

# M8 - Selling Your Idea, Product and Pitching

## Role of Market

- Type of market and size of market play a huge role in sales, marketing and business development

Existing Market	Resegmented Market	New Market	Clone Market
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- **Existing Market**
  - Maybe existing product (**new features**) or a **new product**
  - E.g. New sedan car, say Toyota Etios
- **Resegmented Market**
  - Redraw market segments to better address customer needs
  - E.g. Sports Utility Vehicle (SUV), when it was 1<sup>st</sup> introduced
- **New Market**
  - Cheaper/good enough; can create a new class of customer/product
  - Innovative/never existed before (e.g. Electric/Autonomous cars, etc)
- **Clone Market**
  - **Modify**/adopt existing market for a **different country**/geography (e.g. Ola)

# Main Bases of Segmentation

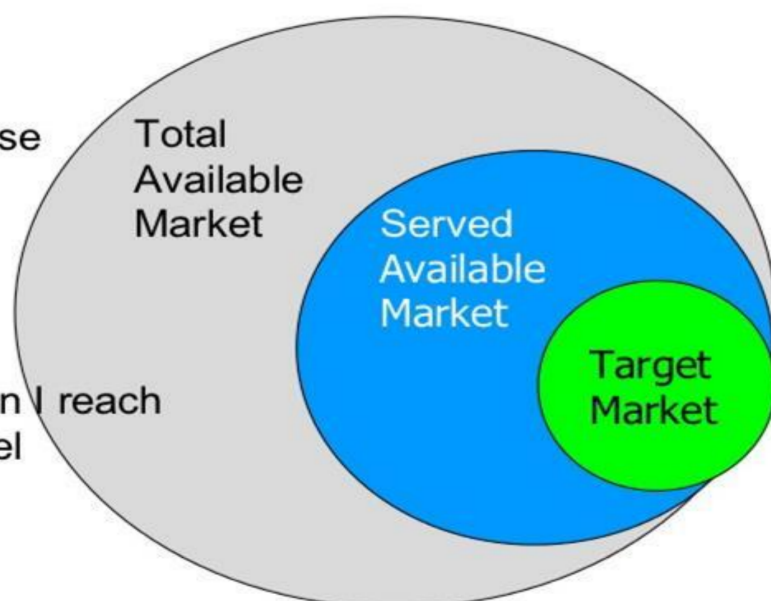
Geographic	Demographic	Behavioural	Psychographic
E.g. "Customers within 10 miles of the M25"	E.g. "A Level & University Students"	E.g. "Customers wanting a value for money impulse buy"	E.g. "Customers who prefer to buy organic food"
Customer location Region Urban / Rural ACORN classification	Age Gender Occupation Socio-economic group	Rate of usage Benefits sought Loyalty status Readiness to purchase	Personality Lifestyles Attitudes Class

- Market too large -> hard to gain customers
- Market too small -> no sales

## Target Market

**TAM** = how big is the universe

**SAM** = how many can I reach with my sales channel



**Target Market** (for a startup) = who will be the most likely buyers

TAM	SAM	Target
All possible buyer/seller relations in market	What you will target your value proposition for initially	Additional level of refinement from SAM
Very broad categories, easy to estimate	Focus sharpened on a more particular aspect of the market	Focused even further, often using a demographic criterion
Eg: Renewable energy	Eg: Renewable energy storage	Eg: Renewable energy storage for the automobile industry

## Case Study - GroupRes

- The internet revolution changed the travel industry forever. But it didn't change the whole travel industry.
- Travel industry's meetings & events segment is hampered by inefficient business processes and ineffective pricing models that do not leverage modern technology, especially for hotel accommodations.
- GroupRes is Software as a Service (SaaS) that makes it easy for event guests to reserve a hotel room, while increasing profit for event planners and hotels.

