

# DTU Course 42435

## Knowledge based Entrepreneurship

### MARKET ANALYSIS

#### Video 07B

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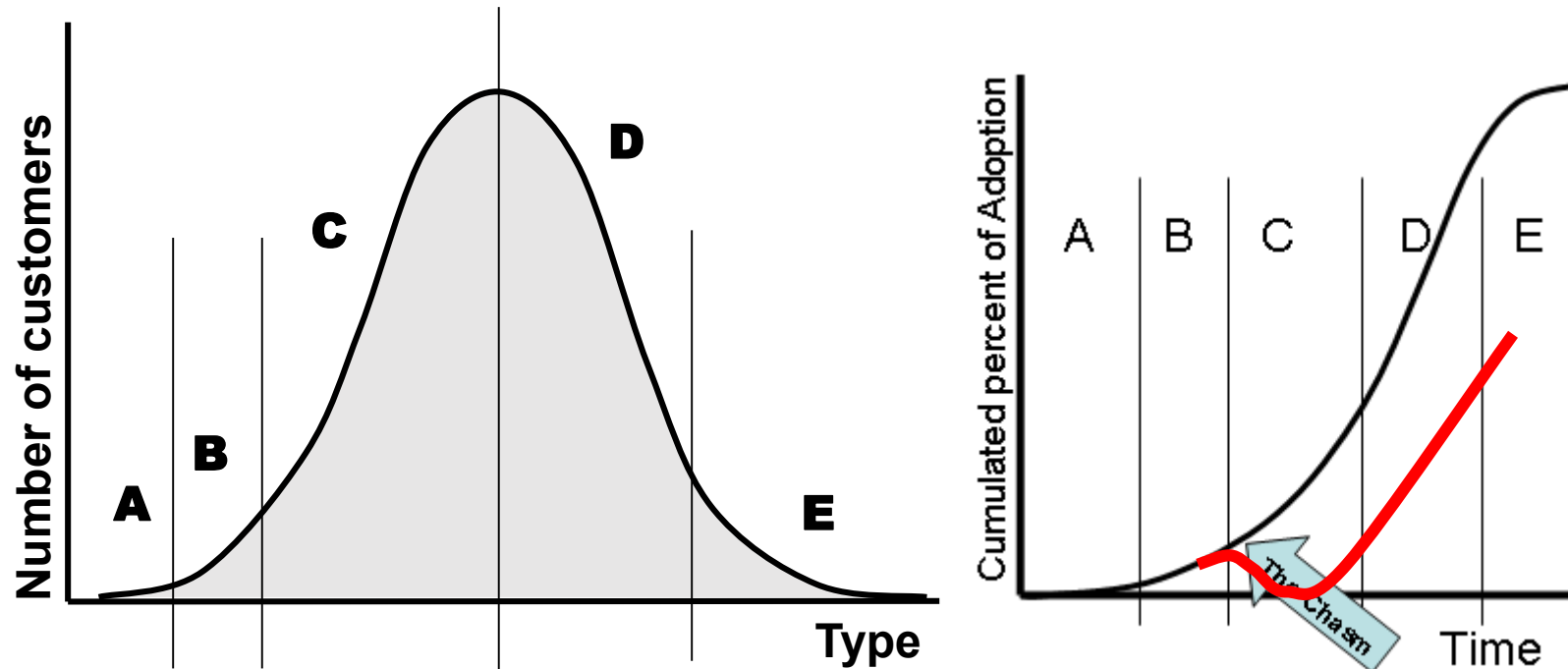
DTU Management Engineering  
Technology and Innovation Management

# AGENDA

- Michael Porter's Five Forces (MP5F) A
- The Value chain A
- **Market Response to Innovation** B
- **Checklist for Market Analysis** B

## Market Response to new products

- A. **Pioneers** – love change and technology.
- B. **Early Adopters** – do too, but they are rational and particular
- C. **Early Majority** – no strong opinions, influenced by early adopters
- D. **Late Majority** – fat and lazy – and driven by early majority
- E. **Laggards** – hate you and buy only when they have to.



**Bridging the Chasm: real pain killing gets the early adopters to ring the bell!**

# Market Analysis Research

- Who are the customers?
- Who are the decision makers?
- Where are they – how many? (Demographical data)
- Why would they buy? (Value proposition OK? *Ask them!*)
- How much do they buy? (Annual turn-over in the market + trend)
- Any important market drivers? (Market dynamics?)
- Competitors
- Suppliers
- Distributors + channels
- The value chain
- **Analysis by MP5F + conclusions**
  - Now you can make your market entry scenario with ER/GM*
  - And then you can make your BP + your budgets*

## To wrap up

- Michael Porter gives you a conceptual understanding of your market – and hence you may consider our position in the value chain and your start-up strategy
- Everett Rogers allows you to forecast the dynamics of a market entry
- Geoffrey Moore warns about the chasm when approaching the main market – and the importance of value creation
- Once you understand these models, you can start collecting data and information about your market
- Combine data and models to make a quantified estimate of your market entry in the time domain
- Most likely this is a wild guess at first try – but most likely you will get the dynamics right and you will have a strong tool for forecasting your sales, once real data starts materializing

