

**Evaluating
the market
you are
addressing**



Market Research

Market research is the process of gathering and analyzing information to gain insights into the industry you are in, which includes its top players, your competitors and mainly, your target market.

The results and gains of Market Research

- Understand how customers relate to your brand or a competitor's brand.
- Identify areas for growth, new markets, and customer segments.
- Understand how your customers would like to see your brand evolve.
- Gain insight into consumer spending.
- Collect information about consumer interaction with various segments.
- Understand how marketing campaigns influence consumers' choices.

Types of Market Research

Primary research

Unique data that is gathered from first-hand sources

online survey, phone-in, in-person, focus group, field research, user testing...

Secondary research

Sourcing data from existing, published sources

market and industry research reports and white papers, fashion industry websites, SEO, keyword and trends research, governments statistics...

Market Sizing - TAM, SAM and SOM

Example: Company that sells pet food.

Total Addressable Market (TAM):

All the potential customers who might buy pet food = every pet owner out there, regardless of their location, income level, or preferences.

Hypothesis: 5 million pet owners in the country, each spend an average of \$200 on pet food per year

- TAM: Amount spent on pet food by all potential pet owners in the country (\$1 billion)

Serviceable Addressable Market (SAM):

SAM is a portion of the TAM that the company can realistically serve.

Hypothesis: The pet food company might only target owners of dogs and cats, and there are 70 million dog and cat owners in the country (70% of TAM)

- SAM: Amount spent on pet food by dog and cat owners in the country (700 million)

Share of Market (SOM):

SOM is the portion of the SAM that the company actually captures.

Through effective marketing, distribution, and product quality, the company manages to attract 10% of dog and cat owners in the country.

- SOM: Dog and cat owners your company captures (10% of 700 million, which is 70 million).

Competitor Mapping

Competitor	Competitor A	Competitor B	Competitor C
Short description			
Channels			
Target users			
Main features			
Revenue model			
Time on market			
Geographies			
Key user experience strengths			
Key weaknesses			