



Market Analysis

This worksheet will help you understand various aspects of the existing marketplace your product will be entering into.

A market analysis is an important part of any business plan. It helps define the existing market atmosphere for a particular product by identifying customer groups, competition, and prices. With this information you can determine how your business will compete in the market and estimate your potential sales. You will need to do a little research into your competitors and their pricing, which will be instrumental in helping you develop your marketing strategy.

If you offer more than one product, such as pick-your-own berries and value-added products, you'll want to complete this worksheet for each of those products.

I. Product

Briefly describe the product you plan to sell.

Briefly describe how and where you will sell this product to customers.

(You can define this further in the Choosing Your Market worksheet.)

2. Customer Groups

A Customer Group or Market Segment is a group of people that share one or more characteristics. Often this is broken up by geographic (county, zip code, shopping location) or demographic (age, gender, household size, income) and psychographic (lifestyle characteristics, beliefs, values). Think about how you can break down your customers into various groups. Of course these groups may overlap, so it can be helpful to complete this section for multiple groups to see how they overlap. This can help you focus your marketing efforts. Your customer groups can be further defined on your Marketing Plan worksheet.

Examples:

Customer Group 1: People who purchase at the farmer's market

Customer Group 2: People who purchase on-farm pick-your-own

Customer Group 3: People who purchase on-farm pre-picked

OR

Customer Group 1: Young families

Customer Group 2: Older couples without children

Customer Group 3: Grandparents with grandchildren

Customer Group 1

What need or desire will the product fulfill for this customer?

Potential # of customers (a):

Potential sales per customer (b):

Potential sales volume (a x b):

Customer Group 2

What need or desire will the product fulfill for this customer?

Potential # of customers (a):

Potential sales per customer (b):

Potential sales volume (a x b):

Customer Group 3

What need or desire will the product fulfill for this customer?

Potential # of customers (a):

Potential sales per customer (b):

Potential sales volume (a x b):

3. Product Appeal

Think about some of the characteristics of your product that make it unique. What benefits do these characteristics have? Which of your market segments would these characteristics and benefits most appeal to? Are these characteristics easy for your competitors to imitate?

Characteristic	Benefit	Customer group(s) this feature appeals to.	Easy for competitors to imitate?
			Yes
			No
			Yes
			No
			Yes
			No
			Yes
			No

Connecting Product to Customer Groups

Summarize the unique characteristics of your product, why they are valuable to your customer groups and why they make your product stand apart from those of your competitors.

4. Competition

Complete the following information about your direct competitors. Print more pages if needed.

Competitor 1

Location

What product(s) does this competitor sell?

How does their product differ from yours?

What is this competitor's marketing strategy?

What are this competitor's strengths?

What threats do these strengths create for your business?

What are this competitor's weaknesses?

What opportunities do these weaknesses create for your business?

What can you learn from this competitor in terms of marketing, operations or customer service?

Competitor 2

Location

What product(s) does this competitor sell?

How does their product differ from yours?

What is this competitor's marketing strategy?

What are this competitor's strengths?

What threats do these strengths create for your business?

What are this competitor's weaknesses?

What opportunities do these weaknesses create for your business?

What can you learn from this competitor in terms of marketing, operations or customer service?

Competitor 3

Location

What product(s) does this competitor sell?

How does their product differ from yours?

What is this competitor's marketing strategy?

What are this competitor's strengths?

What threats do these strengths create for your business?

What are this competitor's weaknesses?

What opportunities do these weaknesses create for your business?

What can you learn from this competitor in terms of marketing, operations or customer service?

Competition Strategy

Summarize competitor information and describe what you can do to set your product apart from your competitors' products.

5. Pricing

What price do you currently/plan to receive for this product? How does the price compare to that of your competitors? What might cause these prices to change? How much power do you have to set a price for your product?

Unit your product is typically sold in (quart container, pint jar, flat, etc.):

Typical (average) price per unit:

Competitor prices

What do your direct competitors (listed above) charge for the same product you offer?

Competitor	Product Unit	Price

Price range per unit

Based on competitor prices above.

What might cause prices to change?

How much power do you have to set prices?

Low

Moderate

High

How sensitive is the demand for your product to price changes?

Low

Moderate

High

Pricing strategy

Based on what you've determined about competitor pricing and the overall pricing atmosphere of your product, describe how you plan to set prices for your product and how they might change throughout the season and over time.

6. Market Analysis Summary and Overall Strategy

Now that you've taken a close look at your product, customer groups, competition and pricing, reflect on how your product will fit into this market. Will you be offering something new that customers are demanding? Is your product the same as what others are already offering? If your product is similar to what your competitors are offering, what can you do to set your product apart? Perhaps there is a different product or variation on a product that would set yours apart from your competitors' products.

Summarize your thoughts on the information you've compiled on this worksheet, and use this along with the other worksheets to refine your decisions on which products to offer, who to offer these products to, and how to market those products to your customers.