my story online if you want to. Maybe we could talk more specifically about the opportunity to use surveys today.

**Dr. Sharon Livingston:** Great.

**Dr. Glenn Livingston:** To reduce risk.

**Dr. Sharon Livingston:** Why do we do surveys? Why do we do marketing research in a particular market place?

**Dr. Glenn Livingston:** Well, I think that there are four main reasons to do research in a marketplace, any kind of research.

**Dr. Sharon Livingston:** Okay.

**Dr. Glenn Livingston:** One is to figure out what the downside risk is. It is possible that you are going to lose money and how much money are you going to lose? I had one experience along with my darling wife of losing two million dollars and we didn't have two million dollars.

**Dr. Sharon Livingston:** Well, we invested everything we had and then we borrowed to keep it afloat.

**Dr. Glenn Livingston:** It's amazing when you lose that much money.

**Dr. Sharon Livingston:** Amazing.

**Dr. Glenn Livingston:** That was because we thought we understood the market, we did no research, and then we were also made very unlucky by 9/11 but...

**Dr. Sharon Livingston:** Right, I think we would have survived it, had it not been for 9/11 on our intuition. But, had we done the research ahead of time. I think we might have made a different decision.

**Dr. Glenn Livingston:** The impact of that on me is that I became very, very risk adverse. I was really enamored with internet marketing.

**Dr. Sharon Livingston:** He only ate hamburgers for like six months one time.

**Dr. Glenn Livingston:** I don't understand.

**Dr. Sharon Livingston:** You were very risk adverse; you wouldn't even do it in your foods.

**Dr. Glenn Livingston:** You're very silly. {chuckle} Along with the idea of doing research to find out whether you should enter market places. You're not thinking about how much money you can make. But I think most importantly is that what people usually think of as the market. It is really usually not a unitary market. Especially as the cost of distribution is going down, especially on the internet. Its becoming more and more possibly, almost necessary to cater to the micro markets within a market and sometimes the sub segments within those sub segments. Say that three times fast. So, what I really like to do when I am implementing a survey is to figure out, among all of those segments and sub segments and niches really, micro niches within the market. What's the group of micro niches that's going to be more responsive? So I actually use the survey as an instrument to...

**Dr. Sharon Livingston:** To get as granular as you can?

**Dr. Glenn Livingston:** Yes, but to test it first.

**Dr. Sharon Livingston:** Mmhmm.

**Dr. Glenn Livingston:** To test it first.

**Dr. Sharon Livingston:** And the itch to test?

**Dr. Glenn Livingston:** To test the responsiveness of the market.

**Dr. Sharon Livingston:** Gotcha.

**Dr. Glenn Livingston:** Do you want to talk about why?

**Dr. Sharon Livingston:** Sure.

**Dr. Glenn Livingston:** Well, let's say that you wanted to set up a new store. Let's do this offline to start out with.

**Dr. Sharon Livingston:** Okay.

**Dr. Glenn Livingston:** Well, what do most people do? They kind of scope out what they think is a good location. Maybe they will take a look to see if there is enough traffic going by there. But they've decided what kind of store they want to put up and they've decided what is going to be in the store and they fill the store at the location and they cross their fingers...

**Dr. Sharon Livingston:** Right.

**Dr. Glenn Livingston:** Say a prayer and hope and hope and hope. I would like to propose a different paradigm. What if, instead of filling up the store first and just counting the traffic that walks by? What if you could see if it's going to be possible to actually get people into the store and once they're in the store, if you could run a survey by them? Instead of filling up the store, just meet them with a pleasant interviewer that has got a few questions to find out exactly what they were hoping was going to be in the store.

**Dr. Sharon Livingston:** So before you populate the store.

**Dr. Glenn Livingston:** Yeah. I would even say before you sign a long-term lease, I would try to rent the store for a couple of weeks and get this done.

**Dr. Sharon Livingston:** Mmhmm.

**Dr. Glenn Livingston:** Some of this is not practical offline but for the sake of analogy, I'm going to stick with it.

**Dr. Sharon Livingston:** Okay.

**Dr. Glenn Livingston:** So, you've got the store and you've put up some signs and look if you can't get people to come into the store, even if there are thousands of business people on that block. If you can't figure out a sign to put up on that store that going to get people to come into that store, don't bother renting that store.

**Dr. Sharon Livingston:** Right.

**Dr. Glenn Livingston:** Because it could be that most of the needs of the people passing that store on that block are predominantly being taken care of by the other stores.

**Dr. Sharon Livingston:** Right, it might be that there's a store around the corner that you didn't notice.

**Dr. Glenn Livingston:** There really could be. Yeah. Or maybe you just don't have the right connection with them. You don't really understand how to get their attention at all. Whatever it is, you need some measure of whether you are going to be able to get their attention in the first place. Then if you are getting their attention, you want to know what their expectations are based upon their attention. It might seem like kind of a cruel trick to say, put up a sign that says something like; Johnny's Ice Cream Shop – All you can eat ice cream for five cents or something like that. Then have people walk in and there's nothing in the store besides an interviewer. But, here's the point. If that person comes in and sees the interviewer and says, ah! Screw you; I don't want to bother with a survey. A lot of the market is going to do that no matter what. But, in my experience if less than 5% of the people bother to take a survey, well there is probably not a strong need for ice cream on that block.

**Dr. Sharon Livingston:** You're going to have to work much harder to sell.

**Dr. Glenn Livingston:** Yeah. So the first thing you want to see is.

**Dr. Sharon Livingston:** How motivated are they to take the survey.

**Dr. Glenn Livingston:** How motivated are they to take the survey and in my experimentation I actually find that the percent of people who are willing to take the survey, corresponds directly to the percent of people later on, when I am willing to put up my store or online.

**Dr. Sharon Livingston:** To populate it.

**Dr. Glenn Livingston:** Yeah, online when I am willing to set up a newsletter or an actual store with content in it, it corresponds directly with the number of people that will sign up for a newsletter and it corresponds directly with the number of people that will buy.

**Dr. Sharon Livingston:** Wow.

**Dr. Glenn Livingston:** Yeah.

**Dr. Sharon Livingston:** That's great.

**Dr. Glenn Livingston:** So if I know that "X" percent of the people that took the survey, then I also know that twice as many people are going to be willing to sign up for a newsletter in general and I can usually get "Y" percent of those people to buy something. What that allows me to do is, for any store that I choose to survey, I can almost calculate what my cost of acquisition is going to be. Almost calculate how much it is going to cost to make a sale and how much it is going to cost me to generate a lead. All I need to do then is kind of look in that market and see what similar stores are selling and what their margins are and I can tell whether or not that particular pathway is going to be viable.

**Dr. Sharon Livingston:** Interesting. I'm nodding away, people can't see my nodding, but that's so interesting.

**Dr. Glenn Livingston:** I can see you nodding.

**Dr. Sharon Livingston:** Good.

**Dr. Glenn Livingston:** Did you have a question?

**Dr. Sharon Livingston:** No, it was just really interesting what you were saying.

**Dr. Glenn Livingston:** Let's take it a couple steps further.

**Dr. Sharon Livingston:** Okay.

**Dr. Glenn Livingston:** Obviously if I am going to go into a new market I am going to scope out a lot of stores on a lot of different blocks and I'm going to try to figure out what their level of responsiveness is going to be and what my cost of acquisition my be in each of those stores.

**Dr. Sharon Livingston:** Mhmm.

**Dr. Glenn Livingston:** If I am doing this online, then my blocks would correspond to keyword themes, like groups of keywords that people are searching on. There might be one group about; oh, lets say I was opening a guinea pig store. There might be one group about guinea pig health or there might be one group about guinea pig care, a group about

guinea pig cages, another group about guinea pig longevity, another group about how they are with kids and I'm going to set up a store in each one of those blocks. For each one of those individual keywords, I'm going to set up a separate store with a different set of surveys. So I define my market as this whole set of keywords.

**Dr. Sharon Livingston:** Mmhmm.

**Dr. Glenn Livingston:** I get a measure on how responsive each set of keywords is going to be. Does that make sense so far?

**Dr. Sharon Livingston:** Yes.

**Dr. Glenn Livingston:** But what you can also do, is you can really look at the quality of the survey itself, so its more then will they take it or not. Because there are some people that will take the survey and just say; yeah, yeah, yeah so I'll take your stupid survey. They don't really engage. They give you one or two word answers. They are just kind of bored with the whole process. They are just doing it. I guess the part that I forgot to mention is that while I never incent people with money.

**Dr. Sharon Livingston:** Mmhmm

**Dr. Glenn Livingston:** I'll usually incent them with something related to the theme of the store that they are in.

**Dr. Sharon Livingston:** Like, give them information?

**Dr. Glenn Livingston:** Yeah, so if it was a store all about guinea pig health care, I might connect with a veterinarian for him to give me a discount coupon or something. Or if it was a store generally about guinea pigs then I would promise to give them a book when I was done.

**Dr. Sharon Livingston:** Right.

**Dr. Glenn Livingston:** The book is generally just the answers to all their questions and I put them together.

**Dr. Sharon Livingston:** Right, so it would be like an e-book or something?

**Dr. Glenn Livingston:** Yeah, or it could be a regular book also.

**Dr. Sharon Livingston:** Mmhmm.

**Dr. Glenn Livingston:** By the way, the stores in these blocks don't have to be online stores with keyword themes and separate keywords. They can also be direct mailing lists. They can be television commercials. They can be telemarketing efforts with particular

lists. Really, a store is a list and a block is a group of related lists. Does that make sense?

**Dr. Sharon Livingston:** Say that again. A store is a list.

**Dr. Glenn Livingston:** What I am trying to get across is that it's really easy to see how to do this online. I tend to do my research online because its faster and cheaper and I think that when people are proactively searching for something, their mindset or the conversation that is going on in their head is so much different then...

**Dr. Sharon Livingston:** When they are not in the heat of the moment.

**Dr. Glenn Livingston:** When they are not in the heat of the moment. You want to interview them in the heat of the moment and the only place that you can actively do that is either in a store or online when they are searching for something.

**Dr. Sharon Livingston:** I think that is so fabulous. I think that is a major innovation in market research.

**Dr. Glenn Livingston:** Because they don't do that in market research.

**Dr. Sharon Livingston:** Because it's impossible. It cant be done, unless you are in-store and then what your identifying that I think is so incredible is the people who are in need and not getting the need met.

**Dr. Glenn Livingston:** Right.

**Dr. Sharon Livingston:** Those are, I think, the hottest prospects.

**Dr. Glenn Livingston:** Right.

**Dr. Sharon Livingston:** That to me is a major innovation in marketing research that you're able to get someone who really wants something. Who hasn't had their needs met and they want it so badly that they are really willing to fill out the survey to tell you what they need because they are really needed help. They are your hottest prospects I would image.

**Dr. Glenn Livingston:** It's really behavioral tests.

**Dr. Sharon Livingston:** What do you mean?

**Dr. Glenn Livingston:** It's trying to get them to do something, as close as you to getting them to see how much frustration and energy are they willing to put out to solve a problem. How much frustration will they endure and how much energy are they willing to put out to solve a problem. It's as close as you can get to doing a market test, where

you are getting someone to pay for something before you really know what the market wants.

**Dr. Sharon Livingston:** Right.

**Dr. Glenn Livingston:** It's just shocking to me that, like when you've been telling me, and I've observed, but none of your clients are really doing this.

**Dr. Sharon Livingston:** And they've got all the bucks.

**Dr. Glenn Livingston:** These people are spending millions of dollars literally, millions a year on research.

**Dr. Sharon Livingston:** On research, right.

**Dr. Glenn Livingston:** Literally and they don't really know about this, as far as I can tell. Maybe they do somewhere or somehow.

**Dr. Sharon Livingston:** They do some little stuff, but they don't do the fancy stuff that you do.

**Dr. Glenn Livingston:** It just really illustrates the opportunity that is available on the market.

**Dr. Sharon Livingston:** Even more so.

**Dr. Glenn Livingston:** Even the markets that you think are exceptionally competitive and all sown up. People have just not looked at the long tail. They have just not examined the niches and micro niches.

**Dr. Sharon Livingston:** You know what it reminds me of? Like you've said to me, someone will see someone doing something and they make the assumption, that that person, you know maybe they are high up in *AdSense* or something. They make the assumption that they've done their homework and so they copy it.

**Dr. Glenn Livingston:** Right.

**Dr. Sharon Livingston:** And its not necessarily so. It reminds me when I was in college and I was single and I was learning things in psychology behavior and I would go into Manhattan and do things like starting a line, like just a cue, to see if I could get people to stand behind me. I would just be someplace in front of something and I would just start a line and people would line up behind me.

**Dr. Glenn Livingston:** {laughter}

**Dr. Sharon Livingston:** It was the weirdest thing, they would line up behind me. I would do it with a friend because I was too scared to do it all by myself.

**Dr. Glenn Livingston:** Mmhmm.

**Dr. Sharon Livingston:** My friend Beverly and I would go and start lines and people would line up.

**Dr. Glenn Livingston:** What you're saying is very funny, but it also illustrates that the fundamental aspect of human nature, which is that we basically have a herd mentality. That even applies to marketers.

**Dr. Sharon Livingston:** Yeah.

**Dr. Glenn Livingston:** This ones very important to me because even though we have had all these years of, I mean we have done million dollar projects. You would think that we are all high faluting and confidant.

**Dr. Sharon Livingston:** Know what we are talking about.

**Dr. Glenn Livingston:** We'd just come off of losing two million dollars.

**Dr. Sharon Livingston:** Because we didn't do our homework.

**Dr. Glenn Livingston:** We had a ridiculous amount of debt and couldn't pay our bills for about nine months. When I started to look at these markets I was scared. I would see a market that looked relatively competitive and now I look at that and think; well, they are all basically committing marketing incest. They are all kind of doing what everybody else is doing.

**Dr. Sharon Livingston:** Where are the holes?

**Dr. Glenn Livingston:** And its human nature to assume, well that's what your supposed to do and there's not really an opportunity because everybody is doing that.

**Dr. Sharon Livingston:** Right.

**Dr. Glenn Livingston:** There's a phenomenon called the fusion of responsibility. You know in 1969 I think it was. Do you remember Kitty Genovese?

**Dr. Sharon Livingston:** Yes.

**Dr. Glenn Livingston:** So Kitty Genovese was this woman that was murdered, screaming bloody murder in an apartment building in New York City and it later came to pass that 34 or 35 people had heard her screaming and nobody called the police.

**Dr. Sharon Livingston:** Unbelievable.

**Dr. Glenn Livingston:** You know why?

**Dr. Sharon Livingston:** They thought somebody else was going to do it.

**Dr. Glenn Livingston:** Everybody thought that somebody else must have done it.

**Dr. Sharon Livingston:** And they didn't want to get involved.

**Dr. Glenn Livingston:** Yeah. There is actually a whole series of studies after that to figure out why nobody did it.

**Dr. Sharon Livingston:** Why is happened, right.

**Dr. Glenn Livingston:** People were saying all kinds of horrible things about human nature. I think we basically do want to help one another but there was a cost to getting involved and everybody really assumed that somebody else must have done it.

**Dr. Sharon Livingston:** Right.

**Dr. Glenn Livingston:** And so when you look at a market and you see forty different companies' lines up to market something to your prospect and you think you see a need that they don't see. You probably do.

**Dr. Sharon Livingston:** Uh-huh.

**Dr. Glenn Livingston:** Because they are probably all assuming that somebody else has gotten to it.

**Dr. Sharon Livingston:** Done it.

**Dr. Glenn Livingston:** Yeah. This is kind of taking the blue pill in the *Matrix* for me, or maybe it was the red pill, the one that opens your eyes.

**Dr. Sharon Livingston:** Right.

**Dr. Glenn Livingston:** The whole world just opened up to me.

**Dr. Sharon Livingston:** Uh-huh.

**Dr. Glenn Livingston:** I would look at a market and say, first of all there are some people making money in spite of themselves, leaving these opportunities.

**Dr. Sharon Livingston:** Right.

**Dr. Glenn Livingston:** There are all these gaps and needs in the market that are just not taken care of. Even the most competitive markets are under optimized and if the cost of distribution are going down and as technology is increasing, there are just so many opportunities to cater to people's individual needs. The key is figuring out how to find out what those micro needs are.

**Dr. Sharon Livingston:** Right.

**Dr. Glenn Livingston:** I went off on a tangent. We were talking about how you use this survey with each of the, we are sending the survey analogy to multiple stores and multiple blocks and I was explaining that those represented different groups of lists. Which could be keyword lists, which could be email lists, could be phone lists, could be any media whatsoever.

**Dr. Sharon Livingston:** So how do you decide if you should enter the market in the first place?

**Dr. Glenn Livingston:** Whether you should survey the market or whether you should enter the market?

**Dr. Sharon Livingston:** Okay, both. That's a good question, I'm glad you rephrased it.

**Dr. Glenn Livingston:** It will probably make more sense if I finish talking about the different ways that the survey can tell you how responsive this market is going to be and what you can do with that.

**Dr. Sharon Livingston:** Okay.

**Dr. Glenn Livingston:** Then after that if you still want to know how I decide which markets are worth surveying, then I will be happy to tell you. It's actually a lot less complicated and a lot easier to find potential markets than most people think.

**Dr. Sharon Livingston:** Really?

**Dr. Glenn Livingston:** It really is, so I'll save that for the end.

**Dr. Sharon Livingston:** Okay.

**Dr. Glenn Livingston:** So we were talking about setting up the multiple stores and multiple blocks and really putting our researchers out across a, casting a wide net and then seeing how responsive each of the stores are on a percentage basis.

**Dr. Sharon Livingston:** Mmhmm.

**Dr. Glenn Livingston:** But what I also will look for is how engaged they are with the interviewer.

**Dr. Sharon Livingston:** Mmhmm.

**Dr. Glenn Livingston:** So I might ask them, what's your most important question about guinea pig health if that is what they were searching on?

**Dr. Sharon Livingston:** Mmhmm.

**Dr. Glenn Livingston:** Or if it were just a general guinea pig survey I would ask them; what's your most important question about guinea pigs. By the way, the really cool thing about that is when people give you an answer, they might say I want to know how long guinea pigs live. Well you start to know exactly what you need to speak to them about when you are selling to them.

**Dr. Sharon Livingston:** Right.

**Dr. Glenn Livingston:** But if you ask them why they were searching for it and in this example if a woman says; well I bought a hamster for little Bobby, you know, last year and the poor thing only lived seven months and Bobby was devastated. I just don't want to go through that again.

**Dr. Sharon Livingston:** Mmhmm.

**Dr. Glenn Livingston:** You've got a dramatically better to find advertising platform that you can sell to this woman with, knowing why she was searching, in addition to, what she was searching for.

**Dr. Sharon Livingston:** Because you can reassure her that guinea pigs live ten times as long or five times as long, blah, blah, blah.

**Dr. Glenn Livingston:** Yeah, and they do last longer.

**Dr. Sharon Livingston:** Mmhmm.

**Dr. Glenn Livingston:** Also, I forget whether we talked about this in another audio, so we will try to be brief about it. But even when people are engaged about a behavior, they could be engaged because they are enthusiastic about the topic they would engage with their mother in law about it.

**Dr. Sharon Livingston:** Mmhmm.

**Dr. Glenn Livingston:** Anybody that is willing to listen to them talk about guinea pigs, they would be willing to talk to.

**Dr. Sharon Livingston:** Mmhmm.

**Dr. Glenn Livingston:** You need to know whether they will engage in something, but that's necessary but not sufficient for purchase. You need to know is this information that they're really having a hard time finding so that they would pay for it.

**Dr. Sharon Livingston:** Mhmm.

**Dr. Glenn Livingston:** What's the difference between a price of entry benefit, which is information that they expect to find for free. Or information that might know a little bit about already but they are just trying to flush it out verses something that is really hard for them to find that they'd be exceptionally grateful if you gave them the answer to.

**Dr. Sharon Livingston:** So is this just information or is it also for products?

**Dr. Glenn Livingston:** Well no, this would be especially for products. If I were selling a *Ferrari*...

**Dr. Sharon Livingston:** Mhmm.

**Dr. Glenn Livingston:** It might be that everybody knows that the standard acceleration and wheelbase is of the newest model, but what's hard for them to find is exactly when the next model is coming out and what are the safety tests on it. With whatever you're selling, you're going to have what's going to be listed from these open ended questions; what's your most important question about a *Ferrari* and why were you searching for a *Ferrari*. There is going to be a list of designer features and you want to know how important each one of those desired features are and where are the market gaps in terms of people telling a story about those features.

**Dr. Sharon Livingston:** These are things that you ask in order to start thinking about what kind of messaging you want to prepare.

**Dr. Glenn Livingston:** Yeah.

**Dr. Sharon Livingston:** I see.

**Dr. Glenn Livingston:** Because if someone comes in and says I'm looking to find out when the next model *Ferrari* comes out and whether it is going to get more than a 9.0 in the consumer guide testing for safety. Then your sales letter can say, find out when the next model *Ferrari* comes out before anybody else does and see whether it made the critical 9.0 testing level.

**Dr. Sharon Livingston:** Uh-huh.

**Dr. Glenn Livingston:** You really just spit it back to them.

**Dr. Sharon Livingston:** Mhmm.

**Dr. Glenn Livingston:** Which is another element of human nature, by the way. It starts with children and children just loved to be mirrored. It's part of how people know who they are. When they have another human being feedback to them, their words and their emotions and their imagery. They're immediately bonded to that other person, because you've shored up their sense of self. That's why that works so well in a sale environment.

**Dr. Sharon Livingston:** I love it. That's great. So, we're doing the research to determine what the wants and needs are in the market.

**Dr. Glenn Livingston:** Mmhmm.

**Dr. Sharon Livingston:** To discover the language people use and you mirror them.

**Dr. Glenn Livingston:** Mmhmm.

**Dr. Sharon Livingston:** And then how else do we find the right message, besides the ones they use in the language?

**Dr. Glenn Livingston:** Well, you ask people if they're willing to give you their phone number.

**Dr. Sharon Livingston:** Mmhmm.

**Dr. Glenn Livingston:** You ask people if they're willing to give you their phone number as part of the survey and that's going to give you two opportunities. First of all, you want to look very carefully at the questions and concerns of people who gave you their phone number, because those questions and concerns are represented to the people who want more of a relationship with you.

**Dr. Sharon Livingston:** Mmhmm.

**Dr. Glenn Livingston:** And people that want more of a relationship with you are usually willing to spend more money.

**Dr. Sharon Livingston:** Got it.

**Dr. Glenn Livingston:** So you not only want to look at them like in a quantitative structural way on your survey, but you also want to call these people and talk to them and that kind of gets into the qualitative research audio that you and I did together.

**Dr. Sharon Livingston:** Where we talk about mood and tone.

**Dr. Glenn Livingston:** Yeah and by the way, in some of the sequences that people will be listening to this, that will be before and in some it, will be afterwards.

**Dr. Sharon Livingston:** Mmhmm.

**Dr. Glenn Livingston:** There will be a link on this page where this audio is to that interview if people want to listen to that.

**Dr. Sharon Livingston:** Very cool.

**Dr. Glenn Livingston:** Yeah. There are just one or two other things that I wanted to say about the survey and then I think we can wind down.

**Dr. Sharon Livingston:** Oh sure.

**Dr. Glenn Livingston:** I mean, unless you had more questions.

**Dr. Sharon Livingston:** I'm doing great.

**Dr. Glenn Livingston:** I'm not sure if I made it clear that you need to ask people how difficult the information has been to find. So you can figure out the point of difference versus the price of entry benefits. I also get an awful lot out of asking people how could I really knock their socks off.

**Dr. Sharon Livingston:** Mmhmm.

**Dr. Glenn Livingston:** Now, I've had several dozen students come back to me and say people in my market are annoyed by those kinds of questions. Well, okay. People are annoyed by going to the doctor to be diagnosed and examined. The fact that they are annoyed when they get asked the question doesn't mean that you won't get valuable information from it.

**Dr. Sharon Livingston:** Mmhmm.

**Dr. Glenn Livingston:** Even if only a small percentage of people will answer that, I find that it is well worth the cost of annoying a few people with that question to get the market to brainstorm for you because the collective wisdom of the market is so much more valuable than anything you'll ever come up with by yourself.

**Dr. Sharon Livingston:** Right, because we are so tied up in thinking that what we're selling is so terrific that we don't realize that we think it's terrific but it may or may not be terrific to our customers.

**Dr. Glenn Livingston:** It's real easy to get myopic.

**Dr. Sharon Livingston:** I just had this happen recently. We were doing a name project for a financial service and I came up with a name that I thought was really dynamite and we took it to consumers and they hated it. Totally, totally hated it and I thought it was brilliant. So, it's so easy for that to happen.

**Dr. Glenn Livingston:** Exactly. I remember that name also and I loved it also when you came up with it.

**Dr. Sharon Livingston:** Yeah, you have to be humble. {chuckle}

**Dr. Glenn Livingston:** Yeah. So that's basically what I wanted to get across. I'll ask demographics on a survey. If there are issues in that market that I'm aware of before hand, then I'll ask them so that I can examine them also. What I really wanted to get across is that if you break up your list appropriately and you ask people some core sets of questions that you can come up with indications of responsivity. Then you can kill the pathways that look like they are not going to be profitable right away. It makes it possible to go into a market that nobody else can get into because they don't bother to break it up like this and do this type of pre-testing.

**Dr. Sharon Livingston:** So is there anything else that you think people should know before we leave this idea of research on the net?

**Dr. Glenn Livingston:** Do you still want to know about how you pick a market to survey?

**Dr. Sharon Livingston:** Yeah.

**Dr. Glenn Livingston:** My customers tend to be people that are already established in a business and are looking to double it or triple it or expand it in some way they haven't done before.

**Dr. Sharon Livingston:** Okay.

**Dr. Glenn Livingston:** I get that question less often, so I that's why I put you off about it a little bit.

**Dr. Sharon Livingston:** Okay.

**Dr. Glenn Livingston:** What you want to know before you go into a market is there enough volume to make it worthwhile for your time and effort and especially for this method. This method works better in high volume markets because you're breaking things down into subgroups and surveys rely on the law of large numbers to achieve statistical reliability and reduce the margin of error. When you are breaking things down into smaller groups, you want those smaller groups to have large enough numbers.

**Dr. Sharon Livingston:** So you can read them.

**Dr. Glenn Livingston:** Yeah. So the small group findings will be stable also. So you need to have enough volume in the market and you can get an estimation of that at some

of the standard keyword research tools like [www.wordtracker.com](http://www.wordtracker.com) or there's a free one at [www.inventory.overture.com](http://www.inventory.overture.com).

**Dr. Sharon Livingston:** Mmhmm.

**Dr. Glenn Livingston:** You want to have an indication that people are actually paying money in the market and I used to worry and I would suggest if people are new at this that people go into a low cost market to start with. You know something that they can buy clicks for five or ten cents and only spend a few hundred dollars to do this kind of test.

**Dr. Sharon Livingston:** Mmhmm.

**Dr. Glenn Livingston:** And not expect to make more than a few hundred dollars a month off of that.

**Dr. Sharon Livingston:** To get their feet wet.

**Dr. Glenn Livingston:** To get their feet wet and kind of learn the process and get somebody coming in the door with this. The real power though is when you really understand how to do this, if there's a high volume market and people are spending a lot of money, then what you can usually do is, you can almost get away with having to put up a product of your own at all. Because people are already making a lot of money, there's a lot of products and a lot of people to make deals with that you can sell their products for them.

**Dr. Sharon Livingston:** Ah-ha.

**Dr. Glenn Livingston:** You can go out there and research the market and understand it better than anybody else does and then you just make connections for people. Instead of advertising a product, you advertise a newsletter or you make a set of audios kind of like what we're doing now.

**Dr. Sharon Livingston:** Mmhmm.

**Dr. Glenn Livingston:** And people will get very, very bonded to you because they feel totally understood like you are providing information that other people are not providing for them and when you're a trusted authority like that. Assuming you don't violate their trust, they will buy on your recommendation.

**Dr. Sharon Livingston:** Cool.

**Dr. Glenn Livingston:** When you add that kind of intelligence to a market, I think it's actually some of the easiest money that is out there now a days.

**Dr. Sharon Livingston:** That's really terrific. Did we leave anything out on this topic?

**Dr. Glenn Livingston:** Well the way you can find the amount of money being spent on the market is looking at the bid price at *Overature*.

**Dr. Sharon Livingston:** Uh-huh.

**Dr. Glenn Livingston:** Look at the fourth or fifth bid instead of the first bid. There's a lot more in the course, all about how to do that and a lot more of the metrics that we use and specific techniques and what not. No, I don't think I left out anything very substantial, in the way that I use surveys to evaluate the market.

**Dr. Sharon Livingston:** Well, another interesting little session with you, my dear.

**Dr. Glenn Livingston:** Well, thank you my dear.

*Thanks very much for your time and attention. If you would like to find out more about the Comprehensive Marketing Research System that I have used to succeed in market after market, please visit [www.PerrySentMe.com](http://www.PerrySentMe.com).*