



# Assessing Markets

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# Agenda

- What do I mean by “Assessing Markets”
- Does IP and Innovation equal success
- The Importance of Marketing Information
- Where to start the ball rolling
- Building a Market Assessment
- What type of information should you be looking for
- Where sources of data are available
- Key challenges of University based Technology Transfer Activities

# What is Assessing a Market?

- Systematic, objective collection and analysis of data about a particular target market, competition, and/or environment
- Emphasising the need for “Commercial Sanity” in innovation and prioritising research
- Building a valuation capability for innovation that supports and runs alongside RAE priorities, faculty research priorities, academic desire, funding criteria etc
- Seeking to respond to key questions

*“What’s it worth?”*

*“How much are we going to make?”*

*“When and how can we go to market?”*

*“Find me some customers”*

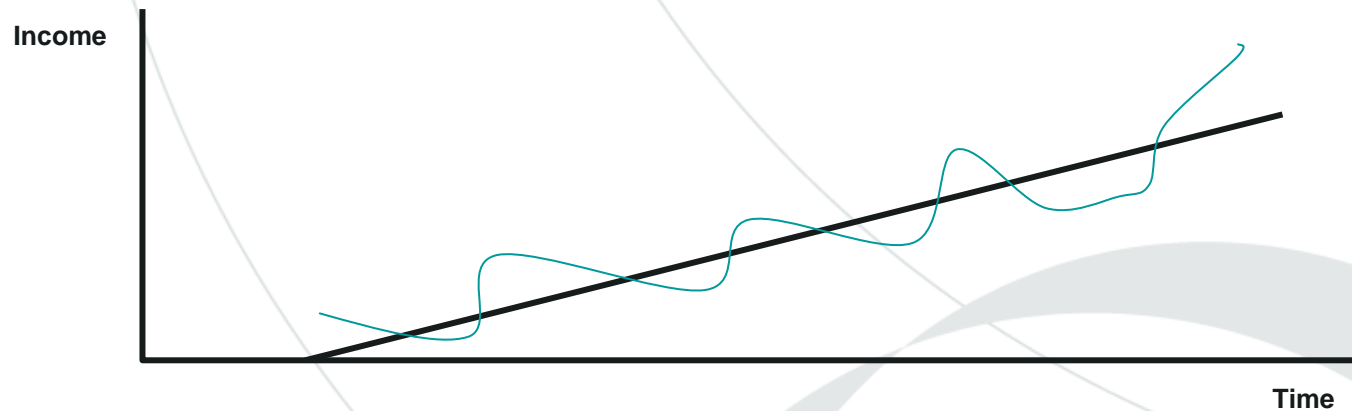
# Does IP and innovating equal success?

- There are approximately 1.5 million patent applications per year
- Only a fraction of this number are granted – running at approximately 600K per year
- Only a fraction of granted patents are active and have been exploited for any reason – <50% (Pat Val Survey)
- Direct evidence indicates 40% of patents are speculative or blocking
- Licensing successes are low – Japan 8%

# Beware Chindogu!



# Like any asset IP can be valued!



- IP as an asset brings together the legal concept of property and the economic concept of value
- Ultimately valuing an asset is based on the achievement of predicted returns
- Return generated in the future should be subject to discounting
- The calculation of future returns often carries significant risk and uncertainty

# Steps to valuing IP are like any other asset



## Determine Rights

- Copyright
- Trade mark
- Patent
- Design Rights
- Know-how
- Database

## Context of Valuation

- Owner value
- Market value
- Value in use
- Fair use
- Investment value
- Book value
- .....etc

## Define Value Approach

- Cost
- Market
- Economic

# The Importance of Market Information

- Supporting data for market led valuations and an understandable framework for determining IP value
- Provides the foundation on which sound business decisions are made
- Supports the prioritisation of research and innovation
- Is a key driver for allocating resources and attaining future investment
- Awareness enables focus for returns to be achieved and opportunities to be maximised
- An overly detailed focus on technology or innovation is no substitute for a greater understanding of commercial returns

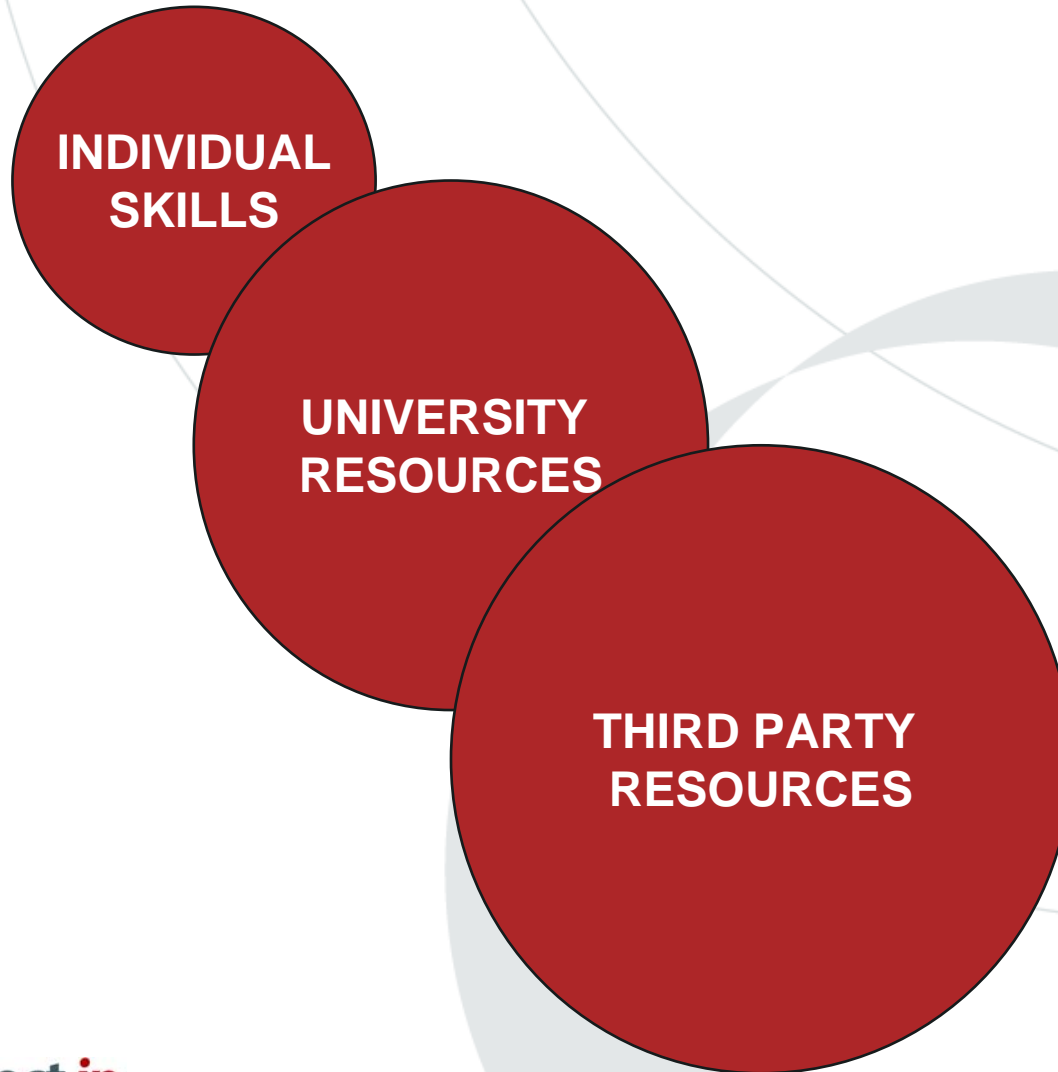
Finding information is best approached in a structured way and through asking the right questions!

# Where to start?

You have identified an innovation, ..now what?

- Start by asking the right questions – W.W.W
- Develop a market brief for your audience
- Identify the types of information sources required
- Determine where the required resources are available
- Establish how you are going to access them
- Ultimately how is it proposed that the research / innovation be exploited?  
Licensing/Distribution/Spin Out/Direct to Customers

# Where to Find Support Services?



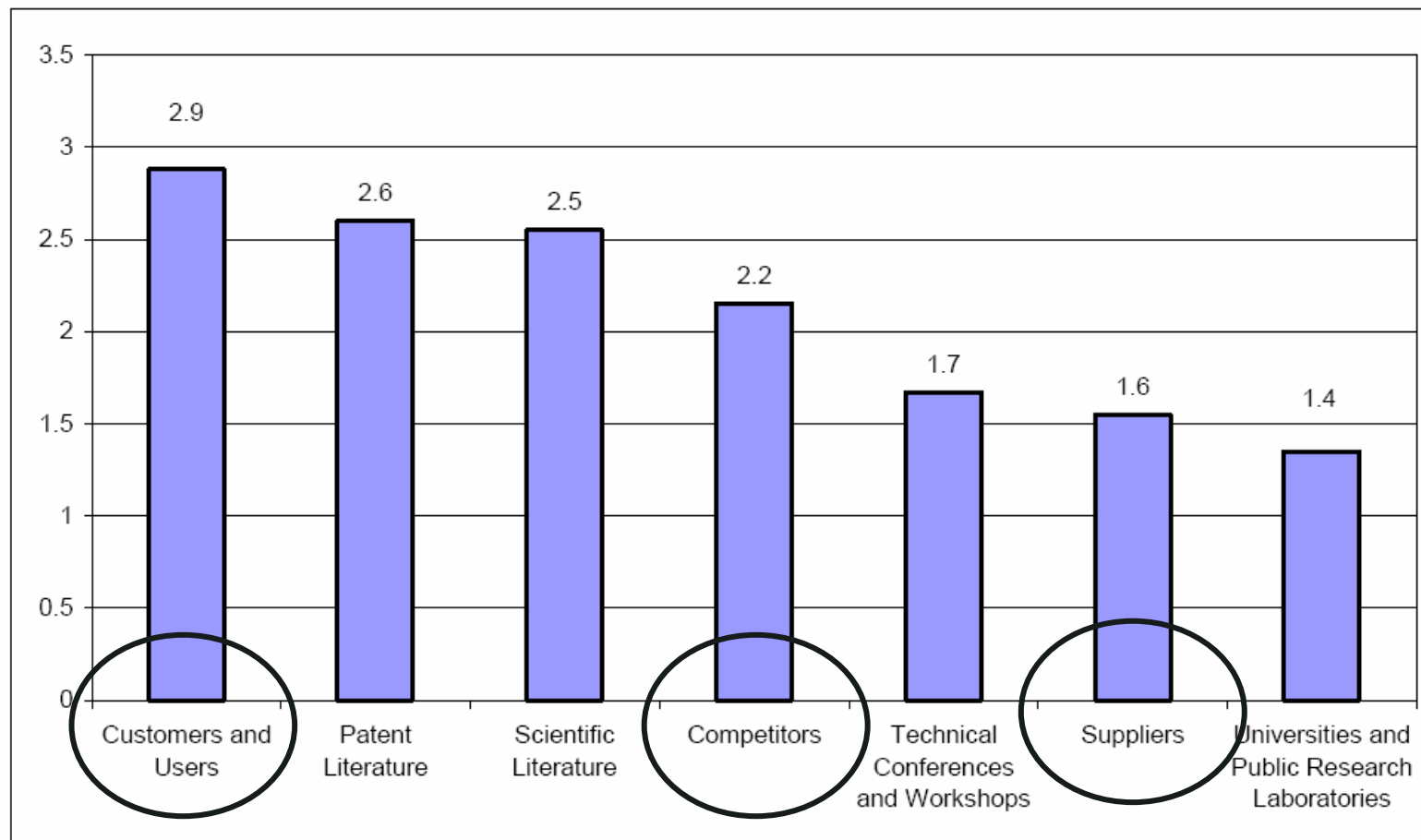
# Building a Market Assessment

- Identify the general markets
- Establish a clear and understandable market definition
- Do not ignore associated or parallel markets
- Identify trends within these target sectors, total value, volumes, growth, major client needs, Scope future forecasts and market developments
- Assessment of the competitive landscape
- Assess competitor positions, products and strategy

# Building a Market Assessment...cont

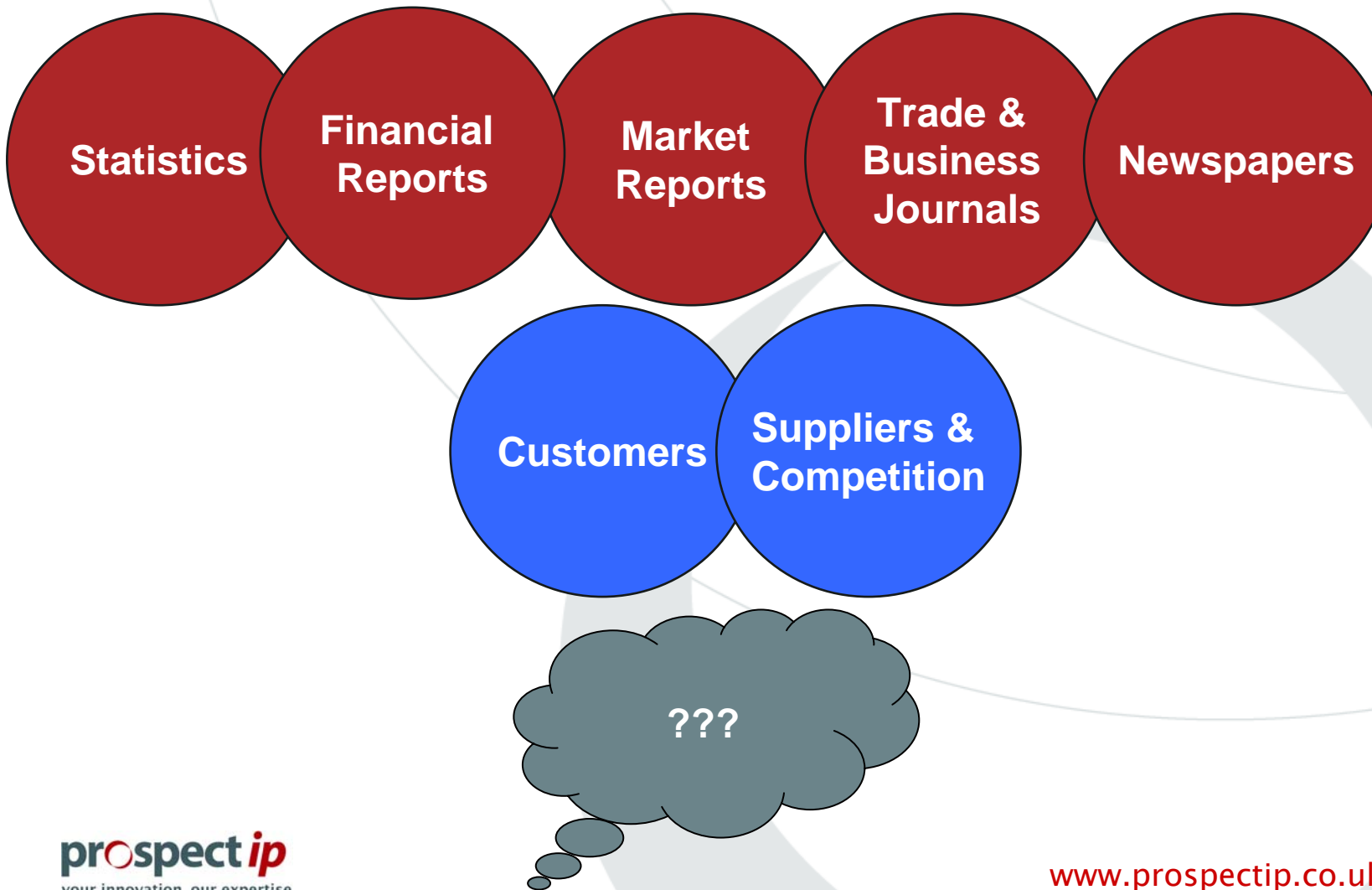
- Identify areas where competitors are either strong or where areas are under serviced
- Develop a clear understanding of the innovations Strengths and Weaknesses
- Be realistic about the ability to reach and penetrate any available market niches either directly or through partners
- Identify customers and market access providers, profile them to understand their drivers, purchasing decisions and business strategy
- Validate desk based data with primary data, sound out customers and distributors – seek real feedback but use caution

# Sources of Primary Market Support



Number of observations = 8,824.

# What Type of Information is Relevant?



# Sources for Official Statistics

- UK National Statistics: [www.statistics.gov.uk](http://www.statistics.gov.uk)
- National Statistics Office: [www.ons.gov.uk](http://www.ons.gov.uk)

## Other Portals

- Official Web Statistics: [www.offstats.auckland.ac.nz](http://www.offstats.auckland.ac.nz)
- Statistical Resources On The Web:  
[www.lib.umich.edu/govdocs/stats.html](http://www.lib.umich.edu/govdocs/stats.html)
- Nationmaster: [www.nationmaster.com/index.php](http://www.nationmaster.com/index.php)

# Sources for Market Research Reports

- Verdict: [www.verdict.co.uk](http://www.verdict.co.uk)
- Mintel: [www.mintel.com/frontpage](http://www.mintel.com/frontpage)
- Keynote : [www.keynote.co.uk](http://www.keynote.co.uk)
- Datamonitor: [www.datamonitor.com](http://www.datamonitor.com)
- Snapdata: [www.snapdata.com](http://www.snapdata.com)
- Euromonitor: [www.euromonitor.com](http://www.euromonitor.com)
- Frost & Sullivan: [www.frost.com](http://www.frost.com)
- Gartner: [www.gartner.com](http://www.gartner.com)

# Sources for Market Research Directories

- Market Research.com: [www.marketresearch.com](http://www.marketresearch.com)
- Market Research Portal: [www.marketresearchworld.net](http://www.marketresearchworld.net)
- Global Technology Forum: [www.ebusinessforum.com](http://www.ebusinessforum.com)
- IDC: [www.idc.com](http://www.idc.com)

# Sources for Trade & Business Journals

- Applying for Subscriptions
- Browsing library collections
- Searching journal and article databases
- Business & Industry: [www.galegroup.com](http://www.galegroup.com)
- Factiva: [www.factiva.com](http://www.factiva.com)
- ABI Inform: [www.proquest.co.uk](http://www.proquest.co.uk)
- Business Source Complete: [Support.epnet.com](http://Support.epnet.com)

# Sources for Company Financial Data

- Companies House: [www.companies-house.gov.uk](http://www.companies-house.gov.uk)
- Yahoo Finance: <http://uk.finance.yahoo.com/>
- Bureau van Dijk: [www.bvdep.com](http://www.bvdep.com)
- ICC: [www.icc.co.uk](http://www.icc.co.uk)

# Summary of Challenges for Innovation

- Commercially assessing “Blue Sky” Technology is difficult but not impossible
- Research projects can significantly lead the market in terms of their commercial potential
- Enabling aspects of technology are difficult to assess
- Associated markets and applications can be readily missed
- University and research based technology often require significant further investment and refinement before market and financial potential can be realised



# Any Questions?



Thank you