# Market Analysis

## Market Forces

|  |  |  |  |
| --- | --- | --- | --- |
| **Market Issues** | Identifies key issues driving and transforming your market from customer and offer perspectives | What are the crucial issues affecting the customer landscape?Which shifts are underway?Where is the market heading? |  |
| **Market Segments** | Identifies the major market segments. Describes their attractiveness, and seeks to spot new segments | What are the most important Customer Segments?Where is the biggest growth potential?Which segments are declining? Which peripheral segments deserve attention? |  |
| **Needs and Demands** | Outlines market needs and analyzes how well they are served | What do customers need? What are the biggest unsatisfied customer needs?What do customers really want to get done? Where is demand increasing/decreasing? |  |
| **Switching Costs** | Describe elements related to customers switching business to competitors | What binds customers to a company and its offer?What switching costs prevent customers from defecting to competitors?Is it easy for customers to find and purchase similar offers?How important is brand? |  |
| **Revenue Attractiveness** | Identifies elements related to revenue attractiveness and pricing power | What are customers really willing to pay for? Where can the largest margins be achieved? Can customers easily find and purchase cheaper products and services? |  |

# Competitive Analysis

## Industry Forces

|  |  |  |  |
| --- | --- | --- | --- |
| **Competitors(incumbents)** | Identifies competitors and their relative strengths | Who are our competitors? Who are the dominant players in our particular sector?What are their competitive advantages or disadvantages?Describe their main offers. Which customer segments are they focusing on?What is their cost structure?How much influence do they exert on our customer segments, revenue streams and margins? |  |
| **New Entrants(Insurgents)** | Identifies new, insurgent players and determines whether they compete with a business model different from yours | Who are the new entrants in your market? How are they different? What competitive advantage/disadvantage do they have?Which barriers must they overcome?What are their value propositions?Which customer segments are they focused on?What is their cost structure?To what extent do they influence you customer segments, revenue streams, and margins? |  |
| **Substitute products and services** | Describe potential substitutes for your offers-including those from other markets and industries | What products or services could replace ours? How much do they cost compared to ours? How easy it is for customers to switch to these substitutes? What business model traditions do these substitute products stem from? |  |
| **Suppliers and other value chain actors** | Describes the key value chain incumbents in your market and spots new emerging players | Who are the key players in your industry value chain?To what extent does your business model depend on other players? Are peripheral players emerging? Which are most profitable? |  |
| **Stakeholders** | Specifies which actors may influence your organisation and business model | Which stakeholders might influence your business model?How influential are shareholders/workers/the government/lobbyists? |  |

# Foresight

## Key Trends

|  |  |  |  |
| --- | --- | --- | --- |
| **Technology Trends** | Identifies technology trends that could threaten your business model or enable it to evolve or improve | What are the major technology trends both inside and outside your market?Which technologies represent important opportunities or disruptive threats?Which emerging technologies are peripheral customers adopting? |  |
| **Regulatory Trends** | Describes regulations and regulatory trends that influence your business model | Which regulatory trends influence your market? What rules may affect your business model?Which regulations and taxes affect customer demand? |  |
| **Societal and cultural trends** | Identifies major societal trends that may influence your business model | Describe key societal trends. Which shifts in cultural or societal values affect your business model?Which trends might influence buyer behavior? |  |
| **Socioeconomic trends** | Outlines major socioeconomic trends relevant to your business model | What are the key demographic trends?How would you characterize income and wealth distribution in your market?How high are disposable incomes? Describe spending patterns in your market. What portion of the population lives in urban areas as opposed to rural settings? |  |

# Macroeconomics

## Macro Forces

|  |  |  |  |
| --- | --- | --- | --- |
| **Global Market Conditions** | Outlines current overall conditions from a macroeconomic perspective. | Is the economy in a boom or bust phase? Describe general market sentiments.What is the GDP growth rate?How high is the unemployment rate? |  |
| **Capital Markets** | Describe current capital market conditions as they relate to your capital needs | What is the state of capital markets?How easy is it to obtain funding in your particular market? Is seed capital, venture capital, public funding, market capital or credit readily available?How costly is it to procure funds? |  |
| **Commodities and other resources** | Highlights current prices and price trends for resources required for your business model | Describe the current status of markets for commodities and other resources essential to your business.How easy is it to obtain the resources needed to execute your business model?How costly are they?Where are prices headed? |  |
| **Economic Infrastructure** | Describes the economic infrastructure of the market in which your business operates | How good is the infrastructure in your market?How would you characterize transportation, trade school quality and access to supplies and customers? How high are individual and corporate taxes? How good are public services for organisations? How would you rate the quality of life? |  |