

The



**TAMID GROUP**  
EXPERIENTIAL LEARNING THROUGH BUSINESS IN ISRAEL

Guide to:

# *Market Analysis*

# Qualities of a great market analysis project:

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- Key numbers to quantify the industry
- How the industry is growing and projections
- Trends to look for in the near future
- Top competitors, interesting startups, and potential partnerships
- A concise executive summary

# How do I use this presentation?

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- This is meant to be a basic guide for how to create an awesome, comprehensive, and sophisticated market analysis project
- We're going to guide you with questions that you should be asking and trying to answer
- Don't worry if you can't answer some of them; they're not all relevant to every industry, and some of them are hard to find
- Put your personal spin on things! This is just a guide, but make it your own.

# Heads up – not all industries are the same!

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- Two major types of industries:
- 1) Mature Industries
  - Example: Video Games
  - Established revenues, profits and user base
- 2) Young Industries
  - Example: Virtual Reality
  - Little or no established sales
  - Potential for huge growth

# Can I get a preview?

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- Here's an overview of the structure of this guide:
  1. Know Your Databases
  2. The Numbers
  3. The Field
  4. The Future
  5. The Big Picture
- Don't forget to have fun!

Step 1

Know  
Your  
Databases

# What the heck is a database?

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- A market research database collects and organizes information about different markets (e.x. the video game industry)
- As a university student, you have access to awesome databases that CEOs can't afford
- They've got great data and in depth research on the markets that your company is trying to enter
- This is a huge value for the CEO - don't be afraid to mention it!

# Well, how do you find the right databases?

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- You can usually access these by going to your university's home portal (e.x. [home.nyu.edu](https://home.nyu.edu)) and finding the research / database section (e.x. [home.nyu.edu/research](https://home.nyu.edu/research))
- Top market analysis databases:





Step 2

The  
Numbers

# Key metrics #1: Revenues and Profits

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## *Revenues*

- What are total industry revenues?
- Which companies in the industry are the top-5 in market share?
- How is revenue split up amongst the segments of the industry? (e.x. 45% service, 55% hardware)

## *Profits*

- What are total industry profits?
- What do the profit margins look like?
- Which companies in the industry are the top-5 in profits?
- How is profit split up amongst the segments of the industry? (which segment is the most profitable)

# Key metrics #2: Businesses and Users

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## *Businesses*

- How many businesses are in the industry?
- What are total industry wages?
- How many people does the industry employ?
- How have wages and employment grown (or contracted) over the past 5 years?

## *Users (most relevant to software)*

- How many users are in the industry?
- How fast are users growing?
- Are there different types of users? (e.x. free subscribers vs. paid)
- What's the churn rate? (what percentage of users stop using the service)

Step 3

The  
Field

# Key element #1: Big Players and Hot Startups

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## *Big Players*

- Who are the biggest companies in the industry?
- What is their product offering, and how is it different than everyone else's?
- What are their yearly revenue / profit numbers?

## *Hot Startups*

- Find 4 or 5 startups in the space that have raised rounds of investment recently
- Use [crunchbase.com](https://crunchbase.com) to get company info about funding; how much have they raised, and when?
- Describe the technology of the startup and why it changes things
- Try to get user / revenue numbers

# Key element #2: Stealth Startups and Partnerships

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## *Stealth Startups*

- Find 3 or 4 startups that haven't raised big funding rounds but are interesting
- Describe the technology of the startup and why it changes things
- Try to get user / revenue numbers

## *Partnerships*

- What companies in the industry would present interesting partnership opportunities? (big or small players)
- What kind of partnerships are relevant to the client company? (e.x. Marketing, Operations)
- Why / how would the potential partner benefit?

# Key element #3: Regulation and Volatility

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## *Regulation*

- What is the relative level of regulation? (e.x. banking is heavy, gaming is light)
- In what ways does the government impact production and sales?
- Are there any compliance requirements?

## *Volatility*

- What is movement in revenue tied to?
- Are different segments of the industry more or less volatile?
- Are there any developments that could render the industry obsolete?

Step 4

The  
Future



# Key element #1: Industry Growth and Projections

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## *Industry Growth*

- What rate has the industry grown at over the past 2 years? 5? 10?
- Why is the industry growing:
  - 1) *Internal growth*: the product is solving a major problem and is causing its own growth
  - 2) *External growth*: the industry is growing because of outside factors (e.x. more people with smartphones)

## *Projections*

- Find 2 or 3 projections for future industry growth (from different research groups)
- How much greater is the projected growth rate than the historical growth rate? Why?

# Key element #2: Industry Trends

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- Industry trends are developments (internal and external) that could have a potential impact on industry demand and direction
- Find 3-4 trends that are important:
  - Major issue that needs to be fixed?
  - Part of the industry that isn't being explored?
  - Potential new application of a product?
  - New partnerships happening?
- How do these trends impact the industry? Will they increase or decrease demand?

Step 5

The Big  
Picture

# Key element #1: Overall Impressions

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- Do you think that this is an industry with a bright future, or not so much?
- Do you think that a technology in this industry can totally change the way we do something?
- Is there an overall theme in the industry that is worth addressing?
- Are there any other industries that seem similar, or have similar narratives?

# Key element #2: Executive Summary

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- An executive summary gives a concise recap on the key elements of your market analysis
- Have a bullet point for most of the elements that we covered:
  - Revenues, Profits, Businesses, and Users
  - Big Players and Hot Startups
  - Stealth Startups and Partnerships
  - Regulation and Volatility
  - Industry Growth and Projections
  - Industry Trends and Overall Impressions
- Try to end with a summary line

Step 6

Next  
Steps

# Put it together in a sexy presentation

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- Use the TAMID template slides from the education website, and follow the presentation guidelines
- Remember: half of your company's satisfaction will be based on how you present your results

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