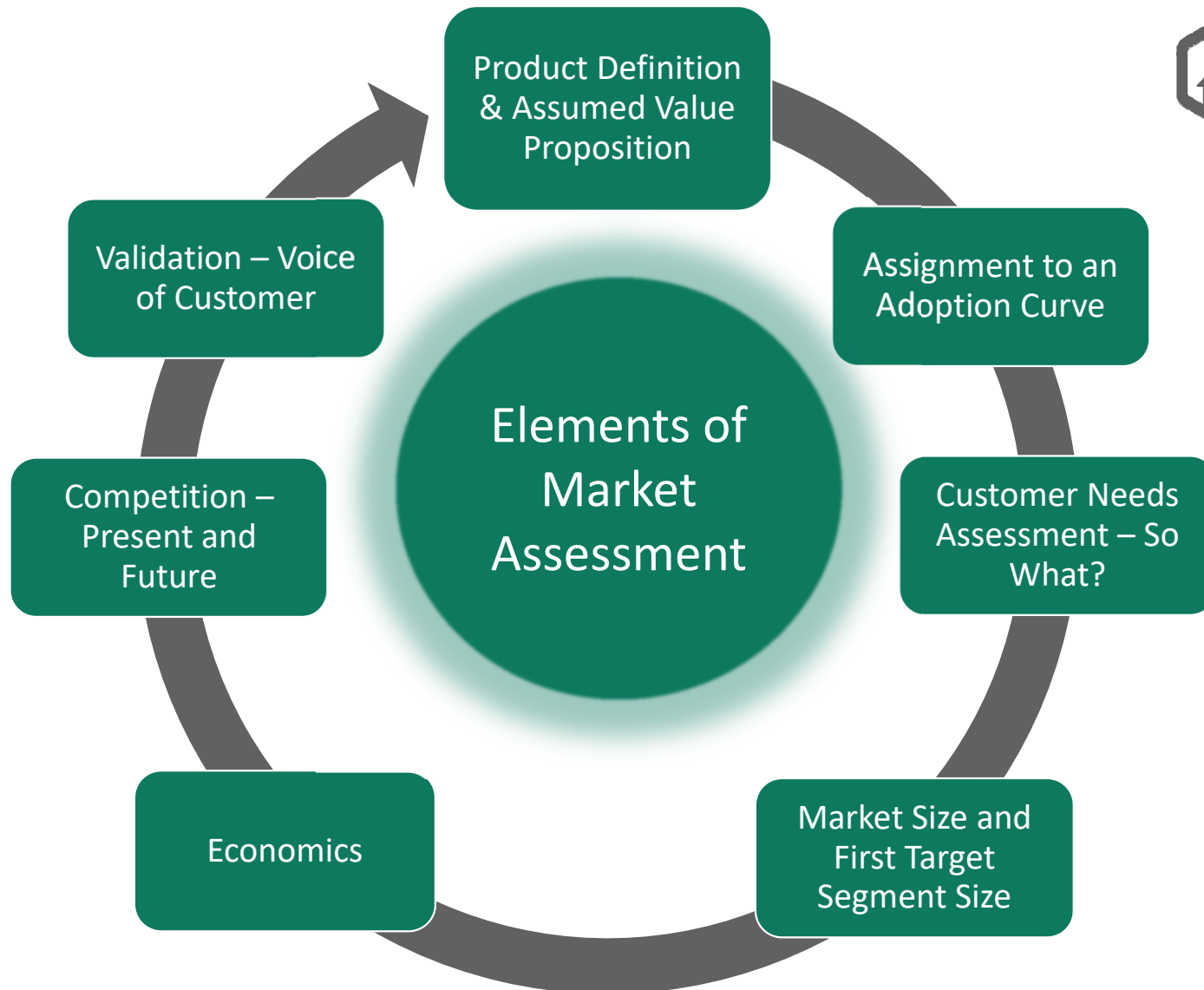


Market Assessment for Entrepreneurs





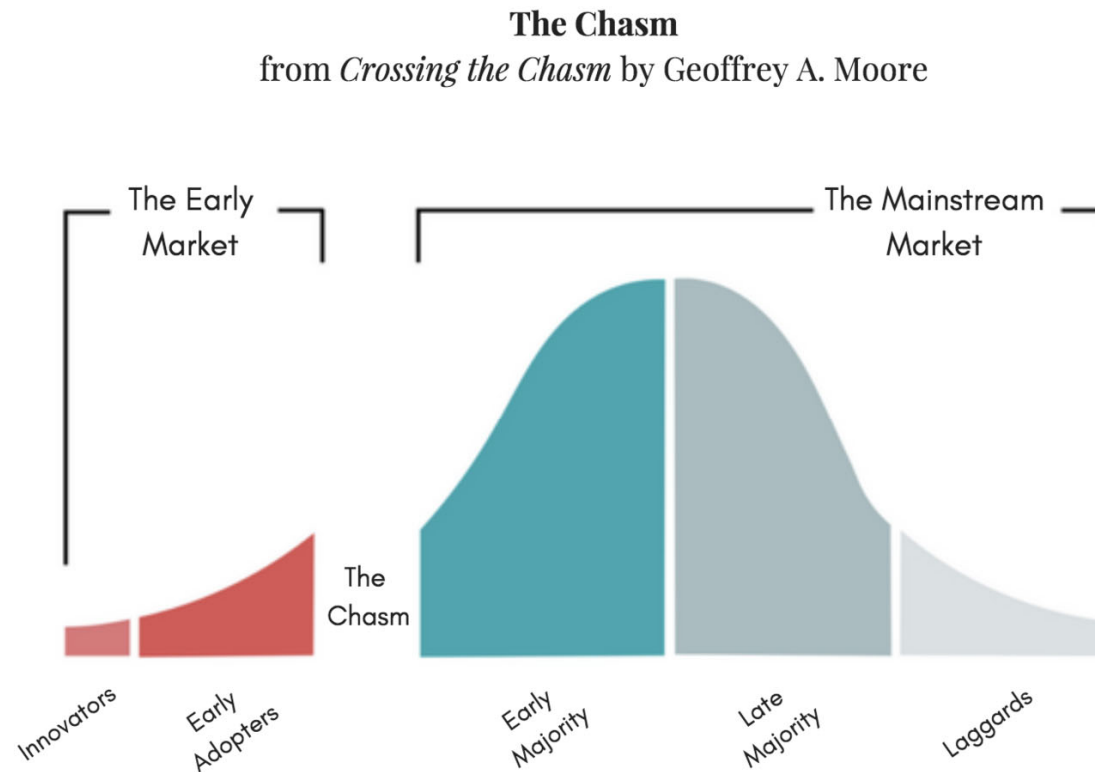
Assumptions

- Proof of concept complete.
- Some type of intellectual property protection.

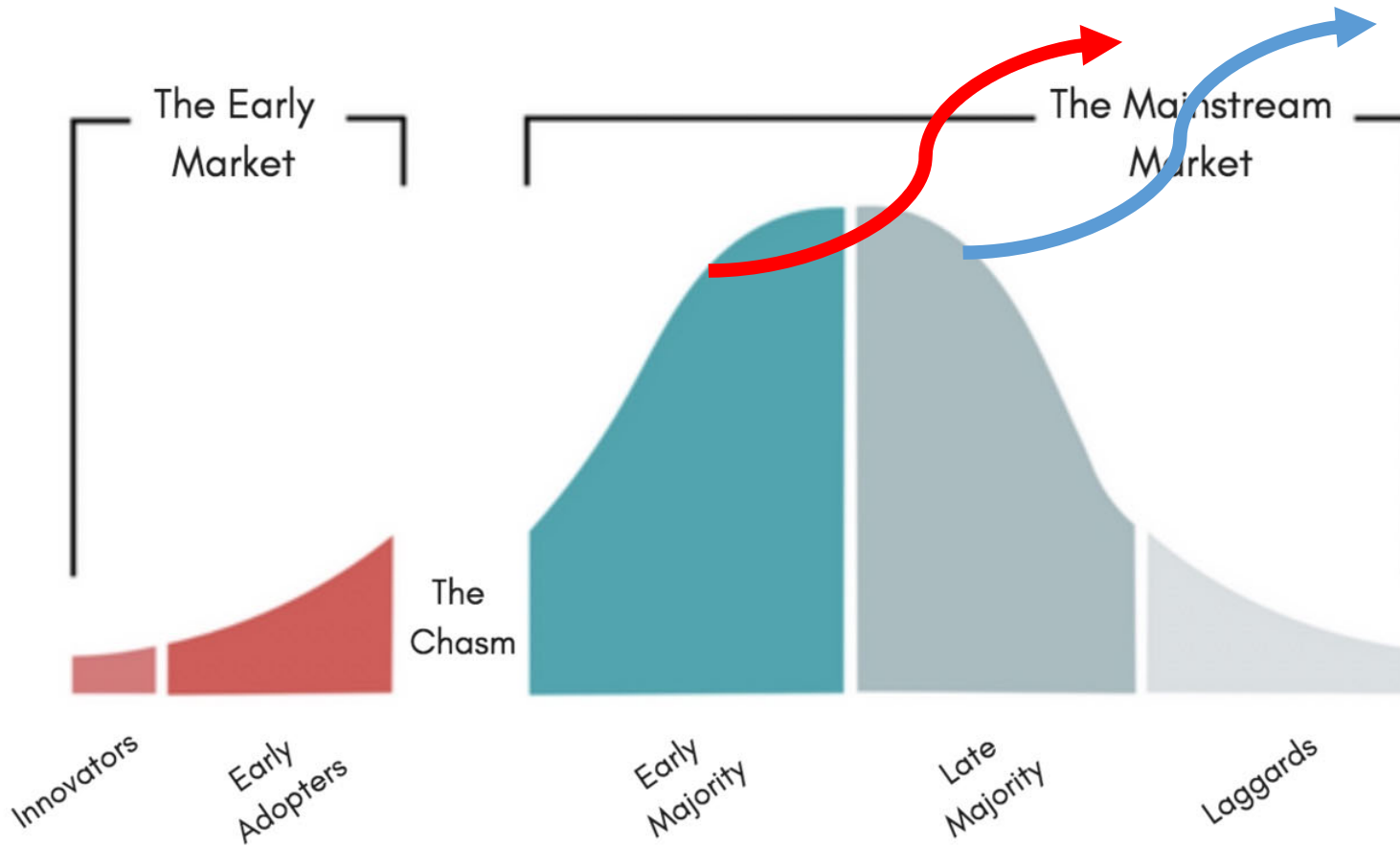
New Concept Product Adoption Curve

Optimize the Technology Adoption Life Cycle Curve

- Observe the science of marketing and sales to optimize the TALC.
- Avoid failing in the Chasm.
- Know when the Chasm has been crossed to release appropriate resources.



Enhancement of Standard Product Adoption Curve



Needs Assessment – So What?!?

- Will it make a difference in the life of the end user and/or applier?
- Does adopting the product/service require a change of behavior?
 - If so, how much?
- Will end users and/or appliers be willing to change their behavior for the benefits? How big a change is it?
- How many stakeholders are there in the adoption and integration process?
- Compared to other important issues facing your user, does the problem your product solves stand out?
- Can prospective users live without it?

First Market Segment Size

- Understand the difference between “Market Size” and first market segment size.
- Beware of marketing to more than one segment.
- Segment the market.
- Select the best segment to launch into.

Economics

- End User Economics – Who will pay for it?
 - Medical – is there reimbursement?
 - Medical – is it already part of a standard cost?
 - Consumer – Do they pay for a similar product or service now? Or, are they “paying” in lost time or lost resources?
 - Business - Do they pay for a similar product or service now? Or, are they “paying” in lost time or lost resources?
- Business Economics – What will it cost to make and commercialize?
 - COGS
 - G & A & M & S
 - Estimated price
 - Does the price fit the value proposition?

Competition – Present and Future

- Is there another way to provide your product or service to the market that doesn't violate any intellectual property protection?
- Is there already a financially sound large company competing in this market with a similar offering?
- Is there a technology trend that could result in blindsiding your technology?
- If there is competition, is there an underserved niche?

Validation – Voice of the Customer

- What data points do you need to validate the need for the product?
- Design a questionnaire. FAB, pricing, usage, etc.
- Find at least 30 people that represent the profile of your target market segment.
- First 10 subjects - One on one – present product/service. Get answers to questionnaire.
- Debrief on what you learned and what the questionnaire missed or where you need more information.
- One on one meet with the other 20 subjects.
- Study results and decide if your product/service still represents an opportunity.

Thank You!

Ted Newill

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