
BRASS Program

Not Elsewhere Classified: Researching New and Niche Industries

BRASS 2015 Program Committee

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*Presented at the American Library Association
2015 Conference, San Francisco, June, 2015.*

The Business Research and Services Section (BRASS) 2015 program was directed to business research professionals who may be stymied by researcher requests related to newer or niche industries. In a stimulating ninety-minute session, two top research professionals informed, confronted and engaged their American Library Association (ALA) audience with their well-paced array of smart search strategies and sources designed to meet industry challenges. The presentation was effective in identifying research workaround strategies and tying real industry problems with practical, on-the-job solutions.

The material provided here and the bibliography of sources may serve as additional resources for emerging industry queries of library users. The BRASS program presentation is available via this ALA conference website (<http://alaac15.ala.org/node/28603>).

The Business Reference and Services Section (BRASS) 2015 Program, “Not Elsewhere Classified—Researching New and Niche Industries,” was designed for librarians seeking to support entrepreneurs, business students, clients, and researchers who are interested in industries that are just beginning to develop or are exploring an untapped market that falls within the cracks of the larger, more established industries. As experienced business research professionals working with both start-up and venture capital clients, presenters Laura Young and April Kessler of Bizologie in Austin, Texas, are at the cutting edge of research on emerging industries and novel business ideas. In an engaging presentation, Young and Kessler shared their experiences and challenges associated with researching new and niche industries, and provided their expertise in solving these problems with smart search strategies and sources. A bibliography of recommended readings accompanies the program summary.

Why is the study of nascent industries challenging to librarians? The BRASS Program Committee 2015 met this topic head-on in its monthly meetings before program launch. Some of us took an opportunity to delve into research and were not surprised to read, “The emergence of new industries is an important phenomenon that remains relatively neglected by researchers,” as stated by Forbes and Kirsch.¹ Our focus became how best to research an entirely new industry, an emerging industry, or a niche industry. We used these terms with a particular equality between them because traditional industry classifications, including the North American Industry Classification System, whose purpose is “to organize information through the systematic and standardized grouping of data by economic activity,”² remain unable to capture the characteristics of the emerging or

non-traditional industry; and, so, we refer to the terms interchangeably here.

Investigating a nontraditional industry may be as challenging to the researcher as it is to the librarian who shepherds that research, since “emerging industries by definition entail the transformation of traditional industries by responding to new market demands and exploiting new key enabling technologies.”³ With librarians all having their own views on how best to approach emerging industries, and the committee wanting to provide some outside opinions, we invited Bizologie to present at the BRASS 2015 program.

SPEAKERS’ PROFILES

Laura Young, Founding Partner and CEO at Bizologie, and April Kessler, Partner and Chief Research Analyst at Bizologie, presented in tandem. Before starting the company, Young spent seven years leading the research department at Austin Ventures, four years at The University of Texas at Austin’s Perry-Castañeda Library, and seven years as a Walt Disney World guest services supervisor. Kessler’s experience includes working as a research analyst for a venture capital firm, eight years as the Business Librarian at The University of Texas Libraries, and nearly ten years of experience in marketing and public relations. April earned a Master in Information Studies from The University of Texas and a Master in Business Administration from Wichita State University, and teaches a Competitive Intelligence course at The University of Texas at Austin School of Information.⁴

THE PROGRAM

At the BRASS 2015 program, Young and Kessler shared their expertise in business research and competitive intelligence, giving the audience the inside scoop on how Bizologie handles research. As a firm that often works either with venture capital firms considering start-up investments or the start-ups themselves, Bizologie faces the challenges of new and niche industry research on a daily basis. In their work, Young and Kessler dig up information and insights on emergent technologies and evolving business ideas that fall outside of traditional industry frameworks. To build an understanding of a new and niche industry for start-ups and their investors, they pull together a variety of information, including total addressable market, competitors, customers, funding, and social, legal, and political issues. Drawing from these experiences and capturing the audience’s attention with an engaging, conversational style of presentation, Young and

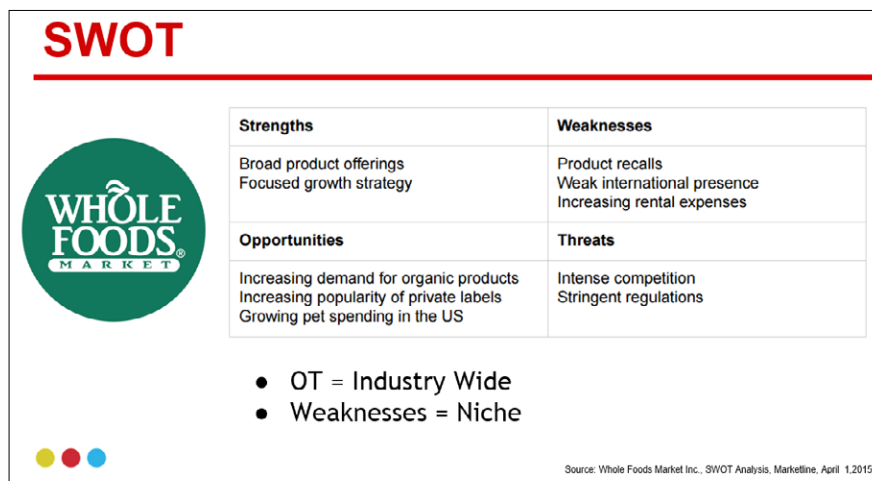


Figure 1. Using a Public Company’s SWOT to Indicate Broader Industry Characteristics (Source: Laura Young and April Kessler, “SWOT,” in *Not Elsewhere Classified: Researching New and Niche Industries*, June 29, 2015, accessed August 31, 2015, <http://alaac15.ala.org/node/28603>).

Kessler provided a general outline for tackling the toughest research questions encountered when researching new and niche industries and shared specific tips and tricks they have picked up over time.

Throughout the presentation, the pair emphasized creative and practical approaches to solving research challenges inherent to new and niche industries. For example, a first step is to explore related industries via a proxy company. By selecting a public company as proxy, they avoid the often fruitless search for information that may or may not exist. Because publicly held companies are required to report financials, a public proxy company provides a starting point that is guaranteed to lead to further information that can be creatively applied to a new or niche industry. At Bizologie, Young and Kessler look for companies that have the same (or similar) competitors, industry, customers, or monetization structure. Information uncovered allows them to build out a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis for their client, and the Opportunities and Threats portions point to industry-wide competitive factors that the proxy company faces. They also noted that the Weaknesses of the specified proxy company can be useful in identifying a niche opportunity (see figure 1). Young and Kessler mentioned that it may be appropriate to select multiple proxy companies to represent different aspects of a business.

Young and Kessler reminded the audience to “think adjacent,” and to search for companies and industries that operate near the target market rather than looking for an exact match. This approach aids in overcoming the research challenge of trying to fit a new or niche industry into the existing framework and, instead, leverages the information available within that framework to make educated guesses about the emerging industry. An example they gave was to identify an annual report of Fitbit to mine for information on diet, fitness and gyms, and pedometers. The “think

adjacent” approach also helps to expel any assumptions that a new or niche company does not have a competitor. Every company is competing against others, directly or indirectly, they stated. For example, a start-up in search of funding competes against other companies also looking for firms that might invest. Young and Kessler suggested exploring who is funding which emerging companies, searching for who is providing legal representation for deals, scanning executive biographies, and combining all of this information to identify which venture capital firms to best target to get an edge on the competition. Another example of this type of creative thinking includes searching for customer information in adjacent industries. For instance, a jet owner is a likely consumer of other luxury goods, such as art, travel and jewelry, so an investigation of all of these markets can contribute to a thorough understanding of new or niche industries that target high-spending customers.

Given the variety of information of use in non-traditional industry research, Young and Kessler cited and recommended a wide range of sources throughout their presentation. They noted that social media contains beneficial sources, including Twitter, Facebook and LinkedIn, as well as related tools such as Hootsuite and Twitonomy. Companies on social media, plus individuals involved with these companies, can provide clues that shape an understanding of a non-traditional industry. Trade associations, including the National Grocers Association and the National Collegiate Athletic Association, and forums, such as Stack Overflow, are also rich sources of industry information, supplying market research, surveys and industry chatter. These groups vary on the degree to which they share trade resources with those outside of their membership. Young and Kessler pointed to a range of options: Some associations require a paid membership for full website access; others make reports available to individuals willing to register with an email address; and, still others fall into the “freemium” category, which includes resources with a mixture of free and paid information, such as bizjournals, the online media division of American City Business Journals; eMarketer, the online digital research platform; and, Statista, the vast, online statistics portal. Completely free resources that Young and Kessler mine for information include CrunchBase, an online start-up directory that covers companies, funding and people; FormDs.com, a site that uses Securities and Exchange Commission filings to track investments into start-ups; Indeed.com, a job site with position postings that can be analyzed for company trajectory and growth indicators; the PwC/NVCA MoneyTree, which reports on venture capital investment activity; and ThomasNet, an online source for supplier and product sourcing information. They highlighted numerous paid resources as well, including Factiva, a business news and information resource from Dow Jones and Company; market research providers Frost and Sullivan, Gartner, and Market Research.com Academic; financial information databases, mentioning S&P Capital IQ from McGraw Hill Financial

and Thomson ONE from Thomson Reuters; and, analysts’ reports from investment banks.

As Marydee Ojala says, “Expertise lies not only in constructing elaborate strategies that take advantage of all the bells and whistles on offer but also in knowing when to simplify the statements to meet actual search needs.”⁵ Likewise, Young and Kessler revealed that they do not rely on the above-mentioned sources alone. They are able to uncover a wealth of information freely using Google. By employing advanced Google searching techniques, they find valuable industry information buried deep in the standard search results. Ideas the two batted back and forth include using Google News and Google Alerts to automate their search process and bring industry news of interest to their immediate attention. To focus on research from US government sites, the pair recommend including “site:gov” in the search query; to limit by specific formats, use “filetype:ppt,” filetype: pdf,” or filetype:xls.” These advanced Google techniques work best if this question is asked first: “How do people deliver this type of information?” For example, market share is often delivered visually, so a Google Images search is preferred over a standard Google search for this type of information.

Librarians in attendance reacted positively to Young and Kessler’s innovative suggestions for researching new and niche industries, and the two were asked many questions near the end of the presentation that continued the engaging discussion. For example, they were asked about their use of NAICS or Standard Industrial Classification (SIC) codes in their research activities. At Bizologie, they find NAICS or SIC codes useful when working with their venture capital clients focused on more established industries but, most often, rely on keywords or a combined codes-and-keywords approach for emerging industries, similar to some database techniques.⁶ They mentioned going through multiple iterations of a search to ensure they are not missing anything.

Other questions indicated librarians’ interest in learning more about Bizologie itself. Librarians were curious about the software they use and how they deliver information to their clients. Young and Kessler explained that they use Google Docs during the collaborative research process and Microsoft Word to create final client reports, which are modeled after and styled to resemble investment bank reports. For supplementary files, the two use Microsoft Excel and PowerPoint. Another question asked the pair to identify Bizologie’s competitors in the industry of business research. Young and Kessler responded that, as a small but growing independent research firm, Bizologie competes with fellow members of the Association of Independent Information Professionals (AIIP) and small research companies in their local area, as well as big research firms and the in-house research departments of larger companies. The final question and answer highlighted that Bizologie itself is a company operating in a niche industry, underscoring that Young and Kessler are truly embedded experts in the topic of new and niche industry research.

SUMMARY

The BRASS 2015 program was directed to business research professionals who may be stymied by researcher requests related to newer or niche industries. In a stimulating 90-minute session, two top research professionals informed, confronted and engaged their ALA audience with their well-paced array of smart search strategies and sources designed to meet industry challenges. The presentation was effective in identifying research workaround strategies and tying real industry problems with practical, on-the-job solutions.

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References and Notes

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2. PwC, "Emerging Industries," Report on the Methodology for Their Classification and on the Most Active, Significant and Relevant New Emerging Industrial Sectors, Version 1.3, extension of the European Cluster Observatory, Promoting Better Policies to Develop World-class Clusters, in Europe Contract N°71/PP/ENT/CIP/11/N04C031 Work Package 3, Deliverable 1 (Luxembourg: PwC, July 2012): 13, https://ec.europa.eu/research/industrial_technologies/pdf/emerging-industries-report_en.pdf.
3. *Ibid.*, 46.
4. "Meet the Team," Bizologie, www.bizologie.com.
5. Marydee Ojala, "People-Finding on the Web," *Online Searcher* 39, no. 4 (July/August 2015): 67, www.infoday.com/OnlineSearcher/Issue/5440-July-August-2015.shtml.
6. "For some industries, particularly those undergoing rapid change or ones too small to rate their own code, descriptive words are the better approach. Suppose you were looking for emerald mines. The closest NAICS code, 212399, concerns gemstones; emeralds are not mentioned. EBSCO Business Source Premier, however, supplies 'Emeralds' and 'emerald mining' as a thesaurus term." Marydee Ojala, "Mining Industry Data: A Checklist Approach," *Online Searcher* 37, no. 1 (January/February 2013): 68–69, www.infoday.com/OnlineSearcher/Issue/3612-January-February-2013.shtml.