



# Opportunity Assessment

- What is your Problem?
- What is your Solution?
- Who is your Buyer?
- Who is your User?
- Scope (Geographical and Demographic)?



# Market Estimation – Top Down

- Death Care - \$17B
- Burial Costs – 50%
- Coffins - 33%
- Burial Costs =  $\$17B \times 0,5 = \$8,5B$
- Coffin Costs = **\$2,8B**

# Market Estimation – Bottom Up

- Deaths/Year – 2,8M
- Burials – 39%
- Sold Coffins –  $2,8\text{M} \times 0,39 = 1,097,000/\text{Year}$
- Average Cost Coffin = \$2500
- Coffin Market =  $1,097,000 \times \$2500 = \mathbf{\$2,7B}$

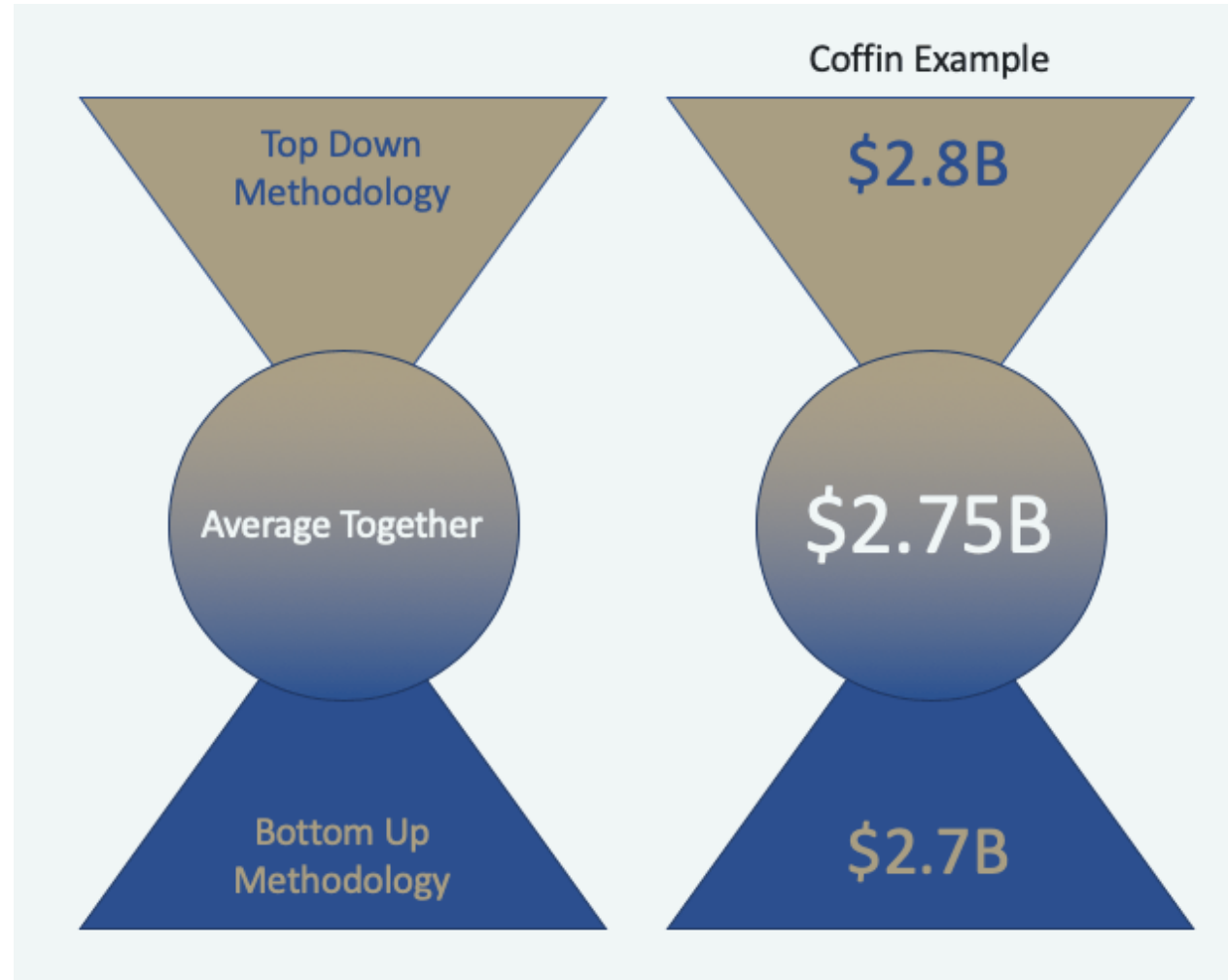
# Average Cost Coffin

Demographics (Market Segmentation)	% of Market*	Expected Units / Year	Average Coffin Selling Price
Limited Income	40%	438,800	\$1,375
Middle Income	45%	493,650	\$2,500
High Income	15%	164,550	\$5,500
<b>Total</b>	<b>100%</b>	<b>1,097,000</b>	<b>\$2,500</b>

Overall Average Price is \$2,500.

\*Fictional data

# Triangulation



## Example: Market for Coffins

Current Target Market: Coffins in the US

**PAM** = Everyone in the World who dies  
 $55\text{m people} * \$2500/\text{coffin} = \$138\text{B PAM}$   
Yes, I know we are not yet targeting the entire world and I know not everyone is buried (most are cremated), but when it comes to PAM, we are not limited to the here and now

**TAM** = Those who are buried in the US \* cost/coffin  
 $1.1\text{m people} * \$2,500/\text{year in craft beer} = \$2.7\text{b TAM}$

**SAM** = We only have distribution partners serving 25% of the US.  
 $\$2.7\text{b} * \frac{1}{4} = \$675\text{m SAM}$

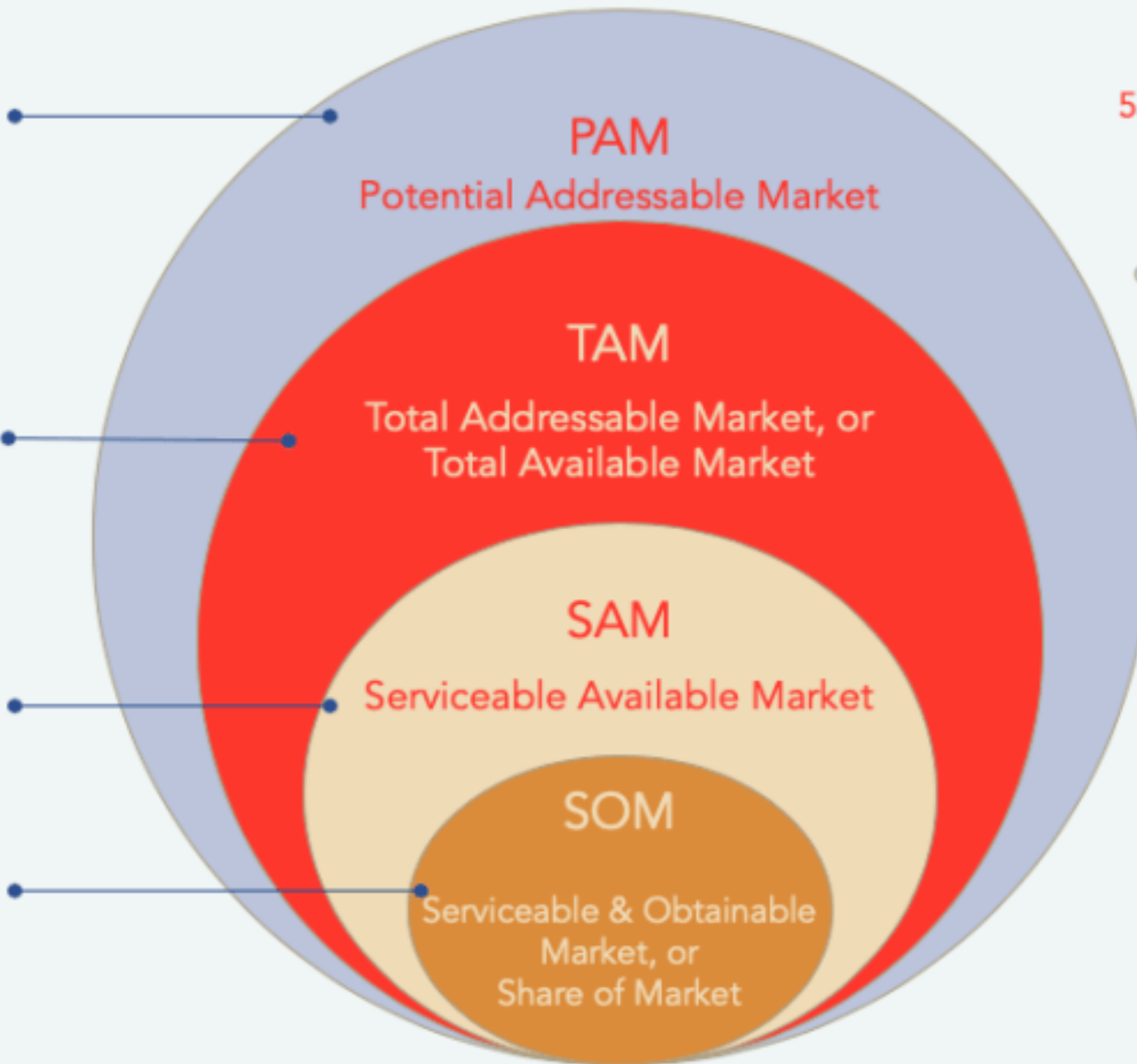
**SOM** = We believe we can win 10% of the market share where we are sold. Competition is tough  
 $\$675\text{m} * 10\% = \$67.5\text{m SOM}$

Includes people not currently included in your target market, but potentially could be in the future

Think of this as the total # of people/transactions in your target market \* price. A good answer to "what's the total market size?"

The people you can actually reach with your sales/distribution channel

The share of your SAM that you will win

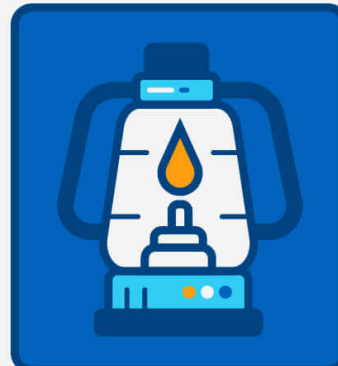


# MVP – Minimum Viable Product

## WHAT IS A MINIMUM VIABLE PRODUCT

**M****Minimum**

The most rudimentary,  
bare-bones foundation  
of the solution possible

**V****Viable**

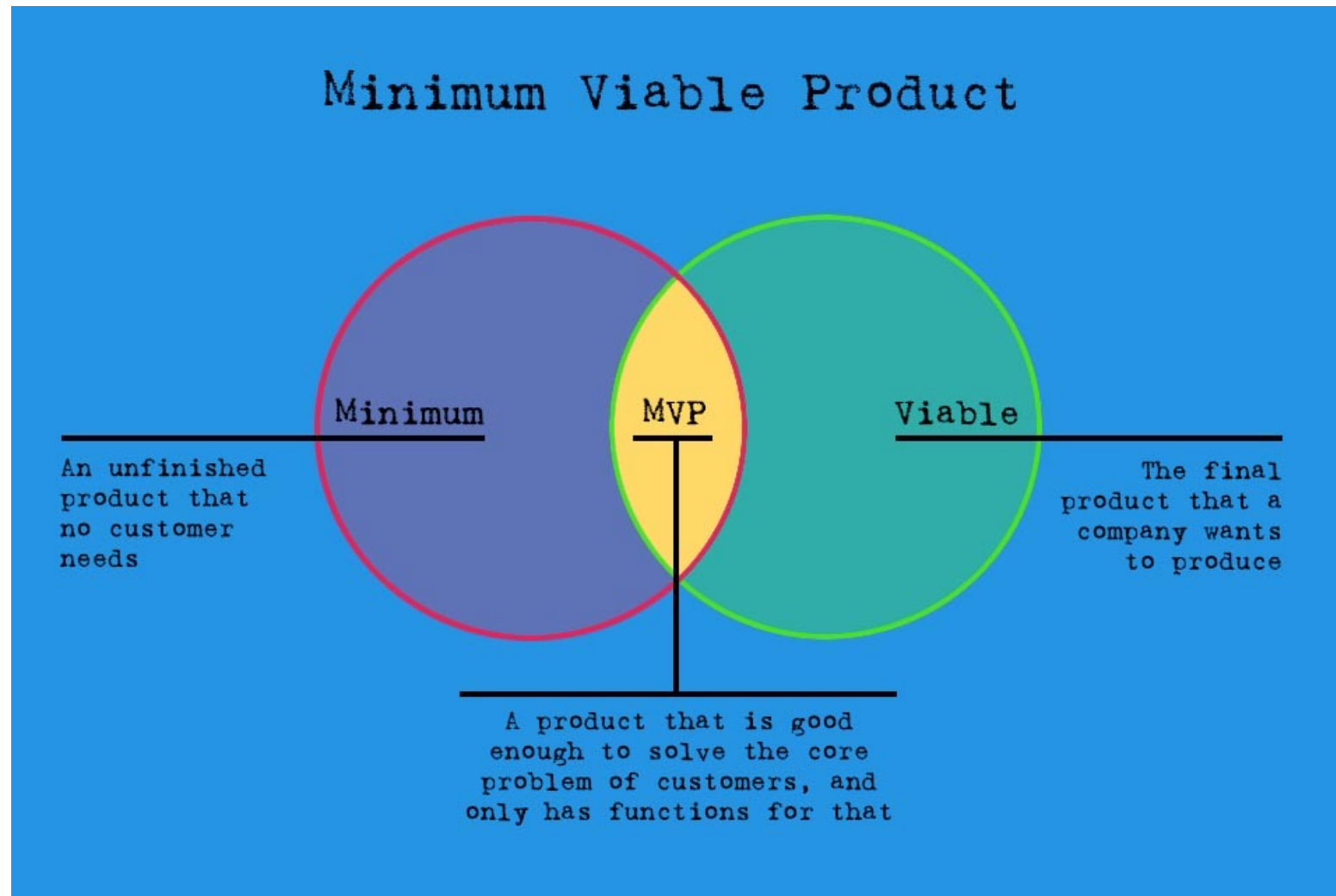
Sufficient enough for  
early adopters

**P****Product**

Something tangible  
customers can touch  
and feel

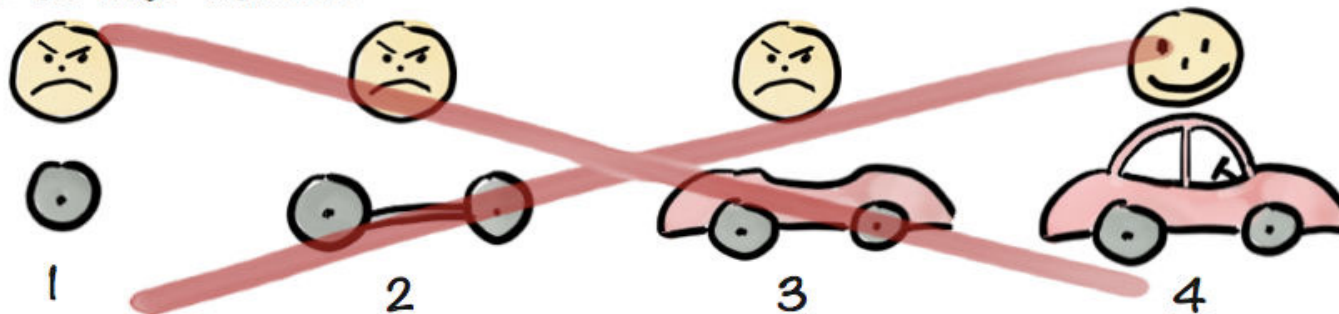


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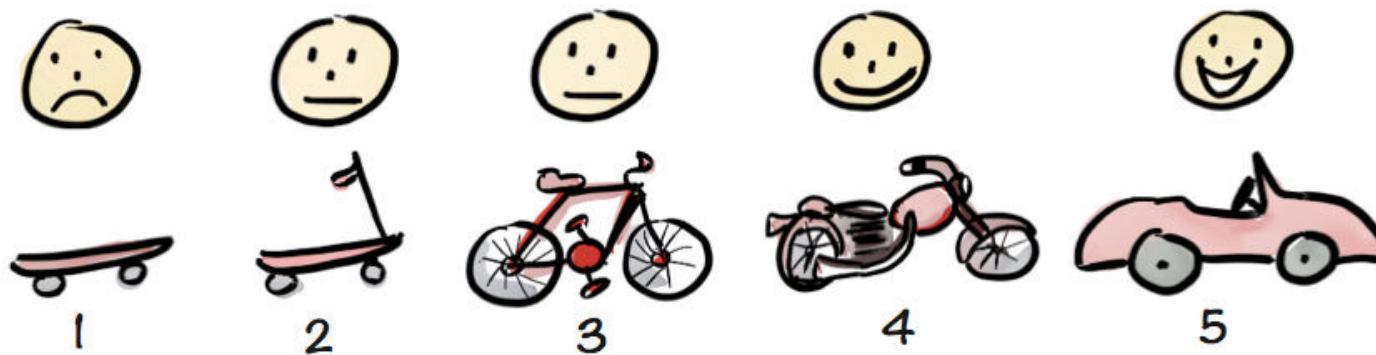


# MVP – Minimum Viable Product

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by Henrik Kniberg