Research Strategy for Doing a Company and Industry Analysis

Start with the Big Picture. Gather Industry profiles. Industry overviews from S&P NetAdvantage, IBISWorld, and BMI Research examine current market forces, analyze performance, identify recent trends and provide aggregate financial data and forecasts. You can quickly get an overview of the industry with these surveys.

Define the Industry. After you have read the surveys, you want to set boundaries on the scope of your industry. Set geographical limits here if appropriate.

Immerse Yourself in the Industry. Find the demographics of how the industry operates (revenues, market share, growth rates, etc.). You will have some of this data from your big picture sources but fill in the gaps and check current conditions.

Supplement your industry profiles with news on the industry from trade journals and business magazines. Trade journals, magazines written for practitioners in an industry, cover trends and offer analysis from industry insiders. Use business news databases, Business Source, ABI/INFORM, and Factiva to update your industry profiles with the latest analysis.

Look for reports from industry associations. Associations monitor industry trends, collect industry data and promote the interests of their members. Use the database Statista to find data and reports from trade associations, government agencies, and market research companies.

Your goal here is to learn as much as you can about how the industry operates. Gather alternative viewpoints with multiple sources.

Research Your Company and Its Competitors. Use the company website strategically. At Investor Relations you will find transcripts, PPTs and/or webcasts of management presentations at various investor events. These can be bank-sponsored Conferences that focus on various industry sectors or a company sponsored Analyst Meeting. Most companies schedule conference calls (also called earnings calls) to discuss their quarterly earnings and to report on important transactions like a merger or acquisition or change of management. Large institutional investors and financial analysts listen in to the webcast and can ask questions. What you find in the conference call is insight from management. The CEO and CFO will offer details about the company's financial performance and discuss the factors influencing those results. They will give their appraisal of current industry trends and often outline the company’s response to these conditions with short- and long-term strategies. If transcripts aren’t posted on the website, find free transcripts of earnings calls at the website Seeking Alpha or go to the Wasserman Trading Floor and use FactSet or S&P Capital IQ.

Start at the company website but don't stop there. Read the company's 10-K report to the SEC. Companies describe the competitive environment and list their top competitors in their 10-K report. They describe their business, products and brands and discuss strategy in Item 1 of the 10-K. They evaluate the environment and identify risk factors in Items 1-A and 7-A. You can find a narrative explanation of a company’s financial performance in Item 7 of the annual report entitled, “Management’s Discussion and Analysis of Financial Condition and Results of
Operations.” MD&A is management’s opportunity to provide investors with its view of the financial performance and condition of the company.

Many databases offer profiles of public companies. Thomson ONE and Mergent Online profile companies with an emphasis on financial data. ValueLine and S&P Equity Reports (found in the database S&P NetAdvantage) offer investment analysis.

Use the Wall Street Journal to get a timeline of company events over the last year. The Wall Street Journal is online in Factiva and ABI/INFORM.

**Look for Expert Analysis.** Find bank analysts' reports in Bloomberg (in the Wasserman Trading Floor). These reports identify strategic issues as well as provide financial analysis and forecasts.

Look for market research reports in Passport, Mintel Academic or Gartner. Market research firms gather competitive intelligence for their clients. Their research reports can include: analysis of market trends, market share and market size data, distribution channels, brand and product information, demographics of consumers (and sometimes life style information), forecasts, and alternative industry scenarios.

**Supplement with a Google Search.** Be strategic when using Google. Google is not a good first place to search. Use it when you need to fill in gaps, find a report referenced in a news article, or find reports from government agencies, think tanks or consulting firms like McKinsey or PwC. Focus your Google searches by looking for websites in the .org or .gov domains (combine your search terms with site:.org or site:.gov). Always evaluate information found on the web. Ask yourself these questions: Is the source credible? Who wrote the report and what audience are they targeting.

**Analysis. Read and Evaluate.** Now you are ready to bring your team together and use the information you have gathered. If you are doing a SWOT, a Porter “Five Forces” analysis or a Value Chain analysis, here is where you must interpret and synthesize all the information you have gathered. Look for evidence that supports your claims. Be careful to question your assumptions and validate your results.

If you find gaps or questions unanswered, do more research. News databases like Business Source, ABI/INFORM, and Factiva are often useful at this point. Be creative - try new search terms or new databases.

**Get Help**

At any point, if you need research help, make an appointment with a librarian or send us an Email from the “ASK A LIBRARIAN” form on the Library’s website. You can also contact me directly at louise.klusek@baruch.cuny.edu