

35 MARKET RESEARCH FOR VETTING ALTERNATIVE INCOME MODELS



2h 00m



PLENUM AND
SMALL GROUPS

DESCRIPTION

You have a good idea but you are not sure if there is really a need for the product/service you have in mind. This activity helps you decide whether it is realistic to pursue an idea for an alternative income model, based on the state of the market. Sometimes, you have a good idea but later realize that other organizations or businesses already provide a product or service very similar to the one you came up with.

To make money, it is important that your product or service meets a need or solves a problem, which is not already being met or solved by someone else.



PREPARATION

You need to have an idea for a service/product which you wish to sell in mind.



MATERIALS

- Flip Chart
- Markers



TOOLS

- Worksheet:
Social Business Model Canvas (22)



GROUNDWORK



SUMMIT



EARNED INCOME MODELS

STEP 1 IN PLENUM:

Make sure that everyone has a clear idea of the alternative income model being proposed. Discuss and clarify: **[30 MIN]**

- a. What is the product or service that will bring in income?
- b. Who is the target customer?

STEP 2 IN SMALL GROUPS:

Discuss what "problem" your product/service solves for the target customer. Write down your answers on a flip chart:

- a. What is the problem for the customer?
- b. Why is this a problem?
- c. How are potential customers currently solving this problem?
- d. What other organizations or businesses are currently providing a product or service that solves this problem? How will your product be different?

Put your flip chart paper from each of the small groups on the wall. **[40 MIN]**


STEP 3 IN PLENUM:

Allow participants to go to the wall and read all the different answers and ideas. **[20 MIN]**

STEP 4

Discuss the following questions:

- a. What or who would be the greatest competitors to the proposed product or service?
- b. Is the idea unique enough to gain more sales than the product or service costs to produce?
- c. Is the market already full of similar products? **[30 MIN]**

STEP 5 Close the discussion by coming to a conclusion about whether the proposed alternative income model will realistically sell in a competitive market place. Answer the question, "Is there really a need for this product or service you want to produce?" If the answer is "no," "maybe," or "only a small need" it's time to go back to the drawing board. If the answer is "yes," continue with **Social Business Model Canvas (22)** 



FOLLOW UP

If you would like to take your market research deeper or you couldn't agree as a plenum about whether the proposed product is really needed, create a working group that will be responsible for gathering information from potential customers through interviews or surveys.