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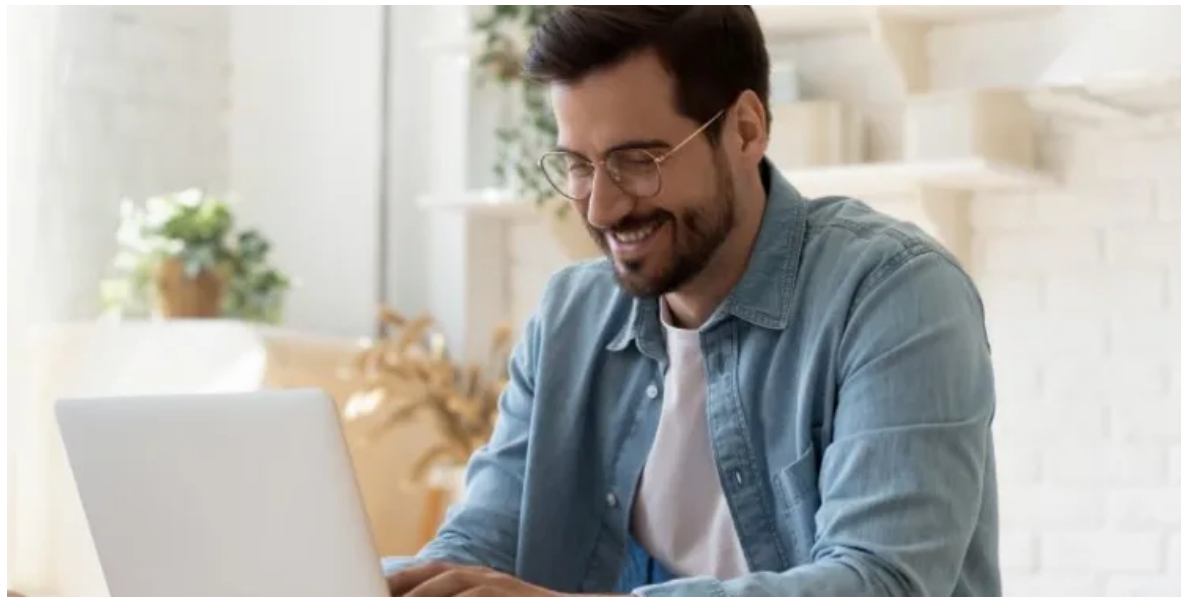


## HOW TO IDENTIFY AN UNDERSERVED NEED IN THE MARKET

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If you've decided to pursue entrepreneurship, coming up with a viable business idea is the first step. It's not enough for your idea to be interesting—it should also fill a market need in an innovative way.

Think of a few of your favorite products. What needs do they fill that competing products don't? It's in this intersection between a market need and competitors' gaps that your entrepreneurial opportunities lie.

Here are five tips for identifying underserved needs in the market to lay a strong foundation for your business.

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## 5 STEPS TO FIND A NEED IN THE MARKET

### 1. Understand the Jobs to Be Done Theory

A good starting place for identifying underserved needs is by examining the market through the lens of the jobs to be done framework.

The framework, centered on the [jobs to be done theory](#) developed by Harvard Business School Professor Clayton Christensen, states that customers don't purchase products based solely on their attributes, but rather, "hire" products to do "jobs" they need to get done.

One example of a job to be done that Christensen presents in the online course [Disruptive Strategy](#) features a fast-food chain selling milkshakes. The chain noticed the majority of its milkshakes were sold before 8:30 a.m., and that customers typically didn't purchase any additional items. Rather than looking at the attributes of the consumer to explain their buying behaviors (*What is it about these people that makes them buy only milkshakes in the morning?*), the chain focused on the job its milkshakes were being hired to do.

After interviewing several milkshake customers, the job became clear: people needed something to keep them full and entertained during their morning commutes. They were hiring milkshakes to fulfill that purpose.

When thinking of market needs, try not to dwell on what products people want. Instead, focus on jobs that need to be done.

***Related:*** [How to Come Up With an Innovative Business Idea](#)

## **2. Be Introspective**

When brainstorming jobs to be done, you can be your first resource.

Identify jobs you try to get done every day. These can range from “pick up my kids from school” to “stop my stir-fry from sticking to the pan” to “pass the time while waiting at the laundromat.” Your list will likely be long—people hire countless products and services to do an enormous number of jobs every day.

Notice what sticks out to you. Is there a job you try to get done, but you aren’t satisfied with the product you’ve hired to do it? For instance, maybe the mattress you’ve hired to help you get a good night’s sleep isn’t doing the job well. Perhaps there’s a job you’ve been avoiding because you haven’t found the right product or service to hire, such as cleaning your gutters.

Asking yourself about personal jobs to be done can lay a foundation for later discovering jobs that others need done.

## **3. Conduct Interviews**

The next step in discovering an unmet market need is interviewing other people. If you have an idea already, you can focus these interviews on your target demographic. If not, talk to people from a range of age, gender, race, socioeconomic, and location demographics to ensure you hear a variety of perspectives.

Seek to understand your interviewees’ jobs to be done and which of them aren’t being fulfilled as well as they could be. Ask them about their

motivations behind certain choices. For instance: *Why do they purchase milkshakes before 8:30 a.m. every day?*

Your interviews can affirm or deny any hypotheses you came up with during your introspection and serve as litmus tests. Are you the only person whose spatula isn't stopping stir-fry from sticking to the pan? Are there other parents out there who are looking for a better product to keep their kids occupied in waiting rooms? You won't know until you ask.

**Related:** [Innovation in a Disrupted World: How to Discover New and Emerging Jobs to Be Done](#)

#### **4. Identify and Examine Competitors**

After asking questions of yourself and others, select an idea or two that seems promising. You've discovered a job to be done—now it's time to see if an existing company is meeting it.

Research businesses that are currently offering solutions to the job you've identified. Returning to Christensen's milkshake example, you can confidently list all other fast-food chains that sell milkshakes as competitors.

There's also a class of often-overlooked competitors: those that can be hired to do the job that aren't a one-to-one match to your product. For the milkshake example, Christensen lists bananas, doughnuts, coffee, bagels, and candy bars as other products that could be hired to do the job of keeping someone full and entertained during their morning commute. Be sure to look at the job to be done creatively, and come up with a list of alternative items the consumer could hire to get the job done.

Next, research the strengths and weaknesses of each competitor, again focusing on how well they get the job done. For instance, hiring a bagel to eat during your morning commute would keep you full and occupied, but has

the potential to get messy quickly, especially if there's cream cheese involved. You could instead hire a milkshake because it's served in a cup, leaving your hands clean. This step may require more market research, including interviewing people who have purchased rival products or services.

Analyzing the strengths and weaknesses of your competitors can pay off when the gap they collectively leave is revealed. This is how you know the market need is currently underserved and leaves the door open for your venture to solve it.

## 5. Be Ever-Observant

As Christensen says in [Disruptive Strategy](#), jobs to be done persist over time. By staying observant, you can adapt your products to evolve with current events and [disruptive technological advancements](#) to continue meeting market needs.

Additionally, keep an eye out for emerging jobs to be done that your business could solve. Take, for example, the [coronavirus \(COVID-19\) pandemic](#). This global event has sparked a set of novel jobs to be done, ranging from the need to engage with others over video to the need for glasses that don't fog up when wearing a face covering.

Stay observant as technologies shift and new jobs to be done arise so you can continue to serve customer needs.



## FILLING THE MARKET'S NEED

Christensen's jobs to be done theory can act as a helpful framework for discovering underserved market needs. By identifying and tailoring your products and services to a job to be done, you can start your entrepreneurial journey on the right foot and [avoid disruption](#).

***Learn to break into the market and craft winning strategies. Explore our six-week online course [Disruptive Strategy](#) to discover how the jobs to be done theory can be applied to your organization.***

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### About the Author

*Catherine Cote is a marketing coordinator at Harvard Business School Online. Prior to joining HBS Online, she worked at an early-stage SaaS startup where she found her passion for writing content, and at a digital consulting agency, where she specialized in SEO. Catherine holds a B.A. from Holy Cross, where she studied psychology, education, and Mandarin Chinese. When not at work, you can find her hiking, performing or watching theatre, or hunting for the best burger in Boston.*

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