

The Market Opportunity Navigator

3 steps for discovering and strategising
your most valuable market opportunities



Hello and welcome back. In this video, we're going to show you the market opportunity navigator in a nutshell. Yes. The market opportunity navigator is designed to help you master your market opportunity choice. It offers three steps for discovering and strategizing your most valuable market opportunities.

Notes

Summary



The 3 steps of the Navigator



I. Search Broadly

Which market opportunities exist for us?
Generate your **Market Opportunity Set**



II. Assess Deeply

What are the most attractive market opportunities for us?
Create your **Attractiveness Map**



III. Strategise Smartly

What market opportunities should we focus on?
Design your **Agile Focus Dartboard**

Which markets to play in?

So what are the three steps? First, you search broadly in order to understand which market opportunities exist for you, the outcome will be your Market Opportunity Set. Second, you assess deeply to understand which market opportunities are most attractive for you, the outcome will be your Attractiveness Map. And third, you're going to strategize smartly in order to understand which market opportunity to focus on, the outcome will be your Agile Focus Dartboard.

Notes

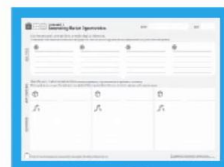
Summary



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Working with the Market Opportunity Navigator

3 dedicated worksheets...that lead to the 3 important outcomes:



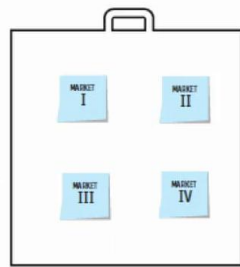
WORKSHEET 1



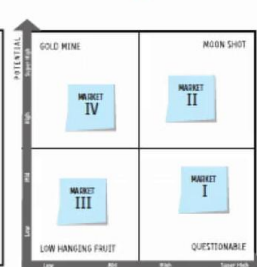
WORKSHEET 2



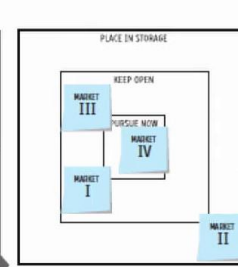
WORKSHEET 3



MARKET OPPORTUNITY SET



ATTRACTIVENESS MAP



AGILE FOCUS DASHBOARD

Which markets to play in?

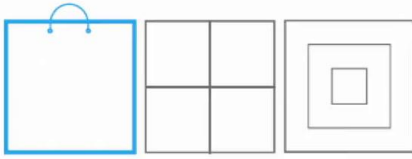
Based on these three steps we have designed three dedicated worksheets that lead to three important outcomes. You can then depict these outcomes in a visual manner so the choice becomes more apparent.

Notes

Summary



Step 1: Market Opportunity Set



The set of potential market opportunities that you can address with your core resources and capabilities.

These can be varied options, related to different types of needs for different types of customers.

A varied set of market opportunities is an asset in and of itself!



So let's briefly go over these three steps of the market opportunity navigator. First, the Market Opportunity Set. Exactly. This is the set of potential market opportunities that you can address with your core resources and abilities. It can be related to different needs for different types of customers. Why is this important? Well, market opportunities can vastly differ in their attractiveness. Having a set of options can help you choose the most promising opportunity and also provide the basis for plan B or for unlocking your growth opportunities in the future. Exactly.

Notes

Summary



1m 04s

ÉCOLE POLYTECHNIQUE
FÉDÉRALE DE LAUSANNE

Which markets to play in?

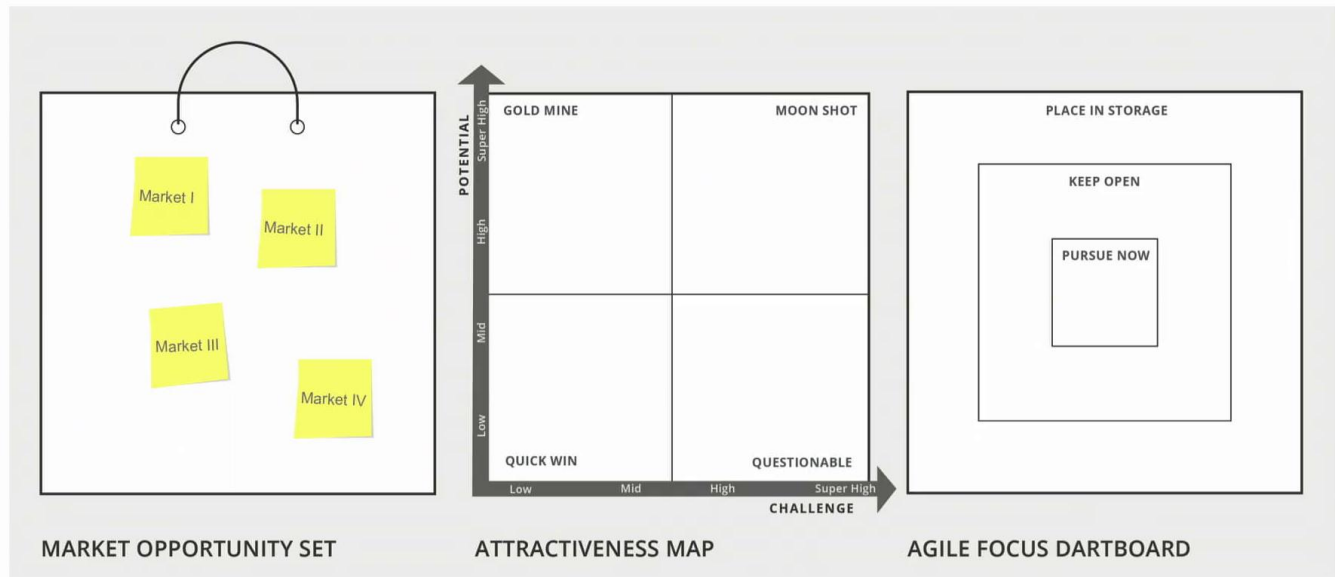
- Notes

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Summary



The outcome: your Market Opportunity Set



Which markets to play in?

And the outcome is your market opportunity set which can be depicted on the Navigator using sticky notes to represent each opportunity.

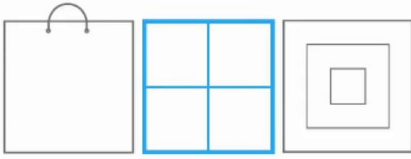
Notes

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2m 05s

Step 2: Attractiveness Map



Visually depict the evaluation of your market opportunities - based on their Potential and their Challenge - so you can better grasp their upsides and downsides, and compare them with each other.

Make an informed choice that relies less on intuition and suffers less from biases.



The second step is the Attractiveness Map. So what is an attractive market opportunity? It's one that has high potential and a little challenge of course, you know so with this tool you're going to depict each individual market opportunity under Matrix and try to visually understand the upsides and downsides and then be able to compare their overall nature. So why is this so important? Because market opportunities are different in their potential. You want to make an informed decision about this very important choice that you're engaging in a venture creation or the innovation process. So ultimately you rely less on intuition and suffer less from your own biases.

Notes

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2m 15s

Worksheet 2 will guide you through this process

2

WORKSHEET 2
EVALUATE MARKET OPPORTUNITY ATTRACTIVENESS

NAME
DATE

Use this worksheet for every market opportunity you would like to evaluate.

Market Opportunity:

POTENTIAL

LOW MID HIGH SUPER HIGH

COMPELLING REASON TO BUY
Unmet need
Effective solution
Better than current solutions

LOW MID HIGH SUPER HIGH

MARKET VOLUME
Current market size
Expected growth

LOW MID HIGH SUPER HIGH

ECONOMIC VIABILITY
Margins (value vs. cost)
Customers' ability to pay
Customer stickiness

OVERALL POTENTIAL

LOW MID HIGH SUPER HIGH

CHALLENGE

LOW MID HIGH SUPER HIGH

IMPLEMENTATION OBSTACLES
Product development difficulties
Sales and distribution difficulties
Funding challenges

LOW MID HIGH SUPER HIGH

TIME TO REVENUE
Development time
Time between product and market readiness
Length of sale cycle

LOW MID HIGH SUPER HIGH

EXTERNAL RISKS
Competitive threat
3rd party dependencies
Barriers to adoption

OVERALL CHALLENGE

LOW MID HIGH SUPER HIGH

Use the overall ratings to situate each market opportunity on the Attractiveness Map.

Which markets to play in?

To evaluate each market opportunity in a structured and clear manner, we have designed worksheet 2 that will guide you through this process. The left column guides you how to estimate the potential of a market opportunity. It is comprised of three different factors that can then be combined to an overall potential rating. The right column of worksheet 2 guides you how to evaluate the challenge they mention once again it is comprised of three different factors which you can then combine to an overall challenge rating.

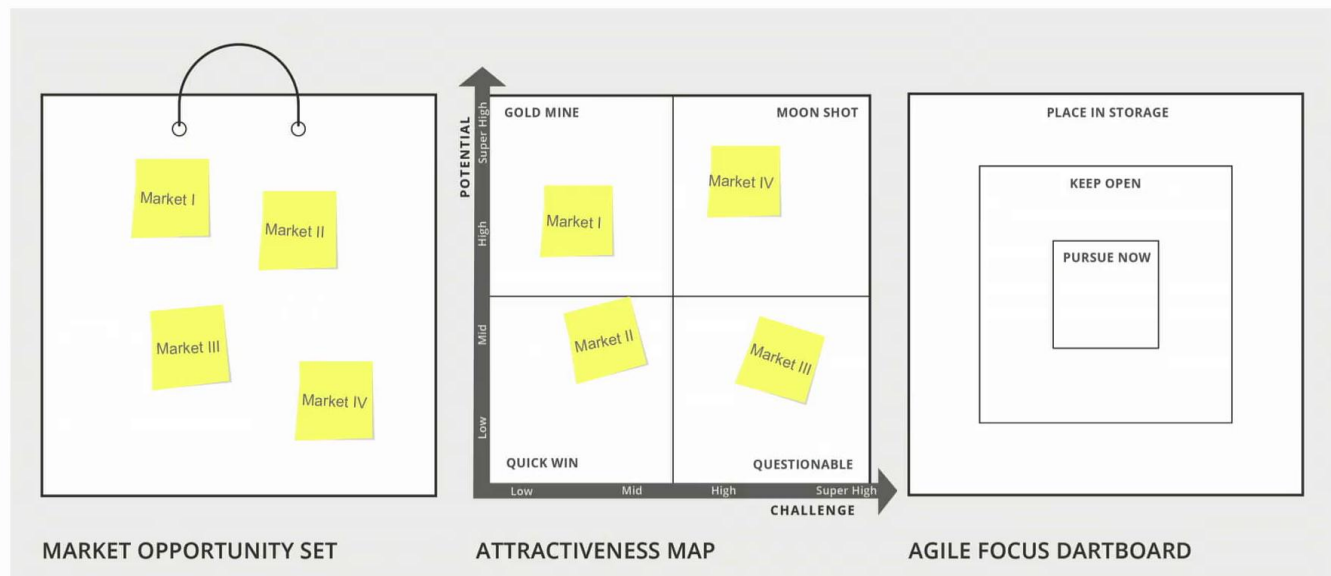
Notes

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2m 55s

The outcome: your Attractiveness Map



Which markets to play in?

Once you assess the attractiveness of your market opportunities and create each option based on its potential and its challenge you can then look at them on the attractiveness map here in the middle, this is the outcome of step two.

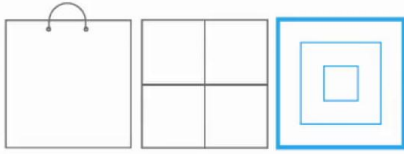
Notes

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3m 30s

Step 3: Agile Focus Dashboard



The Dartboard depicts your Agile Focus Strategy, and clearly defines the opportunities that you will pursue now, and those that you will keep open for backup or future growth.

This allows you to mitigate your risk and increase your value with minimum effort!



The third step is your Agile Focus Dartboard. Yes. The dartboard depicts your Agile Focus Strategy. It clearly defines the opportunities that you will pursue now and those that you will keep open as back up or future options. So why is this important? Well, the agile focused strategy allows you to mitigate your risk and increase your value without losing your focus and that's how you can avoid a potentially fatal locking.

Notes

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3m 44s

Worksheet 3 will guide you through this process

WORKSHEET 3

DESIGN YOUR AGILE FOCUS STRATEGY

NAME _____ DATE _____

Build a smart portfolio around your Primary Market Opportunity to mitigate your risk and increase your value.

- Choose a Primary Market Opportunity to focus on (based on the Attractiveness Map).
- Pick other attractive market opportunities from your set to examine possible Backup and Growth Options.

Relatedness to your Primary Market Opportunity:			
PRODUCT RELATEDNESS To what extent do the products share: technological competences, required resources, necessary networks	○○ ○○ ○○	○○ ○○ ○○	○○ ○○ ○○
MARKET RELATEDNESS To what extent do the customers share: values and benefits, sales channels, word-of-mouth	○○ ○○ ○○	○○ ○○ ○○	○○ ○○ ○○
Suitable as: BACKUP OPTION Attractive market opportunities that do not share major risks with your Primary Market Opportunity to allow for a change in direction	☐ Backup	☐ Backup	☐ Backup
GROWTH OPTION Attractive market opportunities that allow your business to create additional value	☐ Growth	☐ Growth	☐ Growth

- Design your Agile Strategy:
 - Keep at least one Backup and one Growth Option open
 - Decide if any option is worth pursuing now
 - Place the rest in storage

	Pursue now Keep open Place in storage	Pursue now Keep open Place in storage	Pursue now Keep open Place in storage

Mark your strategy on the Agile Focus Dashboard.

Which markets to play in?

So finally worksheet 3 three helps you to design your agile focus strategy, specifically once you choose your primary market opportunity it will assist you in finding the best backup options and growth options based on their attractiveness and their relatedness to your primary opportunity. You will then need to decide how much effort you want to invest in these options. Will you pursue them now in parallel to your primary opportunity, keep them open or simply place them in storage for potential future use.

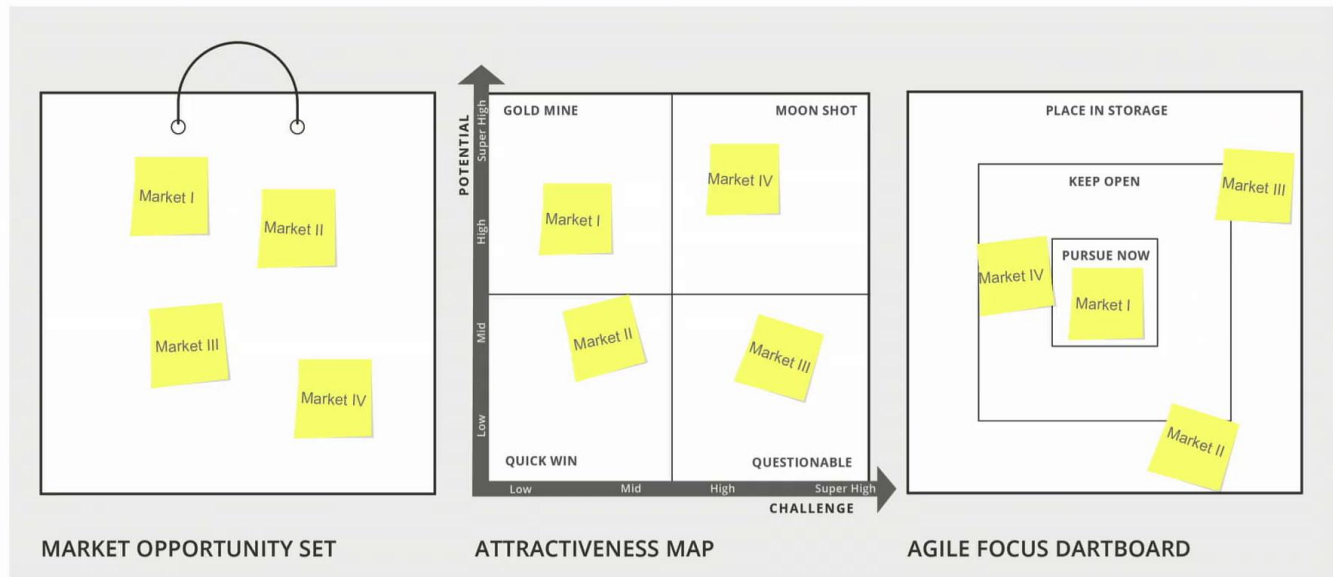
Notes

Summary



4m 15s

The outcome: your Agile Focus Dartboard



Which markets to play in?

The result of this process is your Agile Focus Strategy which can then be depicted on the Agile Focus Dartboard.

Notes

Summary



4m 47s

Setting a winning strategy

The Agile Focus Strategy has significant implications for how you build and design your venture.

Apply the Navigator when ever you need to re-think your strategy, to make sure that you are running in the right direction, and remaining agile while doing so!



Overall you can think of this as being wide-lens strategy that has significant implications for how you build your resources and capabilities and also for how you design your venture. So whenever you need to think about your strategy either for the first time or when navigating your pivot or your growth move, apply the navigator to set your strategy. Ultimately it will help you to make sure that you're running in the right direction and remain agile while doing so.

Notes

Summary



4m 56s

Remember- this is a learning process



- ✓ Appreciate the process, not just the outcome
- ✓ Test your assumptions and turn them into knowledge
- ✓ Make it as iterative as possible
- Debate as much as you can
- Make it a habit

Which markets to play in?

As a final note Don't forget that this is a learning process and the navigator is actually your learning companion. It helps you to ask the most important questions before making such a profound decision. So appreciate the process and not just the outcome. Test your assumptions and turn them into knowledge as you evaluate your market opportunities. Make the process as attractive as possible. And debate with your peers and your stakeholders as much as you can. So ultimately make the Market Opportunity Navigator a habit to reap the greatest benefits from your commercialization efforts. Good luck.

Notes

Summary



5m 22s