

Industry Analysis Checklist

Use this checklist to help you define your position in your industry and identify possible niche markets for your product.

- ❑ Are there any new competitors in the arena? Does everyone think this is a hot idea?
- ❑ Have any gone out of business recently? Why?
- ❑ If there have been no new entries in the market, is it because there are fatal flaws with the concept, or because you are the first in a new idea, or because you have figured out how to overcome problems others didn't solve?
- ❑ Are there a small number of competitors for a large market, or a large number for a small market?
- ❑ If all the other competitors are large companies, can you fit in a small but profitable niche, or do you have the capital to compete head-to-head, or are you at risk of being attacked by large, established corporations?
- ❑ If there had been no recent innovation in your market, is it because the profit margins aren't there to make it profitable, or because the corporations are getting lazy and staid and giving you a legitimate opportunity?
- ❑ Is there room for improvement in the quality of service given to the market (for example, the Postal Service), which will give a new/small company an edge?
- ❑ What is the history of your market? New markets, like microwaveable foods when microwaves were first invented, grow and change quickly. Old markets, like radio manufacturing, may be more difficult to enter. In an old market you must have a new idea, a real edge. In a new market, you need to be fast.