Market Analysis

Let's get to know our customers

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Lesson's objectives

At the end of this lesson, the participant will:

- Know who their customer/end user is and how they behave.

- Have selected a market segment.

- Know the value they offer to their customers/end users.

- Differenciate from competitors

Contents

- The customer, the big unknown.
- How to conduct a primary market research.
- Customer/End user profile.
- Competitors.

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Lets go!

Market Analysis

(Let's start talking about our clients)

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What is the singular necessary and sufficient condition to have a Company?

Target Customer Segment

Group of potential customers who **share many characteristics** and who would all have **similar reasons to buy** a particular product/service.

Autlet, Bill (2013) "Disciplined Entrepreneurship" Ed. Wiley. P. 32
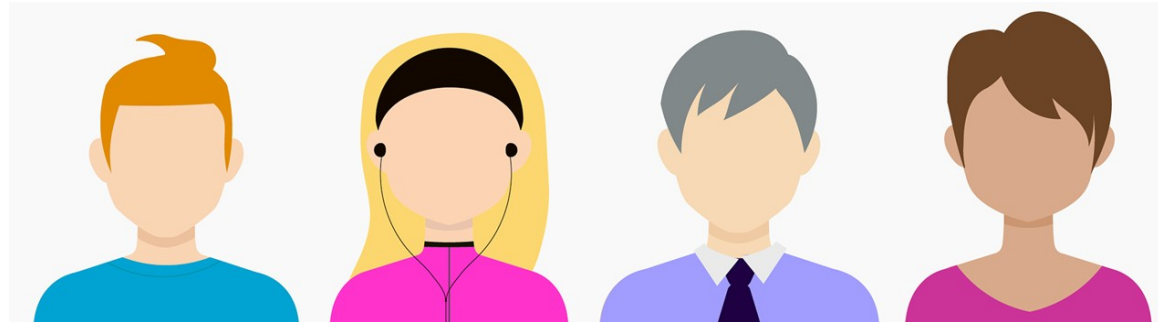
Common pitfalls

- Selling to everybody.

- The China Syndrome.

By Elliot Brown via flickr (CC BY 2.0)

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What is market segmentation?

Systematic categorization of potential markets for your business idea.

Amazon initial market

- All people who can read
- and buy books
- and have access to the internet
- and use the internet frequently
- and shop online
- and don't have the time or desire to go to the bookstore
- or they **don't want to wait** when they order a book that they can't find in their locality

The beachhead market

By The US Army via flickr (CC BY 2.0)

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Market Segmentation

1. Brainstorm
   - Identify potential customers.
   - Subdivide each customer group into market segments.
   - List people who might benefit from your idea because they have a pain you are going to solve.

Market Segmentation

2. Narrow
   - Well funded?
   - Accessible?
   - Compelling reason to buy?
   - Can you deliver?

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Market Segmentation

3. Primary market research
   - Go out of the building
   - And talk to potential customers.

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Your Goal: To **learn** from them

Homework: Market segmentation

1. Brainstorm
   - Potential customers.
   - Market segments whiting those customers.
   - List people who might benefit.
2. Narrow

Coming next...

Go out of the building!

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Interviews

(Go out of the building!)

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"Customers don't care about your solution.

They care about their problems."

Dave McClure, 500 Startups
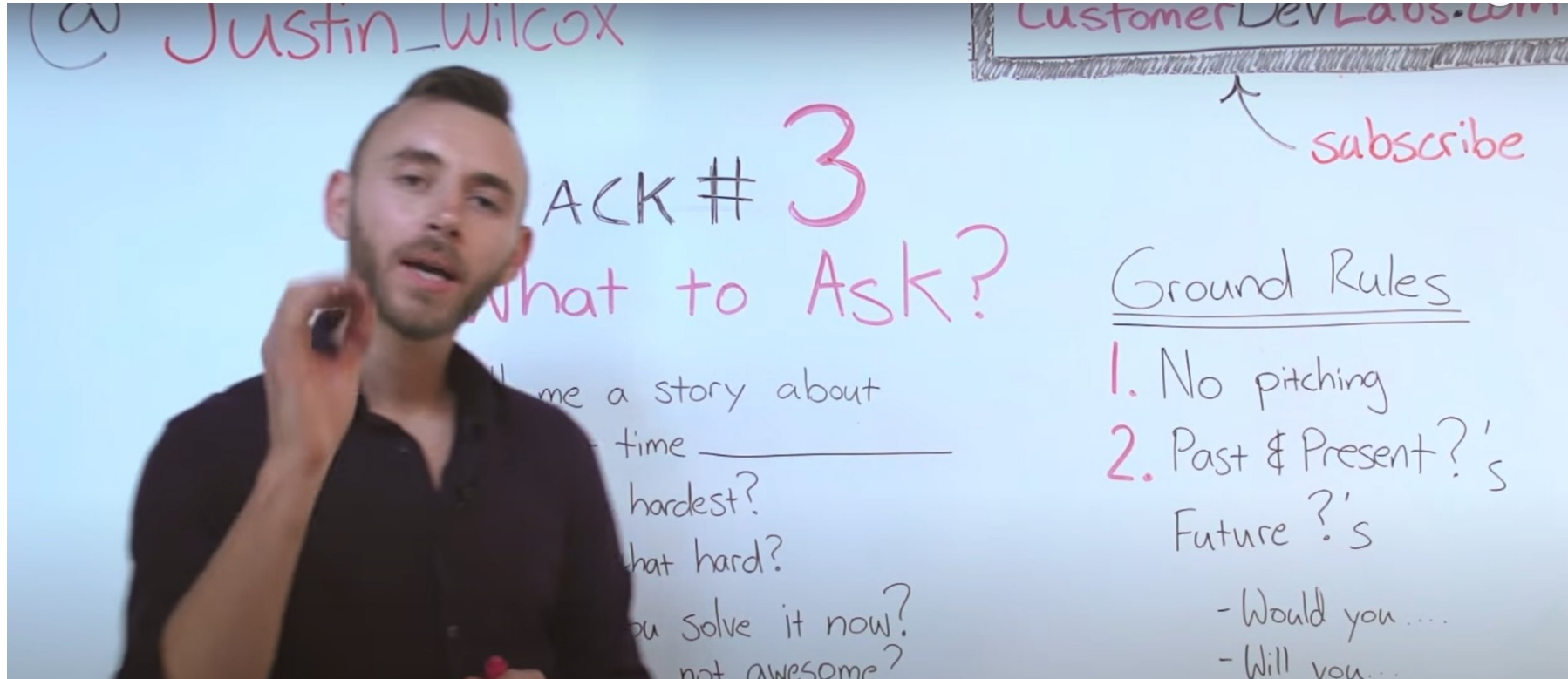
Go out of the building? Really?

Observation

Interviews

What people **think**

What people **say**

What people **do**

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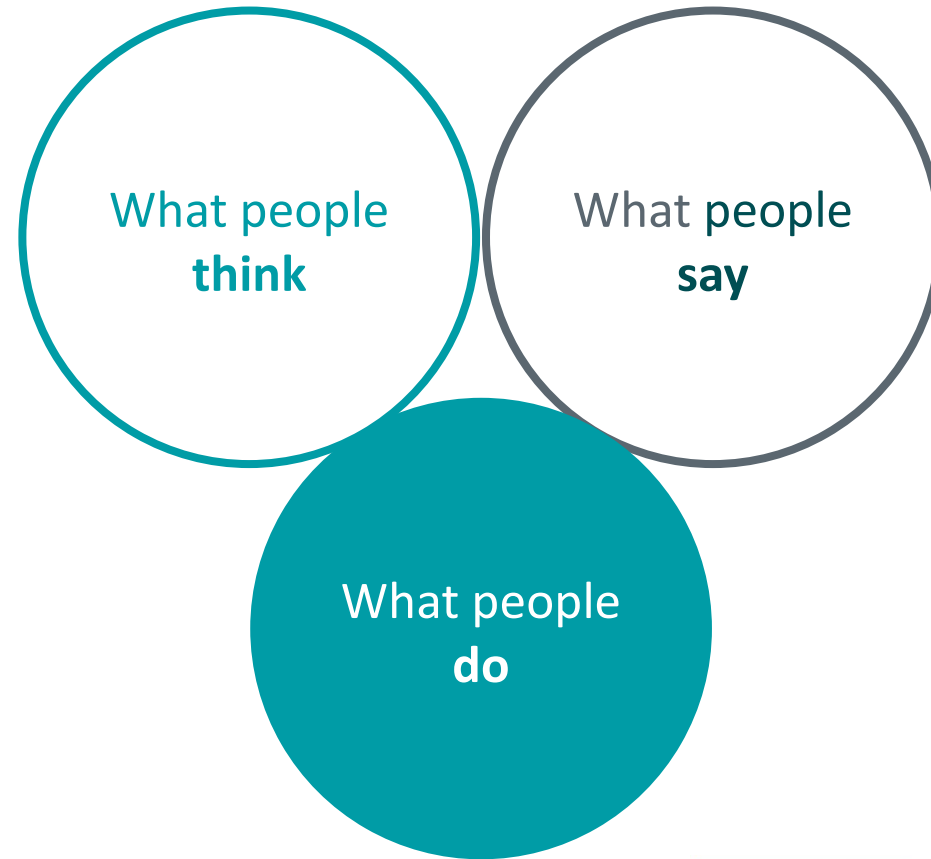
Interviews are hard

- Empathy and Active listening (no questionnaire).
- Forget your idea, focus on the customer's problems and pains.
- Learn.
- Ask why, why why.
- Find facts.
- Watch for bias.

How to do problem interviews?

Customer profile

What is our customer like?

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The Bradley

By Ian Burt via flickr
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Hyungsoo Kim. Eone Timepieces

- Difficult time knowing time of day.
- Current solutions not satisfactory (2013).
- Googling and talking with people.
- 2 options available (2013)

In Hyungsoo's case

The end-user profile would be a description of a group of visually impaired individuals who **share** important common characteristics that make them the right **initial** end-users for the timepiece.

In Hyungsoo's case

- 2 types of people:

    - People who are born blind.

    - People who become blind (30-40%).

- A relatively younger generation.

- And who care about fashion and style.

- They went with male to start with

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End user

Someone who became visually impaired over the course of their life, someone who's young and cares about fashion.

End user profile example

Gender	Male
Age	20-35
Region	East coast- Cities
Occupation	Student, Young professional
Social level	High
Charasteristics	Visual impaired. Became blind.
Other	Very active. Care about fashion

User persona template

Once you will finish this lecture, you will see a link with some User persona templates.

Your work now is to créate your customer and/or end-user profile.

Good luck!

Competitors

Who are we facing?

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Watch out!

Process

1. Walk in Your Target Customer's Shoes

2. Look for "solutions" (direct and indirect).

3. Key factors.

4. Look for key factors in each competitor.

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Be visua

	VersaTables.com	IKEA	HermanMiller	Office DEPOT	Steelcase	HAWORTH
Lifetime Warranty	✅		SOME PRODUCTS	SOME PRODUCTS	SOME PRODUCTS	SOME PRODUCTS
Made in the USA	✅		✅	SOME PRODUCTS	SOME PRODUCTS	SOME PRODUCTS
Free Shipping	✅		SOME PRODUCTS	SOME PRODUCTS	SOME PRODUCTS	SOME PRODUCTS
Green Manufacturing	✅	✅	✅	SOME	✅	✅
Customer Service	EXCELLENT ★★★★★	BAD ★☆☆☆☆	GOOD ★★★★☆	OKAY ★★★☆☆	GOOD ★★★★☆	GOOD ★★★★☆
Ease of Return	EXCELLENT ★★★★★	DIFFICULT ★★☆☆☆	OKAY ★★★☆☆	BAD ★☆☆☆☆	OKAY ★★★☆☆	OKAY ★★★☆☆
Product Recalls	✅ NONE	YES	✅ NONE	YES	YES	✅ NONE

Be visual: Competitive Positioning chart
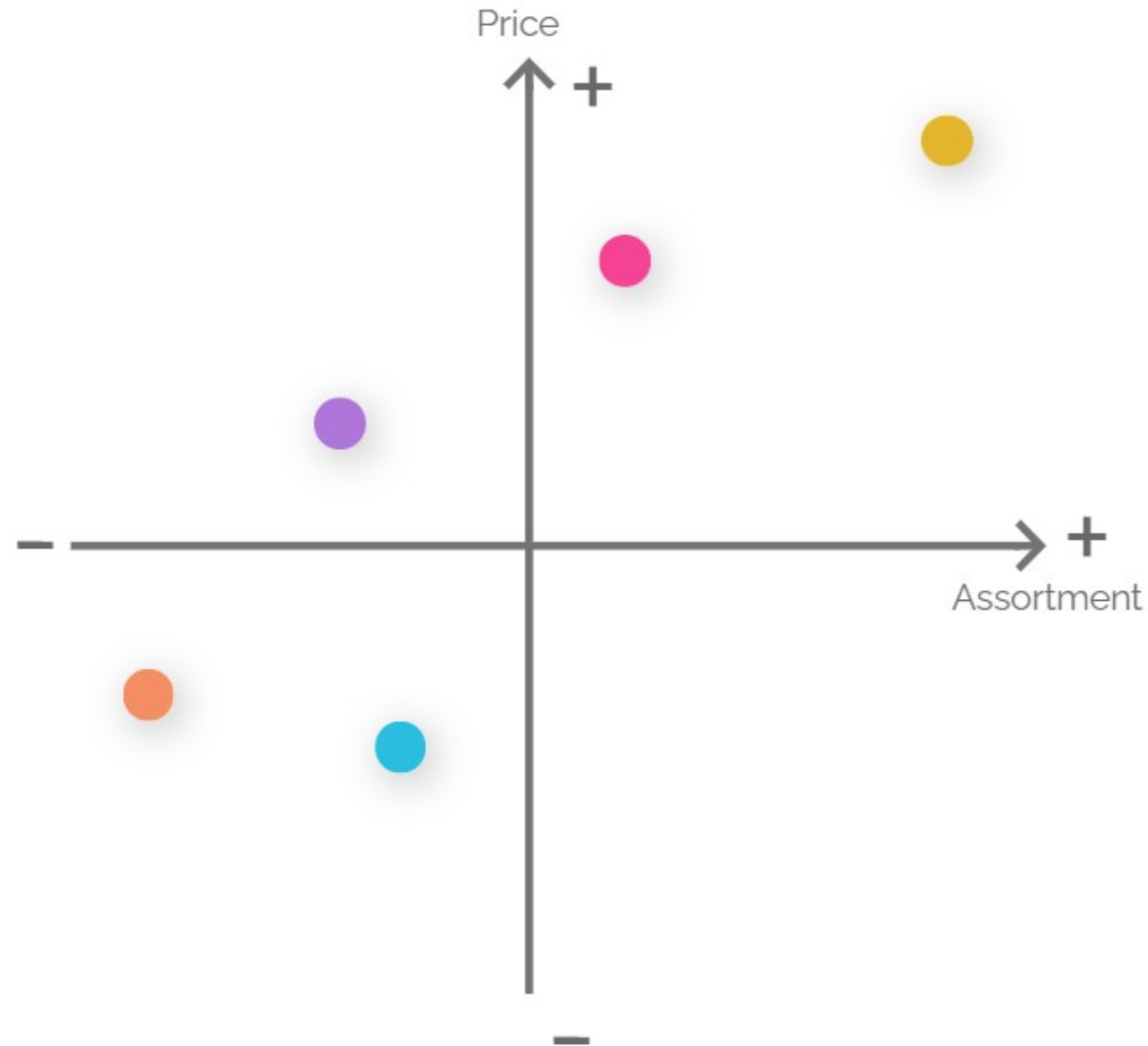
Your work

Your job now is to follow the steps we have explained and analyse your competitors.