

# MARKET RESEARCH

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**MARKET RESEARCH**

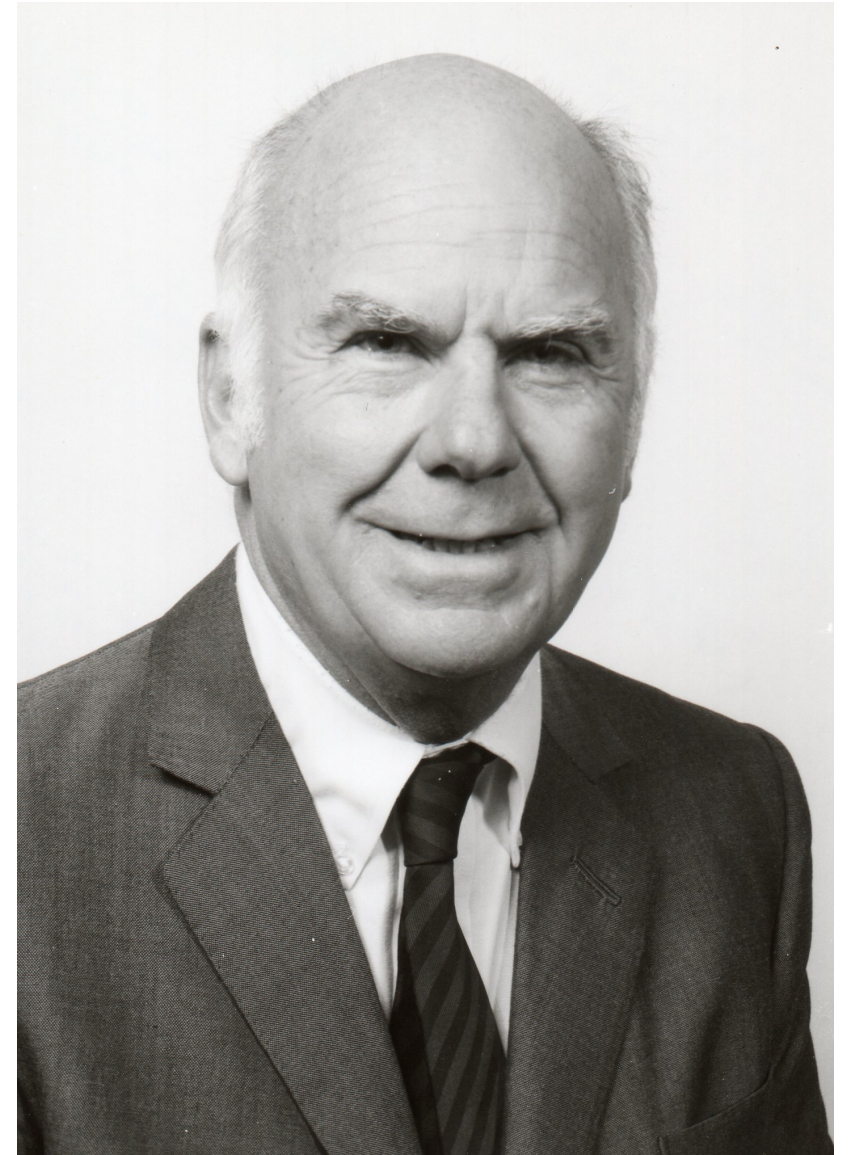
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# SWOT ANALYSIS

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# SWOT ANALYSIS

- Created by Albert Humphrey at Stanford
- Evaluated the Strengths, Weaknesses, Opportunities, and Threats involved in a business
- Can be carried out for a product, place, industry, or person.



# COMPETITIVE ANALYSIS

## STRENGTHS

- › Things you're good at
- › Experience, knowledge
- › Unique characteristics
- › Resources
- › Geographical location
- › Competence, capabilities
- › Quality, reputation
- › Flexibility on product, pricing, distribution



## COMPETITIVE ANALYSIS

# WEAKNESSES

- › Things you need to improve
- › Gap in skills, knowledge
- › Financial issues
- › Market awareness and reputation
- › Right people at the right jobs
- › Poor location
- › Leadership/Mgmt issues
- › Staff motivation & internal control



## COMPETITIVE ANALYSIS

# OPPORTUNITIES

- › Strategic alliances, acquisitions
- › Diversity of the business
- › Take advantage of new trends
- › New Product Development
- › Enter new markets
- › Reduce costs
- › Be faster, better, easier, more stylish



# COMPETITIVE ANALYSIS

## THREATS

- › Change in the environment
- › Loss of a major customer
- › Raw materials, energy, transportation costs
- › Strong competition
- › Competition's new products and innovations
- › Change in technology
- › Fashion



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## **MARKET RESEARCH**

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**DO AN EXAMPLE OF A SWOT ANALYSIS AS A CLASS**



**MARKET RESEARCH**

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# COMPETITIVE ANALYSIS

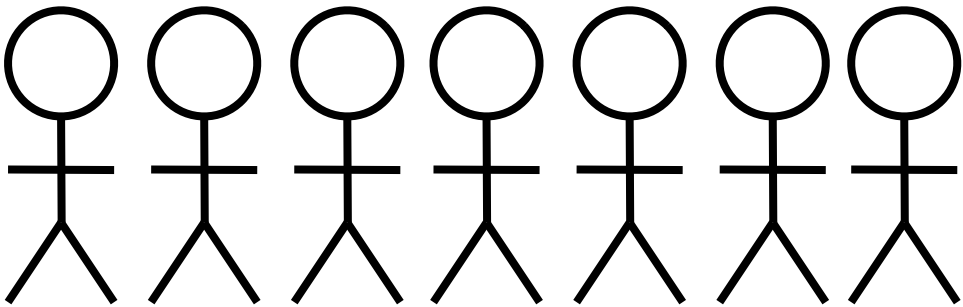
# COMPETITIVE ANALYSIS

## BENEFITS, NOT FEATURES



THE MARKET

MARKET IN THE GAP



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## COMPETITIVE ANALYSIS

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# SIMPLE COMPETITIVE ANALYSIS

- › Identify the key points of differentiation.
- › Research competitors.
- › Compare your businesses and look for strong points of differentiation.

# COMPETITIVE ANALYSIS

## DROPBOX IN 2007

	Email	File Server	Flickr / FB	YouSendIt	Dropbox
File Size					
File Type					
Delivery method					
Price					
Hassle at scale					

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## COMPETITIVE ANALYSIS

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# DROPBOX IN 2007

	Email	File Server	Flickr / FB	YouSendIt	Dropbox
File Size	< 10 MB	Big	100MB/mo	2GB	10GB/day
File Type	Any	Any	Photos	Any	Any
Delivery method	Attachment	Upload	Upload + Link	Upload	None
Price	\$\$\$ or free	\$\$\$\$	\$ or free	\$ or free	\$ or free
Hassle at scale	High	High	High	High	Low

# ACTIVITY

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## EXERCISE

### **KEY OBJECTIVE(S)**

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Conduct a SWOT and competition analysis for Spotify.

### **TIMING**

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- 15 min* 1. In groups, go through the SWOT analysis for Spotify.
- 15 min* 2. List of differentiations for Spotify and compare against top competition.

### **DELIVERABLE**

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SWOT analysis and competition chart for Spotify.

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**MARKET RESEARCH**

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# MARKET SIZING

# WHAT IS MARKET SIZING?

- ANALYZE THE SCALE OF OPPORTUNITY
- HIGHLIGHTS ASSUMPTIONS TO BE TESTED
- CAN BE DONE WITH LITTLE TO NO RESEARCH, OR LOTS OF RESEARCH  
SOMETIMES DONE AS A “GUT” CHECK



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## MARKET SIZING

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# CONCESSION ORDERING APP FOR NBA GAMES

- ▶ Number of teams: 30
- ▶ Number of games per team: 82
- ▶ Total games =  $(30 \times 82) / 2 = 1,230$
- ▶ Average available seats in NBA stadium: 18,000
- ▶ Average capacity per game: 85%
- ▶ Average attendance at NBA game =  $(0.85 \times 18,000) = 15,300$
- ▶ Average spend per attendee: \$100 (\$80 ticket, \$20 concession)
- ▶ Total spend per game =  $100 \times 15,300 = \$1.5\text{M}$
- ▶ Total for all games =  $1.5\text{M} \times 1,230 = \mathbf{\$1.8\text{B}}$

# ACTIVITY

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## EXERCISE

### **KEY OBJECTIVE(S)**

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Conduct a simple market sizing for a dog walking app in NYC.

### **TIMING**

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- 20 min* 1. In groups, think through the size of a dog walking market in NYC.
- 10 min* 2. Estimate the potential revenue for the app using assumptions.

### **DELIVERABLE**

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Size of market and potential revenue from dog walking app.

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**INSERT CLASS TITLE**

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# **HOMEWORK**

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## MARKET RESEARCH

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# CONDUCT A COMPETITIVE ANALYSIS FOR YOUR PRODUCT

Use SWOT or the competition analysis spreadsheet to assess competition and strengths of your product/business.

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## **MARKET RESEARCH**

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# **SIZE OF MARKET**

Conduct a simple analysis of the size of the market for your product.

## PRODUCT DEVELOPMENT LIFE CYCLE

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# Q&A

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**PRODUCT DEVELOPMENT LIFE CYCLE**

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**EXIT TICKETS**

**[HTTP://GA.CO/PDMTICKET](http://ga.co/pdmticket)**