

Market Research

Market research helps you to have a clear picture of where your business fits into the overall market.

Basic market research is essential for any childcare business and must be updated regularly to ensure that the service you are providing is meeting the needs of your customers – the families who use your setting.

It helps you to see where there are gaps in the availability of childcare services in the area, which you may be able to fill.

What do you need to know?

- How many service users (families) in the area need childcare? Are there any local businesses whose staff may need childcare near their place of work?
- What other childcare services are there in the area?
- What type of childcare do the families need? (Part time or full time, out of school, holiday clubs?)
- What your service users think about price, quality and flexibility of the provision?
- How many children in your area are eligible for your childcare service?
- The birth rate and age range of children living in the area.
- Which other settings are in the area.
- Number of childcare places and surplus capacity in the area.
- Any planned new housing developments.
- Businesses moving in or out of area.
- Any other settings about to open or close.
- Provision available through the Children's Centres.

Some of this information is already available through existing research such as local childcare sufficiency audits or via websites such as www.neighbourhood.statistics.gov.uk.

Once you have collected all this information you will have a better understanding of the demand for childcare places and whether you are able to meet this need.

Service User Surveys

As well as gathering information from the wider area, it is important to consult with your existing service users on a regular basis. This can be done informally through talking to them or by asking them to complete a short survey to find out what it is they like about your service and areas that they would like improved or changed.

When creating a survey

- Include a short explanation of why you are asking their opinions.
- Try to include questions that only need a “Yes”, “No”, or “Don’t know” answer. Alternatively offer a grading system from “poor” to “excellent”.
- Keep it short and simple – avoid using jargon.
- Include a space for additional comments – positive comments can be used as quotes in future advertising.
- Include your setting’s name and logo.
- Thank them for completing the survey. Explain how their responses will influence the way the setting is run.

Remember to update your market research on a regular basis and to be constantly aware of external factors such as a new setting opening in the area or a large business closing, which may have an impact on the service you provide. Once you have completed your market research, you should be able to identify any improvements you need to make and how best to publicise your setting.