# **Market Research: Definition**

## **What Is Market Research?**

Market research is the process of determining the viability of a new service or product through research conducted directly with potential customers. Market research allows a company to discover the [target market](https://www.investopedia.com/terms/t/target-market.asp) and get opinions and other feedback from consumers about their interest in the product or service.

**Definition**

Market research is defined as the process of evaluating the feasibility of a new product or service, through research conducted directly with potential consumers. This method allows organizations or businesses to discover their target market, collect and document opinions and make informed decisions.

Market research can be conducted directly by organizations or companies or can be outsourced to agencies which have expertise in this process.

The process of market research can be done through deploying [surveys](https://www.questionpro.com/blog/surveys/), interacting with a group of people also known as [sample](https://www.questionpro.com/blog/sample/), conducting interviews and other similar processes.

Primary purpose of conducting **market research** is to understand or examine the market associated with a particular product or service, to decide how the [audience](https://www.questionpro.com/audience/) will react to a product or service. The information obtained from conducting market research can be used to tailor marketing/ advertising activities or to determine what are the feature priorities/service requirement (if any) of consumers.

This type of research can be conducted in-house, by the company itself, or by a third-party company that specializes in market research. It can be done through surveys, product testing, and focus groups. Test subjects are usually compensated with product samples and/or paid a small stipend for their time.