

Quick and Dirty Market Assessment

By
Paul Dietmann, Sauk Co. UW-Extension Agricultural Agent

Why Conduct a Market Assessment? - A market assessment can help you estimate how much of your product your potential customers are likely to buy. It helps you identify opportunities and avoid costly mistakes.

You have five things to sell:

1. Price
2. Quality
3. Service
4. Selection
5. Convenience

You can sell more than one of these but nobody can sell all five. Market assessment can help you decide what to sell to maximize your profit.

Steps in a Quick and Dirty Market Assessment

1. Determine per capita consumption of the products you are considering growing and selling. Some of this data is available on the Internet, through your local Chamber of Commerce or economic development council, or through your UW-Extension office. Per capita consumption figures for some fruits and vegetables are listed on the back of this page.
2. Get a local map and draw a circle on it that includes all of the areas that would be likely to shop where your products are available.
3. Total up the population that lives within the circle you drew.
4. Multiply the population by the per capita consumption to come up with the estimated total consumption of a particular product within your trade area.
5. Considering your local competition, estimate the percentage of the market share that you could capture in your trade area.
6. Multiply the total consumption by the percentage of market share to get an idea of the amount of product you could sell in your trade area.