

Growth School[®]

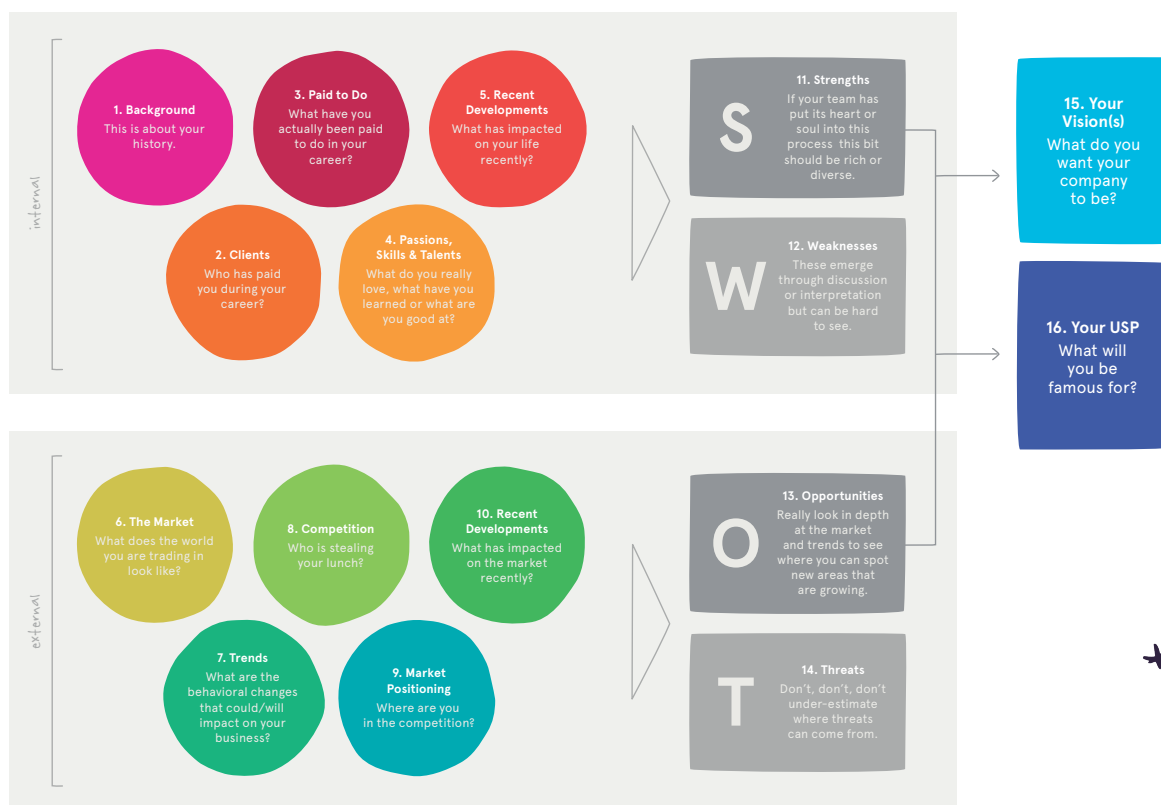
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Section 4 - What are your markets, and the 5 areas of opportunity open to you?

We are now going to unpack the bottom half of the business planning diagram that you worked with in Growth School Section 1 - considering the external factors for your plan.

See the chapter on this diagram in the *Simple Tips, Smart Ideas pdf* - pages 18-43.



External - the bottom half of the business planning diagram - exercise 6

Whereas the top half of the diagram dealt with the Internal aspects of you and your 'journey to here', the bottom half of the diagram considers what is going on in the outside world where you are looking to find opportunities and new potential customers to trade with.

(Again, it helps to do this exercise on a large piece of paper which you can tape to the wall allowing you to stand back to look at it.)

The Markets

You are likely to be selling your work, your courses, or whatever in several different markets. What are they? For example, if you make video content – do you have different types of clients that find you in different ways. Perhaps you have secured a niche with charities, and also small food start-ups, as well as businesses within a 50-mile radius of your hometown. Each of these are different markets with distinct characteristics/behaviours and it is these we are trying to examine, to understand better and find potential opportunities within. It takes research, asking questions, attending networking events and a range of other exploratory tactics to really get to grips with each of your markets fully.

It is also key to think about how each of your markets differ in terms of where the money is and where the power sits.

Map all these out on your sheet of paper.

Trends

Then we move on to trends – who or what is determining the trends in each market, or in the overall world you work in? Obviously AI is a big trend at the moment, but there can be a raft of other factors at play too which you need to tap into. Eco concerns, recycling, regenerative production, the circular economy are just a few of the kinds of trends you need to identify to ensure you can position yourself to maximise on the opportunities they might bring.

Competition

What does your competitive environment look like? Who are the players you keep butting up against? And if money is not being spent with you, where is it being spent? Who is eating your lunch?

Market Positioning

Consider if there is a pecking order in the world you work in – and where are you in that? Knowledge of this can be really useful with the potential to apply it inventively. If you see that other similar businesses are seen to be expensive or slow or unadventurous – what opportunities might this open up?

Recent Developments

Things change can change very fast in ways we can't predict, but also there are patterns that can be identified that you can tap into. Keep your radar switched on to what is evolving outside your business is an exciting part of running a business... and even better if those changes deliver amazing chances for you to capitalise on!

Once you have mapped out the bottom half of your diagram, all this information will enable you to identify the Opportunities and Threats in your marketplaces. And these are what we're going to consider next.

Opportunities & Threats

Go back across your map to grill the wide-ranging aspects you have noted. Where in all of this great material can you spot opportunities that your venture could take advantage of? What new areas are emerging, what existing sectors are growing faster than others? Have some competitors moved out of the market leaving a gap you could fill.

Note down the main few opportunities you can see for your business.

And now go back across the same information to see if you can spot threats to. It is vital not to underestimate where these might come from. So keep that external radar switched on.

5 Areas of Opportunity

Along with the information you have gathered from your map of the marketplaces you operate in, there is a further way you can break this down to see what you might be able to offer.

These five areas are:

- past & present clients
- future clients
- competitors
- new buyers
- new audiences

You can read about these in more depth on pages 222 – 223 of the Simple Tips, Smart Ideas book pdf.

i. Past & present clients

These are people and companies who have bought from you in the past, like what you do and with whom you have a relationship. (You can remind yourself of them in the 'who has paid you' list from Growth School Section 1.) Can you repackage your capabilities to offer them something new and different, particularly with the knowledge you have gained in researching what is going on in the external markets?

You want to be able to maximise your relationship with them to see what else they might be interested in buying from you.

ii. Future clients

Future clients allow you to vary your offer in new, fresh ways, but also to charge differently too as they have no experience of how you work currently. If, for example, you normally charge a day rate for your services but find your existing clients try to beat you down on price, try charging your future clients a total fee for your 'output' – the end result of your work. Whether a logo, video, game or whatever. This stops you being seen as day-rate supplier, and puts you on an equal footing with them.

You can also devise a contract more suited to how you want to work with future clients as they have never seen your old contract.

iii. Competitors

Don't overlook what you can sell to those you may regard as competitors. You might have a good system they would like to use to save them time or money, being prepared to pay you for it. Or perhaps you've solved a sector bottleneck by developing some software they can buy... Often people are happy to buy something 'developed by a creative for other creatives'.

iv. New Buyers

Disruptors come into every sector constantly, often with new money and want to achieve results fast. If you have identified some new money or disrupting influences in your marketplaces – can you get in touch with them to offer them something none of your competitors have identified. Be inventive with how you charge, and with the contracts you offer.

v. New Audiences

If you are a business-to-business trader – is there something you could sell to the person walking past your home now? The wo/man in the street?

If you normally sell to the public – is there an opportunity to create a revenue stream from other businesses?

Opportunity mapping - exercise 7

Now referring back to your Strengths from Section 1 and the potential new offers you've identified in the Spick + Span methodology in Section 3, write a list of what existing or new product/service/knowledge etc you could offer each of these five areas of opportunity, focussing on your updated knowledge of your markets.

- Past & present clients
- Future clients
- Competitors
- New Buyers
- New Audiences

