Slide 6: Market Opportunity

As we discussed in Chapter 6: Developing Your Customers, the solution is powerful onl if there is a market of customers willing to pay for the product or service. When it come to creating your market opportunity slide, it is important to think about the three sub groups of the market: TAM, SAM, and SOM (see 6.7: Market Sizing in Chapter 6). As brief reminder:

- **TAM**, or total available market, refers to the total market demand for a product c service.
- **SAM**, or serviceable available market, is the section of the TAM that your produc or service intends to target.
- **SOM**, or share of market, is the portion of SAM that your company is realisticall likely to reach.

It is important for investors to see that you have thought through TAM, SAM, an SOM, so they have a better idea of the fraction of the market you intend to target. If yo cannot prove that you have a good chance of penetrating the local market, then they wi be unable to see the growth potential of your business.

Slide 7: Getting Customers

After depicting the market size and showing the target market, it is essential that yo demonstrate an understanding of your customers—who they are and how you will reac them (see Chapter 6). This is where you talk about your interactions with customers an what you have learned about them during the planning process.

Using the café and donut example above, it's not enough to simply describe that you target market consists of 125,000 people living in a particular geographic area within th city of Baton Rouge. You also need to show that you have done your homework to bette understand what kinds of people are likely to go to a café that serves high-end coffee an funky, gourmet donuts!

FIGURE 8.7

Example Getting Customers Slide

Source: Shawn Doman