

## Market Analysis and Feasibility Study

**Market analysis** is the estimation of market size in terms of both volume and value, analysis of customer segments and purchasing patterns, competition, and the economic environment in terms of barriers to entry and regulation. This analysis allows to study the market from different angles: its volume and value of similar products, potential customer segments, how customers make purchase decisions, current and potential competitors, and other important factors. Market analysis aims to answer the following questions:

- Who are my potential customers?
- What buying habits do they have?
- How big is my target market?
- How much are customers willing to pay for my product?
- Who are my main competitors?
- What are the strengths and weaknesses of my competitors?

A **feasibility study**, on the other hand, is an in-depth assessment conducted to determine the practicality and viability of a proposed project or idea. The purpose of a feasibility study is to provide objective and unbiased information to decision makers so that they can make informed choices about a future project. It helps to identify potential risks, challenges, and opportunities associated with a project, enabling stakeholders to evaluate its potential outcomes.

There are several types of feasibility studies, each with its own specific focus and objectives. Some of the most common types of feasibility studies include the following:

- **Economic feasibility study:** This type of study involves conducting a detailed cost-benefit analysis to determine the financial implications associated with the project. This helps stakeholders understand the potential return on investment, profitability of the project, and timing of cost recovery.
- **Legal feasibility study:** This type of study examines the legal and regulatory requirements associated with the project. By identifying any legal obstacles or compliance issues at an early stage, organizations can ensure that the project is within the legal framework and minimize the risk of legal complications in the future.
- **Operational feasibility study:** This type of study assesses whether the project can be easily integrated into existing systems and processes. It examines factors such as staffing requirements, training needs, and potential impact on day-to-day operations.
- **Planning a feasibility study:** This type of study helps to establish a realistic timeline for project completion. It takes into account the availability of resources, dependencies, and potential bottlenecks, allowing stakeholders to develop a well-structured project plan and set achievable milestones.

### Current trends, solutions and approaches

1. **Big Data Analytics:** The use of Big Data technologies provides a significant competitive advantage to both large and small enterprises, allowing them to analyse large amounts of data; optimize business processes; find insights for the development of new products; provide the most accurate characteristics of the target audience; assess changes in customer behaviour to prevent customer loss; track attitudes toward the company's products by monitoring social media.
2. **AI and Machine Learning:** AI raises the efficiency and precision bar for market research. AI uses sophisticated algorithms and machine learning to analyse enormous volumes of data quickly rather than depending just on human labour. AI-driven analytics tools can uncover patterns and trends in data that humans may overlook. This makes it possible for researchers

to draw conclusions from bigger sample sizes, producing findings that are more accurate and trustworthy.

3. **Market Segmentation and Personalization:** Involve dividing the market into different segments based on demographic, psychographic, and behavioural characteristics to tailor marketing strategies and product offerings. This includes identifying the most profitable segments and developing targeted marketing strategies to meet their needs and preferences.

#### **Moder IT tools that support manager's work**

1. **Data Analytics Platforms:** Tools like Tableau and Power BI allow managers to analyse data and visualize trends for informed decision-making.
2. **Financial Modelling Software:** Excel, Google Sheets, and specialized software aid in creating financial projections and conducting scenario analysis.
3. **Market Research Software:** Platforms such as SurveyMonkey, Qualtrics, or Typeform help managers conduct market research, gather customer feedback, and understand consumer
4. **Collaboration and Project Management Tools:** Platforms such as Trello, or Microsoft Teams facilitate collaboration among team members involved in market analysis and feasibility studies
5. **Competitive Intelligence Tools:** Software like Sprout Social, SimilarWeb or Reputation assists managers in monitoring competitors' activities, analysing market trends, and identifying opportunities or threats.

#### **Forecasted directions of development in a given topic, opportunities, and threats.**

##### **Forecasted Directions of Development:**

- **Increased Integration of Technology:** Market analysis and feasibility studies are likely to become more reliant on technology, with the rise of big data analytics, AI, and machine learning enabling more comprehensive and accurate assessments.
- **Globalization:** With markets becoming increasingly interconnected, there will be a growing need for market analysis and feasibility studies that consider global factors and competition.

##### **Opportunities:**

- **Consulting Services:** There's a growing demand for consulting services specializing in market analysis and feasibility studies, presenting opportunities for companies and independent consultants.
- **Software Solutions:** Development of software tools and platforms for conducting market analysis and feasibility studies presents opportunities for software developers and tech companies.

##### **Threats:**

- **Data Security and Privacy Concerns:** With the increasing reliance on data analytics, there are concerns regarding data security and privacy, posing threats to the credibility and reliability of market analysis studies.
- **Regulatory Changes:** Changes in regulations related to data collection, privacy, and business practices can impact the methodologies and approaches used in market analysis and feasibility studies.