

Market research: Sizing the market



LECTURE
SUMMARY

Covered in this lecture:

How to figure out the size of the
market that you're getting into

Taught by:



- ▶ There are two common approaches to thinking about the market size:
- **Top down**
 - based on finding the total market and then estimating what your share of that market is
 - it's a more optimistic approach
- **Bottom up**
 - based on thinking about the current sales of similar products and estimating how much of those sales you can capture
 - it's a more conservative approach
 - this is the best way to do it but it takes more effort and time

- **Tools and techniques you can use to look at market data:**
 - search Google for "industry reports for ____"
 - compete.com - look at the amount of traffic the competitors' websites get
 - use Google AdWords Keyword Planner - it shows you the volumes and related terms of searches on Google
 - search Twitter
 - search Reddit

See you next lecture!