**MARKET STUDY: [TITLE]**

Prepared for:

**[COMPANY NAME]**

Prepared by:

[DATE]

 **MARKET STUDY**

1. **INTRODUCTION**

# A. OBJECTIVE

This report contains the results of a market study conducted by [MARKETING COMPANY] and designed to identify the general characteristics and sizes of, and trends within, the markets for [PRODUCTS/SERVICES]. These markets include those that relate to [SPECIFY]. In particular, the study sought to characterise and quantify trends that are relevant to [COMPANY]'s [PRODUCTS/SERVICES], as well as those that relate to associated subsectors of the consumer [MARKETS]. The survey is key on the [NUMBER] primary markets for [COMPANY]'s solution – [COUNTRIES] – but also includes limited information for other regions of the world.

# B. APPROACH AND METHODOLOGY

For this task, [MARKETING COMPANY] compiled and analysed relevant market and technology application information from a broad range of information sources that are known to be applicable for the task objectives. These sources include numerous market research and industry-specific databases accessible through commercial gateways, or "entries," as well as some that are accessible through the Internet. The specific sources included databases developed by over a dozen respected global market research companies (for example, [NAMES]), in addition to numerous trade-, industry- and technology-specific sources. For this task, [MARKETING COMPANY] expects to compile pertinent information extracts from numerous published and unpublished reports for subsequent analysis.

[MARKETING COMPANY]’s strategy has involved:

* Developing search strategies that yield general market information and specific data elements relative to [MARKETS] in general, as well as to [COMPANY]'s business model;
* Converting these strategies to Boolean or other search command statements applicable to specific information sources;
* Implementing the searches within the applicable databases;
* Filtering and organising the obtained information in a manner consistent with its end use;
* Reconciling the differences in related data elements from the different sources;
* Analysing the resulting information relative to the study objective;
* Present the resulting analytical output in a concise manner that is most informative to the client and potential investors.

**C. THE TEAM**

This study is the result of collaboration and combination of [NAME] and [NAME]’s expertise and knowledge. The team members’ detailed bios are attached to this document for reference.

1. **EXECUTIVE SUMMARY**

In [MONTH, YEAR], [MARKETING COMPANY] conducted an extensive market research study to determine [DESCRIBE]. The study was designed to address [NUMBER] key questions:

* Who is the target market?
* How big in terms of potential revenues is the target market?
* What are the major distribution channels?
* Which products/services do potential clients want?
* How likely would potential clients be to buy these products/services?
* How much will potential clients be likely to pay for products/services?
* Who are the main competitors?
* Are there barriers to market entry?
* Does [COMPANY] have a competitive advantage?

This executive summary will address each of these questions. Following the summary, detailed findings for each survey question are shown in tabular format.

**MAJORS POINTS**

Overall reaction to the [PRODUCT/SERVICE] was very high, with nearly [%] of the respondents indicating that they would be "extremely likely" to use it; an additional [%] reported that they would be "very likely." While these interest levels were measured before discussing price of the product/service, they do reflect a high overall interest level.

The size of the markets for [PRODUCTS/SERVICES] is both difficult to quantify and to forecast. By all estimates, however, the component markets are substantial now and are expected to grow exponentially in the next few years into billions of dollars. For [COUNTRY], estimates of the market for [PRODUCTS/SERVICES] ranges from about [AMOUNT] to [AMOUNT] this year, growing to [AMOUNT] by [YEAR]. The [COUNTRY] market is estimated at [AMOUNT] this year and growing to as much as [AMOUNT] in [YEAR].

[COMPANY]'s [PRODUCTS/SERVICES] appear to be particularly well-suited to address this market need. The [IDENTIFY POTENTIAL CLIENTS AND PARTNERS] all represent good candidates for profitable relationships.

The enterprise market segment – with its proven successful business models – represents another potentially lucrative opportunity for companies that can effectively and efficiently facilitate [DESCRIBE]. [COMPANY]'s solutions also appear to be particularly well-suited to address this large market segment. Another category of potential customers is represented by [IDENTIFY] who have yet to [DESCRIBE].

1. **PROBLEM DEFINITION**

In a world where customers make the rules, the company of information and knowledge has become the prime mover in creating competitive advantage. Since we have entered into the information age, market power has been rapidly shifting from sellers to buyers. Nevertheless, there is still a lot to do regarding the management of customer relationships in order to fulfil the widening chasm that separates customers and marketers. Part of the solution may be to stop to sell and to empower customers to buy.

No one ever said consumerism was easy. At one end, the poor consumer faces a bewildering array of goods and services. On the other, vendors contend with a diverse and fragmented marketplace that makes finding the right set of customers akin to finding the proverbial needle in the haystack. And in between are the billions misspent on muffed purchases and broken marketing campaigns that serve only to stuff letterboxes and alienate the very customers that sellers are trying to attract. The advent of the Internet has only intensified the problem by offering consumers even greater choice, sellers more competition, and new communication means to advertisers – which is just more exasperating consumers.

More specifically, the market study addresses:

[DESCRIBE]

The problem definition must state that sufficient potential demand exists for [COMPANY]’s [PRODUCTS/SERVICES] as proposed.

1. **MARKET SIZE AND TRENDS**

**A. TARGET MARKET AREA DEFINITION**

The target market (TM) is defined as [DESCRIBE]. The analysis must describe and justify the basis for defining the boundaries of the TM. Use of complete demographic and geographical factors is definitely encouraged. Secondary market areas may be delineated as a subset of the entire market, though the study *must* include the basis for considering the secondary market.

1. **INDUSTRY OVERVIEW AND CHARACTERISTICS**

Early technical and market developments, as well as initial user reactions, already indicate that [PRODUCTS/SERVICES] has a significant role to play in the advancement and evolution of [MARKET]. Early signs are that [MARKET] will explode in the next years.

When [PRODUCTS/SERVICES] exploded in popularity, it was often viewed as competition for [IDENTIFY] for the attention of potential clients. Now, however, as [DESCRIBE], it is becoming an alternative. But [PRODUCTS/SERVICES] do more than serve [DESCRIBE]. Businesses are beginning to make greater use of [PRODUCTS/SERVICES]. And new technology, services and tools are making it more useful in the enterprise.

1. **MARKET POTENTIAL AND OPPORTUNITIES**

Clearly, [PRODUCTS/SERVICES] represent a major market opportunity for companies like [COMPANY] who have distinct competitive advantages. The market is real today, and very likely to explode as [DESCRIBE] accelerates over the next several years.

Most analysts predict that the preponderance of revenues over the next several years will be mostly available to [IDENTIFY] like [COMPANIES]. However, the [IDENTIFY] are currently scrambling for position in the marketplace, incurring losses while investing heavily in [SPECIFY] and experiencing pressures to consolidate. Also, since [SPECIFY] is currently not widely available, the preferences and desires of the ultimate consumer (both individual and business) have not been established. As a result, a successful business model has not yet been demonstrated, and the analysts' predictions as to the ultimate distribution of revenues in the industry are therefore very tentative, at best.

Nonetheless, because of their head start in [DESCRIBE], and because of the [COMPETITIVE ADVANTAGES], these companies currently show the best potential to monetise the dormant business available from [IDENTIFY]. Since they are relatively well capitalised and consolidating, their market space will, therefore, be difficult for a new company to "flaw." There does, however, appear to be a distinct potential for [TYPE OF] companies like [COMPANY] to partner with [IDENTIFY] by providing stepwise solutions.

**DEMAND ANALYSIS**

Assumptions:

## Total market potential sales (in unit) X Penetration rate X Price per unit = Total potential revenue/year

## RISKS AND CHALLENGES

Numerous risks and challenges exist for any company entering the [MARKET]. Some of these include the following, most of which are intuitively obvious:

Projections of growth are often based on optimistic projections by research/analysis companies who depend on industry participants for their revenues. We thus have no way of determining to what degree predictions accommodate actual situations with their many variables. Because of this consideration, the consensus of opinion may be overly optimistic, and the market may grow at a substantially slower pace.

To a large degree, the growth of [MARKET] is dependent on the widespread proliferation of [IDENTIFY]. While this also appears to be a certainty, external factors could intervene and limit the ability of the providers to meet their goals. Similarly, projections of deployment and penetration also are uncertain because of analyst-industry relationships.

The revenue and income potential of the business and market are unproven. While there are many current participants, most are losing money as they scramble to develop products, services, infrastructure and market share. Since the market is continuing to develop and evolve, it is difficult to determine what business model(s) will be successful.

The market can be characterised now as new, intensely competitive, and highly fragmented and rapidly changing, and it is likely to continue to be so for some time. These characteristics generally favour well-capitalised companies, of which there are several. They also favour companies with established brands and capabilities

# COMPANIES AND PRODUCTS IN THE MARKET

Most of the major "players" in the market are identified in Annexure A. Of those identified in this latter section; the following companies appear to be the main competitors for [COMPANY]:

[LIST MAJOR COMPETITORS]

1. **CONCLUSION AND RECOMMENDATION**

The analysis *must* state a professional opinion, regarding the subject development feasibility from a market perspective, and what effect the products/services would have on the existing market.

The analysis *must* specify the absorption period and time needed to reach market maturity.

The analysis *must* determine appropriate market shares for the proposed products/services. The market study should indicate under what conditions if any, the market penetration would become feasible.