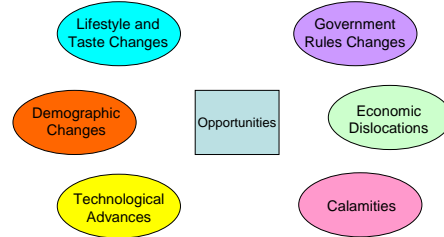


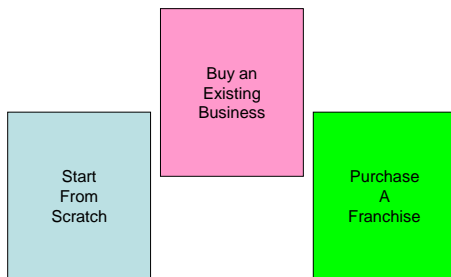
# Market Assessment

## Spotting Opportunities



Market Assessment

## Getting Started in Business



Market Assessment

## Market Assessment

- Structured approach to defining demand potential
- Identify customers
  - Who
  - How Many
  - Where are They
  - How to Reach them
  - What motivates them to buy?
- How Big is the Market?
- Is the Market Growing?



Market Assessment

## Why Do It?

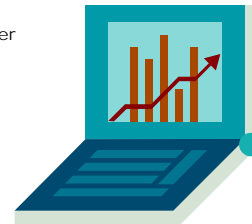
- Understand the Opportunity
- Identify Sales Opportunities
- Reduce Business Risk
- Spot Problems
- Plan Your Marketing Approach
- Better Decision Making



Market Assessment

## Market Research Goals

- How Big is the Market?
- Is the Market Growing?
- Describe "Perfect" Customer
  - Demographics
    - Age
    - Gender
  - Economic
    - Income
    - Spending Habits
  - Geographic
    - Location
    - Where they Buy
  - Psychographic/Behavioral
    - Why they Buy
    - Lifestyle



Achieving these Goals Drives the Marketing and Sales Plan

Market Assessment

## Terminology

- Market
- Industry
- Segmentation
- Target Market
- Niche Market
- Target Customer
- Positioning



Market Assessment

## Markets & Industries

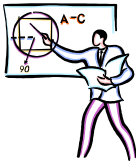
- Markets consist of Customers - Buyers
  - People or Businesses
  - Willingness to Buy
  - Ability to Buy
  - Unsatisfied or Unmet Needs
- Industries consist of Sellers
  - Participants in the Value Chain
- **Socially and health conscious families** desiring to eat **organic food**



Market Assessment

## Segmentation

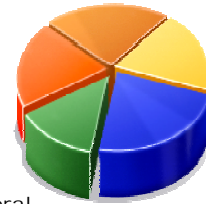
- The Division of Broad Markets into Smaller Groups Sharing Similar Needs and Attributes
- Recognizes the Existence of Several Distinct Segments
  - Gourmet Chefs vs Cooks
  - Vegans vs Vegetarians



Market Assessment

## Segmentation

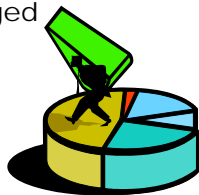
- Segmentation Axes
  - Demographics
    - Age
    - Gender
  - Economic
    - Income
    - Spending Habits
  - Geographic
    - Location
    - Where they Buy
  - Psychographic/Behavioral
    - Why they Buy
    - Lifestyle



Market Assessment

## Target Market

- The Segment(s) on which Your Business can Focus
- The Segment(s) in which Your Business is Advantaged
- Your **Niche Market**



Market Assessment

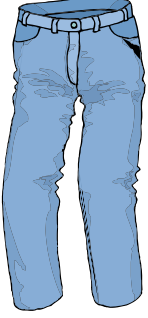
## Target Customer

- Those Customers, when presented with perfect information about your product or service, along with your competitors', will buy yours



Market Assessment

## Positioning



- How your target customers' perceive your product vis a vis competing alternatives
- Consciously molded by your market strategy
- Independently internalized by your customers

Market Assessment


## Market Research Result



Market Assessment

## Market Research


- Primary – Do Original Investigation
  - Direct Observation
  - Surveys & Questionnaires
  - Interviews
- Secondary – Use Existing Data
  - Internet Searches
  - Trade Publications
  - Libraries



Market Assessment

## Primary Research

- Work in the Industry
- Act Like a Customer
- Visit Competitors
- Surveys & Questionnaires
- Interview
  - Friends & Family
  - Potential Customers
  - Experts



Market Assessment

## Secondary Market Research

- Industry reports written by professional research firms and/or associations
- Industry Overview & Snapshot
  - Where is the Market Going?
  - Overall Growing or Shrinking?
- Limitations
  - Not local market specific
  - Not product specific
  - Cannot query



Market Assessment

## Market Research

- Step 1 – Identify Industry – NAICS
- Much data organized around NAICS code
- North American Classification System
  - <http://www.census.gov/epcd/www/naics.html>



Market Assessment

## Market Research

- Step 2 – Get General Information about your Geography
- [http://factfinder.census.gov/home/saff/main.html?\\_lang=en](http://factfinder.census.gov/home/saff/main.html?_lang=en)



Market Assessment

## Market Research

- Step 3 – Identify Professional Trade Association Information Sources



Market Assessment

## Secondary Market Research

- Oregon Association of Nurseries
  - After growing only 4% between 2004 and 2005, market grew 10% to \$966M in 2006.
  - 2007 growth anticipated to be 8% slowing to 5% in 2008
  - 2006 growth due to increasing prices and increasing volume
  - Steeper competition from imports
  - Shrinking pool of workers
  - Anticipating slow down in housing market



Market Assessment

## Market Research

- Step 4 – Identify Your Target Market – Segment & Focus
- <http://econ.oregon.gov/>



Market Assessment

## Market Research

- Step 5 – Describe Your Target Customer



Market Assessment

## Results



- General Market & Industry Description
  - Size
  - Growth
  - Trends
- Segmentation Basis
- Target Markets Description – Niche
- Target Customer Description

Achieving these Goals Drives the Marketing and Sales Plan  
Market Assessment