



UNIVERSITA' DEGLI STUDI
DI ROMA TOR VERGATA



UNIVERSITY ROME TOR VERGATA
SCHOOL OF ECONOMICS PRESENTS

BUSINESS MODEL INNOVATION

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Lesson #4

DISCOVER

Product/Market Opportunities

Today

Course overview

- NAUTILUS[®] step 2
DISCOVER Product/Market Opportunities

break

- Case study session
 - Case analysis in groups

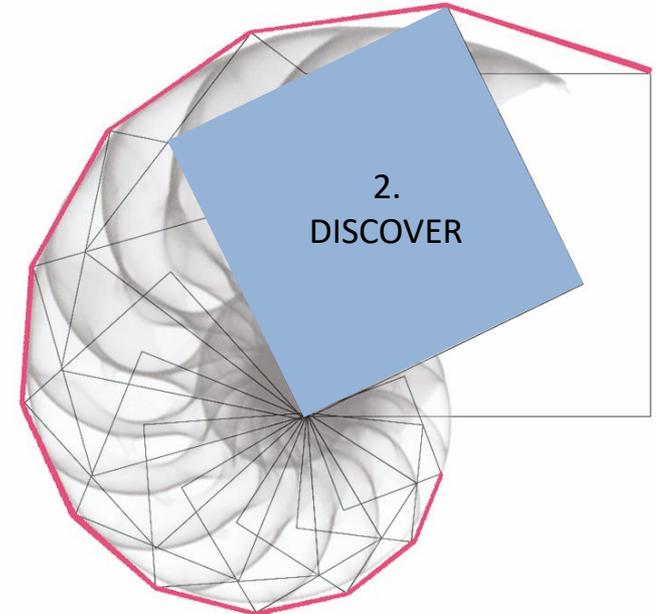
STEP 2 DISCOVER PRODUCT/MARKET OPPORTUNITIES

ACTIVITIES

- **Define the target Technologies/Customers**
- Discover hidden Customer Needs
- Prioritize Customer Needs and identify Opportunity areas for Company Core/non-Core business lines
- Size and forecast market demand (addressable Market)

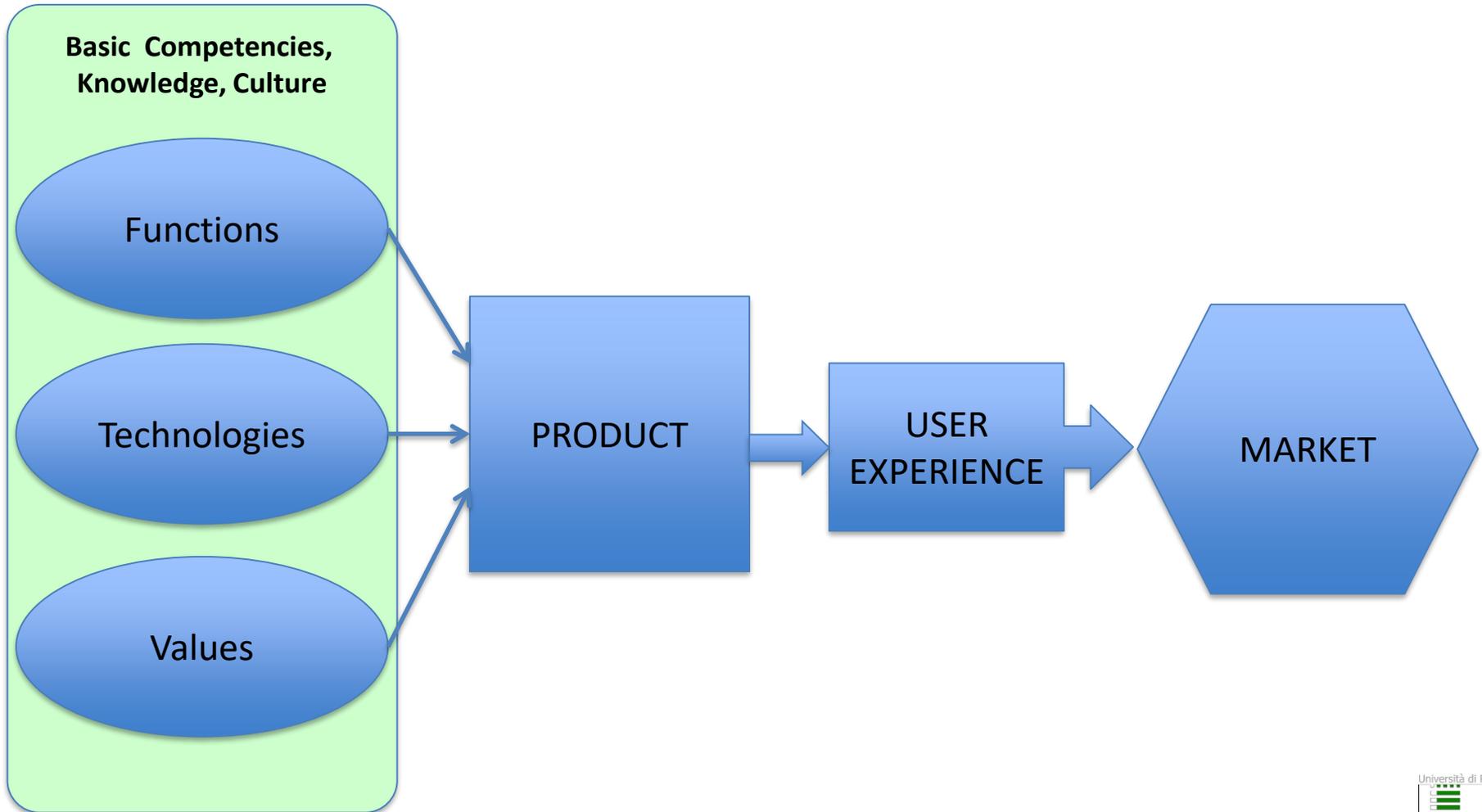
DELIVERABLES

- Definition of Target Customers/Markets
- Top Opportunity Areas
- Size of potential Markets

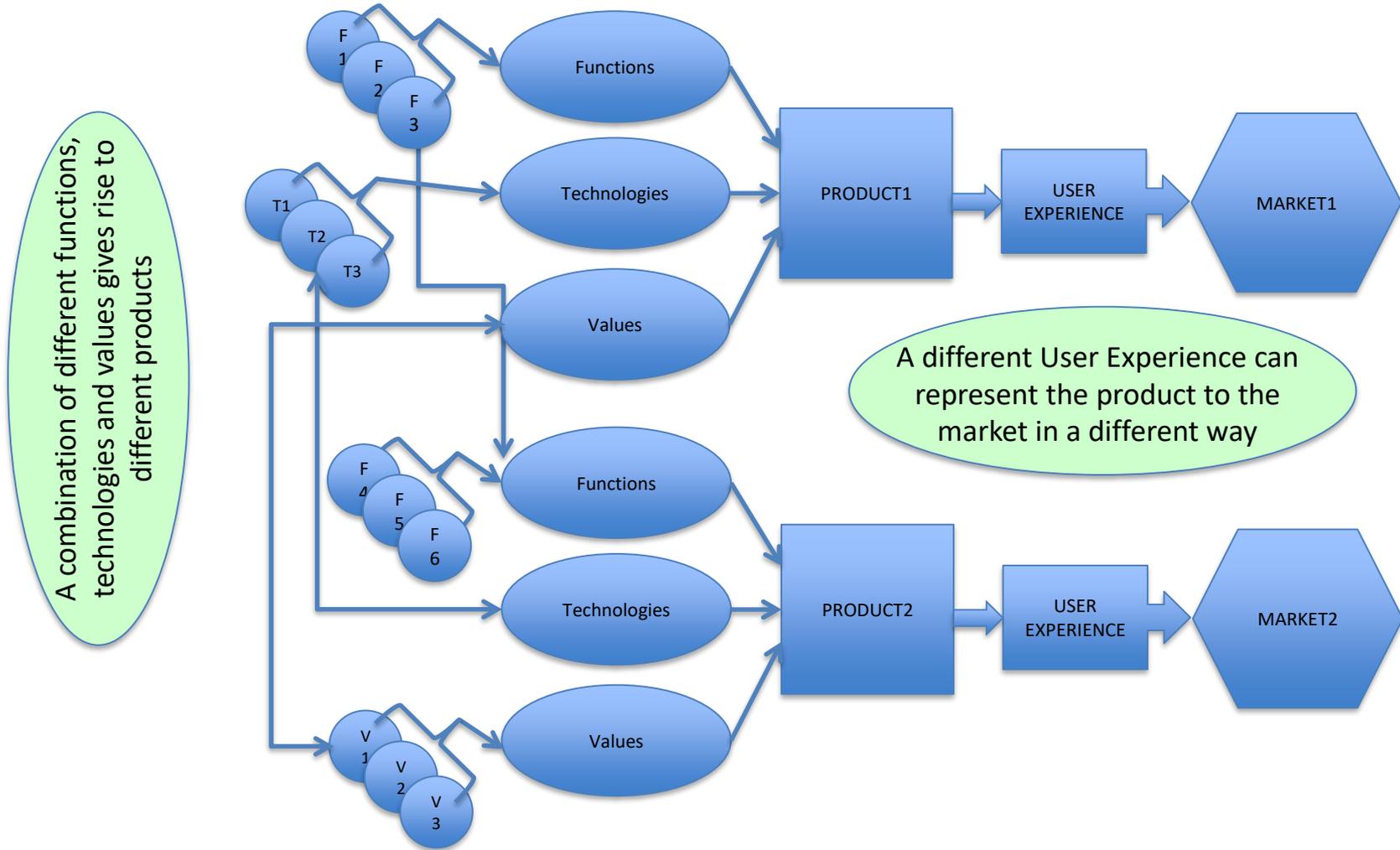


*To succeed in growing their business companies MUST know the real Needs of their potential Customers.
A new Product/Service, although innovative, will not succeed in the market without a real demand and need from Customers.*

Product/Market Opportunity Analysis



Product/Market Opportunity Analysis



Define the target Customers



Define the target Customers

- **TESLA**
Could develop a commodity product (Model 3)
- **NETFLIX**
Could develop its female morning and afternoon market (gym classes for housewives?)
- **AMAZON**
Direct delivery of motor cars
- **HUAWEI**
Introducing 5G technology/services

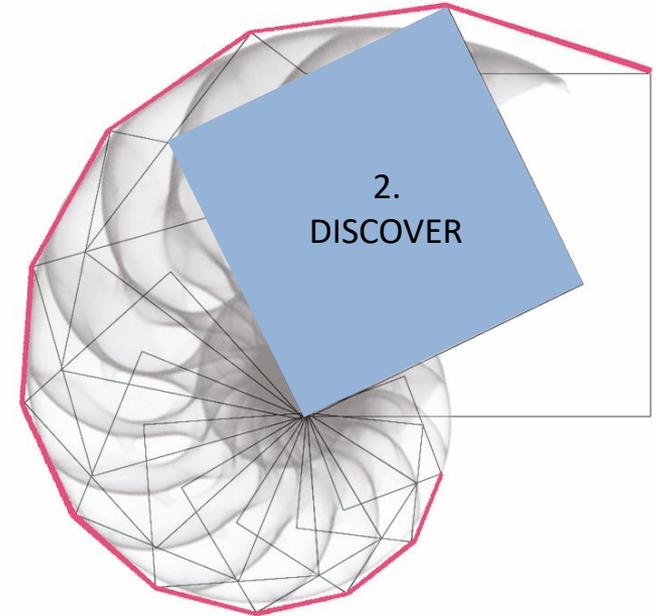
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Discover hidden Customer Needs

- **Identify your customers**

- gender
 - age
 - occupation
 - disposable income
 - residential location
 - recreational activities.
- Diagram illustrating connections between customer attributes and brands:
- gender → amazon
 - age → amazon
 - occupation → TESLA
 - disposable income → amazon
 - residential location → amazon
 - recreational activities → amazon

- **Understand why they spend**

- work demands
 - family needs
 - budget pressures
 - social or emotional needs
 - brand preferences.
- Diagram illustrating connections between customer needs and brands:
- work demands → NETFLIX
 - family needs → NETFLIX
 - budget pressures → HUAWEI
 - social or emotional needs → HUAWEI
 - brand preferences → TESLA

Discover hidden Customer Needs

- **Identify preferred channels**

- shop online 
- over the phone
- in stores 



- **Consider their spending habits**

- their average income 
- the portion of their income they spend on the type of products or services you sell 
- if they budget. 



- **Find out what they think of you**

- products and services 
- customer service 
- Competitors.



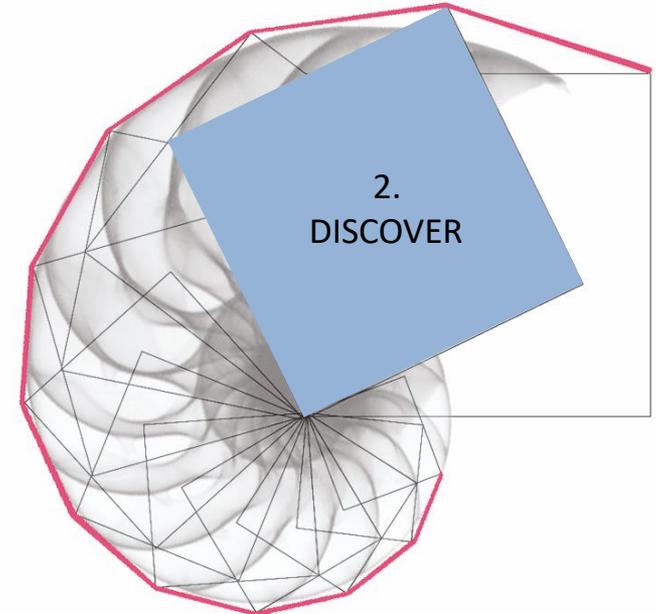
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Identify Opportunity areas

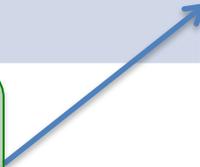
Product/ Market	M1	M2	M3	M4	M5	...
P1						
P2					P/MO	
P3			P/M			
P4						
...	PO/M				PO/MO	



Opportunity areas

Product/ Market	M1	M2	M3	M4	M5	...
P1						
P2						
P3			P/M			
P4						
...					PO/MO	

Could develop a commodity product
(Model 3 for a mass market?)



Opportunity areas

Product/ Market	M1	M2	M3	M4	M5	...
P1						
P2					P/MO	
P3			P/M			
P4						
...						

Could develop its morning and afternoon market (gym classes for housewives?)



Opportunity areas

Product/ Market	M1	M2	M3	M4	M5	...
P1						
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P3			P/M			
P4	PO/M					
...						

Direct delivery of motor cars



Opportunity areas

Product/ Market	M1	M2	M3	M4	M5	...
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Introducing 5G technology/services



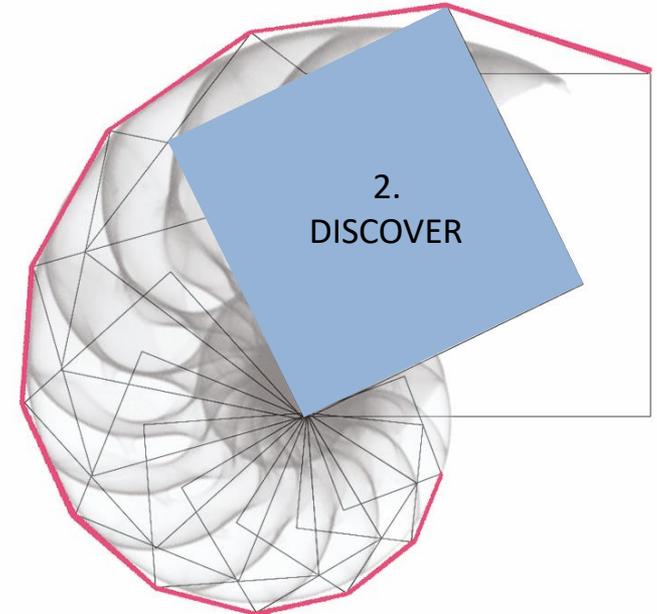
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Four steps for a total-market forecast

1. Define the market.
2. Divide total industry demand into its main components.
3. Forecast the drivers of demand in each segment and project how they are likely to change.
4. Conduct sensitivity analyses to understand the most critical assumptions and to gauge risks to the baseline forecast.

Case Studies

Today's Case Study Objectives

- Case study session
 - Case analysis in groups
 - General context & market
 - History
 - Product-Service/Market Matrix
 - Value Proposition
 - Discover Opportunities?