

# Understanding Market Research

## How can I do it to improve my product?

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# WHAT DO WE EXPECT FROM THE SESSION?

# Overview

## ① Market Size

# Overview

- ① Market Size
- ② Market Penetration

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- ① Market Size
- ② Market Penetration
- ③ Segmenting Targeting Positioning

# Why does anyone buy anything

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Value	Utility	Social	Internal
High	-	Mercedes	Electric Vehicles
Medium	Driver / Butler	Music System	Insurance
Low	Uber	Cleaner	Crossroads

Figure: Visualising Value and Demand Drivers

## What is it?

Total Number of People who *Could* buy the product<sup>1</sup>

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<sup>1</sup>In some cases Customer and Consumer are different

# How to Estimate Market Size

Total Population

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Total Population > Segment

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Total Population > Segment > Paying Ability

# How to Estimate Market Size

Total Population > Segment > Paying Ability > Reach

# How to Estimate Market Size

Total Population > Segment > Paying Ability > Reach  
... but can you address the entire group?

How to keep Estimates Real

## Think for a Moment

- Who can pay ?
- Who would be interested?
- Who needs your product?
- Who is not with a competitor?
- Who can afford?
- Who can legally access it?
- Who can access it geographically?

What you should carry at the back of your mind. Source: Outlook India

## What is the Market Size of Mutual Funds?

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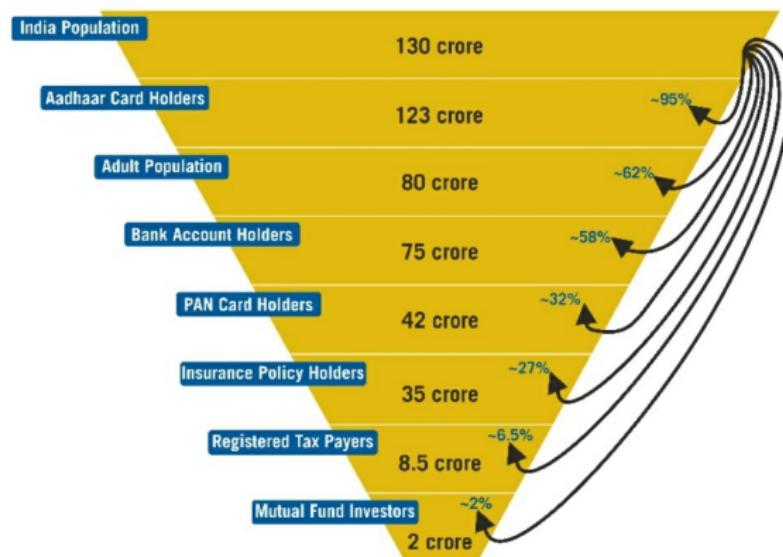
## What is the Market Size of Mutual Funds?

No One can address the entire market.

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# What is the Market Size of Mutual Funds?

No One can address the entire market.



## Segmenting

## How do you cut the cake

- Method 1



## Segmenting

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## ● Method 1

- ① Geographic
- ② Psychographic
- ③ Behavioural
- ④ Demographic

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- Method 1
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  - ② Psychographic
  - ③ Behavioural
  - ④ Demographic
- Method 2
  - ① Retailers
  - ② Wholesalers
  - ③ Consumers

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## Targeting

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## Where Do we Focus

Which slice of the cake is important? Depends on the type of product you have. B2B, B2C, B2G

## Positioning

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- you touch an Apple Mac?

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## Positioning

# The Positioning

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- Apple: Design
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- Apple: Design
- PVR Director's Cut: Exclusive/Comfort
- Japanese Train: Punctuality
- Old Nokia phone: Reliability

## Positioning

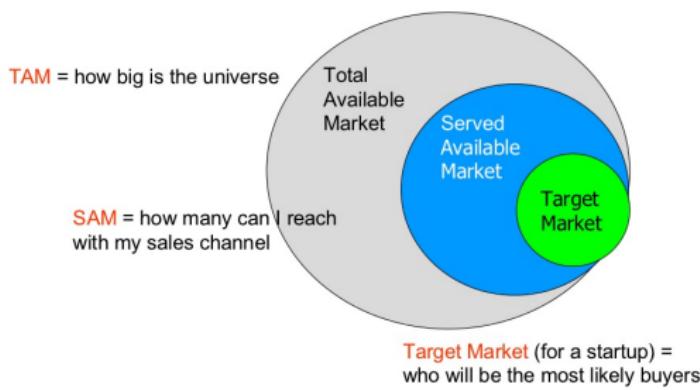
# The Positioning

- Apple: Design
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The feeling the brand tries to evoke.

# Overview

## Total Available Market, Served Available Market, Target Market



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Figure: A Wiki graphic representing Market Size related concepts.

## Understanding with an Example

# Helping a Startup that is putting Vehicle Inspections on Blockchain

- Before an insurance is taken out
- Done for 2 wheelers and 4 wheelers
- Used at the time of claim

## Understanding with an Example

## Helping them Build a Market Plan

- Segment:

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<sup>2</sup>See new Motor Vehicles Act

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- Segment: as per value chain: Insurance company, inspection agency, insured.
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## Helping them Build a Market Plan

- Segment: as per value chain: Insurance company, inspection agency, insured.
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- Segment: as per value chain: Insurance company, inspection agency, insured.
- Target: the party who cares about this: Insurance company

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- Segment: as per value chain: Insurance company, inspection agency, insured.
- Target: the party who cares about this: Insurance company
- Positioning: What is the most valuable thing?

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- Segment: as per value chain: Insurance company, inspection agency, insured.
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- Target: the party who cares about this: Insurance company
- Positioning: What is the most valuable thing? Reliability
- Size:

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- Segment: as per value chain: Insurance company, inspection agency, insured.
- Target: the party who cares about this: Insurance company
- Positioning: What is the most valuable thing? Reliability
- Size: Mandatory for all Vehicles: <sup>2</sup>

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- Positioning: What is the most valuable thing? Reliability
- Size: Mandatory for all Vehicles: <sup>2</sup> People who have a break in insurance

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## Helping them Build a Market Plan

- Segment: as per value chain: Insurance company, inspection agency, insured.
- Target: the party who cares about this: Insurance company
- Positioning: What is the most valuable thing? Reliability
- Size: Mandatory for all Vehicles: <sup>2</sup> People who have a break in insurance

Also understand that if it is mandatory for all, then fewer insurances will lapse and this is a shrinking market size.

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## Sources of Data

# Where can you get the data?

- United Nations
- RTI Data
- Rajya Sabha / Lok Sabha Questions
- Fortune, Forbes, Economist
- Research Papers
- MOSPI (Statistics and Project Implementation)
- Annual Reports
- Industry reports
- PIB <sup>3</sup>
- Census

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<sup>3</sup>Credit AICTE Session on 17-Jun

## Sources of Data

# Closing Remarks

- ① Iterative process

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- ② Figure out the positioning of your 5 favorite products

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- ③ Find out the market size for some products

## Sources of Data

# Closing Remarks

- ① Iterative process
- ② Figure out the positioning of your 5 favorite products
- ③ Find out the market size for some products and then look at the revenue of those companies

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