

The Forecasting Euphoria

By [Lehan Stemmet](#)

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"My gosh! We're going to make millions man! Gazillions I tell you! Just look at this. Look at these figures. There are 43 million people in South Africa... I'm telling you man, we are going to retire next year..."

OK, maybe a bit exaggerated, but be honest now, how often have you sat in a meeting with somebody who is overly excited about a star idea, a product, a service, whatever and your mind goes: "mmmmm, r-i-i-ght brother, you believe that." Or, how often have you been the excited one and only blank faces look your way in reply to your excitement.

It sure ain't nice when you are at the receiving end of "well, we're just not as excited as you are buddy," and as much as it's enough to drive you completely insane when others don't see what you see, maybe, just maybe that should be your cue to do some proper research into the marketability of this product, service or idea that's got you going all moggy.

I distinctly remember this kind of thing playing off more than once. Someone has an idea for a product or new service... a very unique and exciting idea. Whether this person or department is based in your country or elsewhere overseas is not important. You thumb suck an apparent market segment, which means you'll thumb suck the apparent buying power in this thumb sucked market segment, which means you have also, inevitably, thumb sucked their demographics, LSM groupings, etc.

This also means that your sales target is going to be completely wrong and your marketing budget, well, let's just not go there right now. OK, so it takes a helluvalot of effort to put together a project to research your new service, idea or product's marketability and potential value, like any MBA or business graduate will most probably tell you in all sorts of clever terminology.

Never mind feeling that you will loose too much time if you don't strike now, while the iron is still red hot. Cool, you can strike as much as you like while the iron is still hot, but uhm, one little snag though: do you know what kind of steel you're using, what you're going to make, how you're going to shape it, etc? And thereafter? Are you going to sell it, give it away as a present, mass produce it, employ craftsmen to make it, etc, etc, etc.

Often the only thing that follows this and all your hard work to get the product out there without proper, and I mean P-R-O-P-E-R, research is disappointment and lots of accusations and finger pointing. You have to ask yourself: "Is this really the kind of outcome I want, just because I was in a hurry to get things done... and not done properly? Is this the kind of outcome I want after being so excited?"

You see, we all, well, most of us in business know that nothing substitutes proper research, the good old SWOT analysis,

Benchmarking, Market Research, etc, but when it comes to crunch time and the pressure of getting done what you want to get done, those good old faithful things ricochet off the proposals and business plans.

Imagine your idea was to harvest, process, manufacture, import and distribute some sort of exotic new hot chocolate from some weird destination elsewhere in the world where iguanas still roam freely and tyrannosaurus rex still runs after brontosaurus hatchlings. It's a really unique and scarce product. You reckon: "43 million potential buyers in South Africa... hell, we're gonna coin it!"

The following is hypothetical and possibly over pessimistic, but have you considered the following about your 43 million strong buying power:

- 1) 30% of those are kids and don't earn a salary.
- 2) 10% may not like hot chocolate.
- 3) 15% live in places where it's just too damn hot to drink hot chocolate.
- 4) 5% don't have running water to make hot chocolate.
- 5) 5% don't have kettles or any means of heating up water or milk.
- 6) 10% are on diets, so hot chocolate is a big no-no.
- 7) 1% fight for the protection of the environment - so for you to go and stuff up the last truly natural outpost where dinosaurs run freely just so you can get hold of your scarce hot chocolate, is highly in conflict with their views.
- 8) You wanted to use the TV and Radio as an advertising medium - but 15% of the 43 million people you want to reach don't have electricity.
- 9) 2% will simply not buy your product because it's priced too high
- 10) 15% are brand freaks - they will stick to their trusted brand, come hell or high water
- 11) and so the list goes on...

So based just on the above you have already cut your 43 million in half, or so. Thereafter you have even more facts to consider - the smaller intricacies, but that's a topic completely on its own. The purpose of this article is not to demotivate you or to leave you feeling completely overwhelmed with the thought of going through all the schlep to get all of this info, after you've been so excited about your latest brainchild.

Imagine planning to have a baby, you know, a sweet little baby to brighten up your life. Shouldn't you at least read one book or speak to a couple of people who know about raising a baby before you endeavour on such an exercise? Surely you need to find out what this new born needs, etc?

The very same goes for your latest brand-child... unless you don't want it to see toddler hood and its teenage years. Contrary to the popular believe that research wastes time and money is the underlying absolute need for it. Yes, like with DNA analysis used in Criminal Court Cases, you will obviously still be bugged with the ever looming "reasonable doubt" but also - just like with the use of DNA analysis in Criminal Court Cases - you will notice that it's used to lessen reasonable doubt, not completely expel it.

Even if you could go and research every single one of the 43 million people you want to pitch your product to, there will still be marginal variables you will have absolute NO control over, like: Simon saying he'll buy your product just to get your data collector off his back, or Patsy will give birth to a young boy the night after you questioned her (now you're on 43 million... and ONE people).

Yup, you will never get it 100% perfect, but at least you will lessen the chance of stuffing up your (your company's) dream completely, just because The Forecasting Euphoria of an apparent market got hold of you...

ABOUT LEHAN STEMMET

Lehan Stemmet is one of those rare people who studies one thing and ends up doing something else. His brother reckons: Shrinks are mad, Scientists are eccentric, Marketing people are dilly and Authors just completely lost touch with reality... so much can be said about this young bloke who studied biochemistry, microbiology, psychology and industrial psychology, who ended up in marketing and well, who got his first book (Deal With It - emotional empowerment) published in the USA.

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