

MAPPING YOUR MARKET SHARE

What does market share mean?

Out of total purchases of a customer of a product or service, what percentage goes to a company defines its market share - in other words, it is the percentage of the total revenue or sales in a market that a company's business makes up. For example, if there are 50,000 units sold per year in a given industry, a company whose sales were 5,000 of those units would have a 10 percent share in that market.

How do you find out what's **your %** market share:

NUMBER OF SALES (UNITS AND/OR MARGIN)

NUMBER CUSTOMERS (CLIENTS)

To find out what's your positioning within a market, you need to consider 5 main aspects not only from the perspective of the market, but from your business perspective too.

MARKET SIZE

MARKET SEGMENTATION

MARKET COMPETITION

MARKET SHARE

"LOW HANGING FRUIT" - EASY WINS

MAPPING YOUR **MARKET SHARE**

MARKET SIZE

- How big is the actual market?
- Is this area of the market growing or in decline?

MARKET SEGMENTATION

- What drives the market?

MARKET COMPETITION

- Who are your main competitors?
- How much market share do they have currently?
- Is this growing or in decline?

MARKET SHARE

- How much market share do you actually have?
- How does this compare with your competitors?

"LOW HANGING FRUIT" - EASY WINS

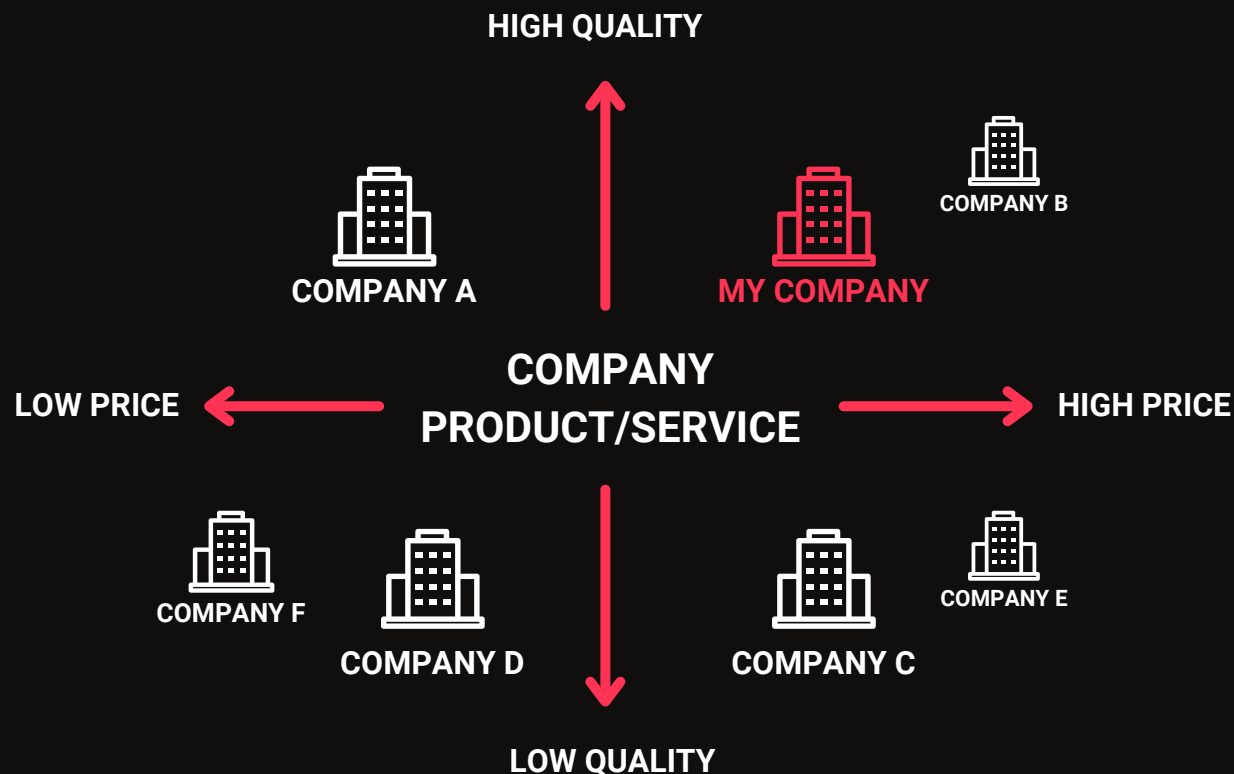
- Where are the areas of low hanging fruit for your business?
- Are you regularly looking into competitive advantages?

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In many ways, market segmentation works similar to a SWOT analysis, since it recognizes strengths, weaknesses, opportunities and threats. How to go about it:

1. Define a specific goal - which will determine the type of market mapping you will execute
2. Define the values you'll use in your competitive positioning graph. (i.e competitors, products, audience)

Example for product/ service market mapping:



Analyze:

- Features
- Quality
- Price
- Do low prices correlate to low quality?
- If you put your product/service at a higher price, what would your customers' expectations be?

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Pinpoint your competitive positioning in the market by using a price-benefit graph, which will help you identify the factors that dictate prices, which in turn dictate profit. Although complex, you can calculate the value of benefits against sales volumes, services range and price levels.

1. Define market customer & competitor coordinates

- geographical regions
- companies that solve the same issue as you/ address the same needs of your customers
- use competitors' audiences as benchmarks

2. Pinpoint your unique selling points

- identify competitors' USPs and price to define perceived value
- use clear KPIs to define service range and learn at what point having a broad range turns into a disadvantage

In conclusion, market mapping is highly relevant as part of your market research. Experiment with parameters and analyse which gaps deserve attention and what areas present you with the most potential.

