COMMERCE 3MC3 - Finding Local Business Information - Video Transcript

Welcome.

This session will focus on research resources that should prove useful in preparing the marketing plan report for COMMERCE 3MC3.

The secondary sources highlighted in this session should provide some of the evidence needed to support the decisions and recommendations proposed in your marketing plan.

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The marketing plan for this course typically focuses on a real small business operating in a community within Canada.

Your marketing plan is expected to aid this business in making a decision leading to the implementation of a particular strategy.

To complete this assignment, you need targeted, localized information about companies, industries, customers, markets and trends.

This session will highlight key secondary sources in each of these general areas.

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As you search for localized information , you are likely to encounter a few challenges.

Adding the element of geography to any search topic will make it harder to find information.

This is especially true for small geographic areas such as a city or neighbourhood.

Local information is very specialized and costly to create, so it may not exist or be readily available.

National, provincial and global content is more prevalent, so if you can’t find exactly what you need for your geographic area, you may have to extrapolate information from these more broad-based sources and apply it to the local environment.

Most of the businesses you are working with are small and private and have no legal obligation to publically disclose their financial statements or report on operational issues.

This is also true for most of their competitors, all of which makes it more difficult to research the local market.

Although governments collect a variety of information from individuals and establishments, they are obligated to maintain confidentiality.

As such, you are more likely to find information at the aggregate level where anonymity is not compromised and identity is protected.

Again, extrapolation and deduction from general sources may be required for more granular insights.

In other words, know that the information you’re looking for may never have been gathered or posted and what you need may not always be in the most logical or obvious sources.

As a result, your search strategy should include some flexibility and creativity.

The resources discussed in the subsequent slides should help minimize some of these research challenges.

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Before we begin, know that all the resources discussed in this session (plus others) are listed and accessible from the research guide that the Library has prepared specifically for this course.

The course research guide for COMMERCE 3MC3 is available from the Library’s website.

The path to the guide and its URL are noted at the top of this slide.

The guide includes open access resources which are free and available to anyone, along with subscription resources that can only be accessed with your MacID username and password.

Remember that subscription resources should always be accessed through the Library’s website to ensure you are properly authenticated and to ensure you get full access to the Library’s licensed content.

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We’ll start by looking at some key company resources. They can help you answer questions such as …

* Who are the local competitors and where are they located?
* What is the size of the local market?
* How does my company compare to other companies in the industry?
* Have the number of companies in the industry changed over the last five years?
* What is the nature of the competitive environment?

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The Library’s best source for finding local companies is the Canadian Business Database.

It is our most comprehensive directory for Canadian companies. It includes small, private businesses, along with large publicly traded corporations in all industries.

A variety of search options are available, including company name, geography, business size, industry and more.

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To illustrate the directory’s functionality, let’s look for all the hair salons in Hamilton.

Selecting Advanced Search presents you with all the search options available in this directory.

You can search by one or more criteria.

In this case we’ll be searching by Business Type and Geography.

Note the variety of geographic levels in this category – you can search as broadly as province or as narrowly as street address.

In this example, we’ll be searching by city.

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Once you make your selections, you can input your search information in the relevant boxes.

In the business type category, which covers industries, the Keyword/SIC/NAICS option was selected.

I’ve decided to search by NAICS code, which refers to a number representing an industry in the North American Industry Classification System.

In this example, I’m looking for hair salons which according to NAICS is part of the beauty salons industry, and in this directory is represented by the 6-digit NAICS code of 812112.

If you’re not sure of your industry code, you can look it up by selecting the NAICS Codes link. If desired, you can search for several industry codes at one time.

In the geography category, city was selected.

I’m interested in Hamilton, Ontario so have made the relevant selections in that category.

Note that this directory lists the communities that make up the City of Hamilton separately, so if you want to include Dundas, Stoney Creek and Ancaster as part of your search, they have to be selected along with Hamilton.

Once the selections are made, click the View Results button.

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Our search generates a list of over 580 beauty salons located in the Hamilton area.

It is possible to change the sort order by clicking the column headings at the top of the list.

This list can be useful for assessing the local market size and the competitive environment.

To view a brief profile of each company, select the company name - in this case, we’ll pick Albert Snow Hair Design which is a small business located in Westdale near McMaster University.

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Each company in this database, whether it’s private or public, includes basic information about the company including location, business demographics, business expenditures and a competitors report.

For private businesses, such as this one, financial figures like sales volume are not actual numbers, but typically estimates based on a model developed by the publisher of this directory.

Nonetheless, these estimates and company details are valuable given how difficult it can be to find private company information.

Given the fluidity of the business population, you may notice some inaccuracies or omissions in the directory and that’s common for most resources of this type.

Although the directory is updated regularly, it won’t capture every change or move that happens with a business so be prepared to deal with some anomalies.

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Financial Performance Data is a government website that provides access to more than 1,000 industries across Canada, including more than 30 performance benchmarks to help small businesses determine how they measure up to their competitors.

Reports feature the number of businesses in the selected industry and geographic area and provide selected revenue, expense, profit and balance sheet items as well as financial ratios.

The data is created by Statistics Canada using a sample of Revenue Canada tax returns for businesses operating in Canada.

The slide displays an excerpt of a report for the beauty salon industry in Ontario comprised of businesses with revenues between $30,000 and $5 million.

This report can provide insight on the operations of similar sized businesses in your industry - from amounts spent in specific expense categories to the general health of the firms in operation.

Benchmarking can identify areas in which your business deviates from the relevant industry average, providing perspective and highlighting opportunities to make changes that may help grow your business.

For example, if other businesses in your category spend 3% of their revenue on Advertising and promotion and your business spends 1%, you may consider boosting spending for your business in this area.

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Another government source called Canadian business counts can be used to compare the number of active businesses establishments across industries, geographies, and employment-size categories, all of which can be quite specific.

With business counts going back to 1988 , this source can provide some insight into how the industry has changed in a particular geographic area over time.

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Here’s a table created from data retrieved from several editions of Canadian Business Counts.

It identifies the number of beauty salons in the Hamilton area over a 5 year period.

No text or analysis is provided, just numbers.

In this example we can see that the number of beauty salons in the Hamilton area have increased slightly over the selected time frame and the most common and consistent employee size range for locations with employees is 1 to 4 people – in other words, an industry dominated by small establishments.

These numbers can help you see past trends, but they can also provide some basis on which to make predictions or forecasts about the future of the industry and the businesses in it.

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These next set of sources can help you address economy and industry related questions such as …

* What is the economic outlook of the city, province and country?
* How is business and consumer confidence?
* What are the general trends and forecasts within the industry?
* What are the threats & opportunities in the industry?
* What are the service and product trends in the industry?

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The Conference Board of Canada is a Canadian not-for-profit think tank which researches and analyzes economic trends, organizational performance and public policy issues.

The eLibrary database provides online, full-text access to many of their publications.

The content in the Economic Trends section should be especially useful as it includes economic forecasts for Canada, the provinces and several metropolitan areas across the country such as Hamilton and Toronto.

Economic indicators, employment outlook, GDP outlook, employment, housing starts, real estate, and personal income per capita are typically addressed in these reports.

The publications in the Industry Sector Economics section examine the short- and medium-term economic and profitability outlooks for approximately 20 Canadian industries, one of which may apply to your company.

The indexes of consumer and business confidence can help gauge the overall health of the economy.

All of their analysis can help inform some of the proposals in your marketing plan.

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Although one of the best and most extensive sources of Canadian statistics is Statistics Canada, it can be challenging to navigate their website and to find the exact information you need. Often times the terminology used by the government may not be the most common or obvious words for a topic which can complicate retrieval as well.

Given these issues, a useful place to start looking for Statistics Canada research is at the Daily, the agency’s official newsletter. It profiles new statistical releases each weekday and supports keyword searching and browsing by subject, date and other criteria.

In this example, I’m looking for Daily articles using the keywords consumer spending. When an item is selected from the results list, you’ll see an article that includes some analysis, along with data tables, publications and additional information related to this statistical release or topic. In other words, the article pulls together the most current and relevant Statistics Canada information about a subject thereby facilitating research.

The article in this slide indicates that the Survey of Household Spending collects detailed information about household expenditures for a variety of consumer goods and services. This suggests that household spending rather than consumer spending is the preferred term for this topic.

Exploring the sources identified in this article may lead to more specific and detailed information about this topic – in this case I’m interested in spending by age, so select Household spending by age of reference person.

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By default, the table selected will only display a few statistics. Be sure to use the Add/Remove data button to view all the available options for that table and to select your geography, reference period, and variables.

If my company is a hair salon, I’d be interested in household spending for “Hair grooming services” and potentially “Other personal care services”.

Canada is the lowest level of geography in this table and the three most recent years of data available have been selected.

Looking at my customized table, I can see that people between 40 and 54 years of age spend the most on these services – which suggests that this may be a good demographic to target for my hair salon business.

Tables like this can help justify and support recommendations you may include in your marketing plan. Explore the related information links to build additional evidence for your report.

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Passport, produced by Euromonitor International, is a global market intelligence database that primarily covers business to consumer industries in over 200 countries, including Canada.

Expert analysts at Euromonitor compile statistics and reports on industries, consumers, companies, cities, countries (or economies) worldwide.

Content in Passport can be retrieved by inputting keyword(s) in the search bar, or it can be accessed by using one of the many drop-down menus available on the home page or main toolbar.

Displayed on the slide is the Industries menu with a list of industry categories covered in the database.

Each category will contain more specific industry reports for individual countries.

For example, Beauty and Personal Care includes separate reports on Hair Care, Men’s Grooming, Skin Care, Sun Care and other related topics.

Displayed is a typical country report for an industry in Passport – Hair Care in Canada.

It includes a mix of textual analysis and data, along with related statistics and reports.

These national industry reports usually identify growth drivers, the state of the current competitive landscape and trends in the market – insights which can all be incorporated into your marketing plan.

The Related section allows you to interact with the data by adjusting variables like time period and geography – ultimately creating a table of statistics customized to your specifications.

If you find an industry country report that is very relevant to your business, be sure to explore the Related Reports or Items section since it can lead to other useful information.

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One of the largest providers of industry information is IBISWorld.

This database covers all types of industries at a fairly narrow geographic level.

You can browse a list of U.S., Canadian and global industry reports or you can search for your keyword(s) across all reports.

Most of the reports for Canada and Ontario describe industries according to the 5-digit NAICS code in the North American Industry Classification System.

In IBISWorld, many of the most specialized industry reports are only available for the United States, but some of the content may still be applicable to the Canadian or local market.

If an exact industry report doesn’t exist for your business, be prepared to extrapolate the information from a related industry or market.

All industry reports in this database are written by expert analysts at IBISWorld and are updated at least once per year.

Each report consists of 30 to 40 pages of key statistics and analysis on market characteristics, current and forecast performance, products and markets, competitive environment, major companies, operating conditions, and more.

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These next set of sources will help you answer consumer and demographic related questions such as …

* Who are my customers?
* Who is the best customer for my product or service?
* What are my customers preferences and values?
* What are the population trends in my city or neighbourhood?
* What are my customer’s needs & demands?

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The primary source for socio-demographic data in Canada is the national census which is conducted every five years by Statistics Canada.

The last Canadian census was completed in 2016; the next one will happen in 2021.

The census typically collects information on a variety of topics including age, sex, education, families, households, income, labour and languages and is used by organizations for a number of reasons, including marketing.

Although 2016 data may seem too old, you can review these numbers along with previous census data to predict future population trends.

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What makes the census data so valuable for this course, is that the data can be retrieved at very granular geographic levels.

The easiest way to extract census data for a particular geographic area is to search by postal code.

In this example, I’m looking for census data for the Westdale area in Hamilton, Ontario.

I’m going to use the postal code for McMaster University to find all the census geographies that include that area.

As the results on the slide illustrate, census geography covers a wide range of geographic areas—from provinces and territories down to dissemination areas or blocks.

These geographic areas have definitions that can be found in the Census Dictionary.

In this example, we’ll look at a census tract which is defined as “small, relatively stable geographic areas that usually have a population of less than 10,000 persons.”

To find out which census tract includes our desired area, we can select the map links to view the geographic boundaries of that tract.

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Here is a map of census tract 45 which includes McMaster and parts of Westdale.

All maps can vary in scale and size. You can also enlarge the maps to get a closer look at the boundaries and street names.

You may discover that you need to look at more than one census tract to cover your area of interest, or you may want to switch to a different level of census geography to cover the desired area.

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Once you’ve settled on a geographic level, you can see all the census data related to that area presented in a table. Use the drop-down menu to pinpoint data for specific topics.

Some data can be charted and geographical hierarchies reviewed by selecting the buttons at the top of the table.

What’s nice about the census is that you can piece together various geographies to get the data needed.

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Passport, mentioned earlier, is also a rich source of data for global demographics and consumer related reports.

Select Consumers from the main toolbar and explore the options in that menu.

For example, Lifestyles leads to a variety of Canadian reports on consumer types, values, and behaviour all of which may help you better understand how to target customers for a particular product or service.

Although the consumer content is nationally focused, it may still have some relevance for the local market.

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For more geographically granular lifestyle information try the PRIZM website which classifies Canada's neighbourhoods into 67 unique lifestyle types with catchy names such as Indieville, Backcountry Boomers and Mid-City Mellow.

Enter any Canadian residential postal code (perhaps one near your business location) to identify the dominant lifestyle types that makes up a neighbourhood.

Each lifestyle profile includes demographic, behavioural, financial, health and psychographic insights. Knowing where your customers live, who they are, how they think, and how they live, can help you determine how best to market products and services to them.

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More demographic and psychographic information on consumers can also be found in e-books available through the Library’s catalogue, albeit many are focused on the U.S.

Even so, understanding the general interests, habits, opinions and attitudes of customers in a particular generation or society outside your geographic area, may still be relevant for you local marketing strategy.

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For your marketing plan, you may need to research questions such as …

* What advertising channels are available in my target market?
* What are the most effective methods for promoting my product or service?
* How does media usage (internet , radio, magazines, newspapers, TV)?) vary by generation?

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Statista is a database that contains over one million statistics on thousands of topics from a variety of reputable sources – some of which are publicly available and some of which are proprietary.

Find statistics using the search bar, or browse the categories in the drop-down menus.

The Statistics menu includes a section on Media & Advertising which should be especially useful when developing the marketing and sales strategy for your business.

Some of the data may help you identify which media channels would be most effective for your target market.

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The sample statistic on this slide illustrates the default display for most statistics found in Statista.

The presentation of statistics and data points can often be adjusted by selecting the gear icon.

The source and details of the statistic are clearly identified and links for further reading are typically included.

Several download options are also provided.

Statista is a user-friendly database whose content should be helpful for many aspects of your research.

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CARD is a website that lets you identify various media advertising channels available in a particular geographic market in Canada.

Media categories include magazines, newspapers, radio and television.

For example, to find all the radio stations serving the Hamilton market, search for the category radio and limit results to the Hamilton market to identify them by name.

Once a name is known, you can contact or research the media company to learn more about its advertising rates and data.

This information could help with media planning decisions in your marketing report.

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Your business operates in a community, so it’s useful to have an understanding of local issues and news such as …

* What political, legal & regulatory issues are affecting the city, business or industry?
* Is the government offering any incentives to small business?
* Are there any events in the community that would be of interest to local business?

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One of the best sources for local information is the local news outlets in that area.

Local reporters can usually cover the local scene better than those who are focused on national and international stories.

Local news can be a rich source of information about issues, events, and other activities that are affecting the city, its residents and businesses.

The Library has full-text online access to many local and national newspapers from around the world in databases such as CPI.Q, Factiva and Nexis Uni.

These news databases can be used to search for information about your company, its competitors, the industry and other related topics.

A sample of some Ontario newspapers available in these databases are listed on the slide.

The titles can be searched separately or simultaneously and include today’s news, along with articles dating back to the mid 1980s.

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Here’s a sample free-text or keyword search for news in Factiva.

Input your keywords and pick from a variety of limits including date, sources by country, industry, region and more.

In this example, we’re searching for our keywords in the Canadian Beauty/Personal Care industry in Canadian news sources published in the last two years.

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Here’s a sampling of news articles from Factiva that touch on issues and trends in hair salons along with one that profiles a specific local business.

News sources can provide content, context, ideas and leads for further research and exploration.

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It’s also worthwhile to make use of local community and business supports to gain insights into the issues facing residents and businesses in the geographic area.

Organizations that would be useful and are common in most cities are Chambers of Commerce, convention and visitor bureaus, economic development organizations, municipal governments, non-profit organizations and local chapters of national trade associations.

To find these organizations in your geographic area, try an Internet search engine or a city directory.

Most of these organizations will have websites that provide information on the key research categories that have been discussed in this session such as company listings, business issues, economic and industry info, market data, demographics, quality of life and local issues.

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If you’re feeling overwhelmed, know that Library staff are here to help.

If you have questions about your research or about access to these resources, select the Get Help option from the toolbar on the Library’s website.

Several choices are displayed on the help page, including email, phone, face-to-face and live chat.

It’s best to check the website for latest service hours and contact details.

Thank you for your attention and good luck with your research!