

SECONDARY MARKET RESEARCH: ONE METHOD FOR MARKET SIZING

Market sizing is a vital metric for market participants, offering insights into addressable markets and current market share. For potential investors or acquirers, understanding market size indicates the total opportunity and aids in target selection. Ultimately, market sizing research enables businesses to make informed decisions, anticipate competitor threats, and customize strategies to meet customer needs. Below we offer one specific methodology for sizing a market using secondary research techniques.



Identify

Begin by identifying all suppliers of the products and services you're targeting. Consider whether you're interested in the contribution of distributors or used equipment sellers as well!

01



Research

Investigate all the suppliers and dig for all relevant sources. These might include journals, newspapers, websites, newsletters, government data, product brochures, press releases and more!

02



Estimate

Gauge each supplier's annual revenue for the products and services you're targeting. Usually market size is defined by revenue, but in some cases units or volumes may be more useful.

03



Aggregate

Add up all your findings to get total market size! Bonus: since this method builds market size from separate contributions of competitors, this process also provides you with an estimate of each vendor's market share.

04