Re-cap

Problem analysis
  Quantification
  Background research
Customer interviews
Problem selection
Agenda

Market Segmentation
Beach-head Market
Brainstorm about Market

- **Brainstorm**
  - Start with a wide array of potential markets
    - No psychological inertia
  - Crunching numbers is **not ideal**.
    - Talk to potential users.
  - Network - get access to people who know about your market
    - Attend trade-shows, networking events,
    - Meet **new** people
  - Ask people - get lots of feedback on your selection
  - Focus on **end** user
  - Finally ask yourself - what are you really **passionate** about?

- Narrow
- Research
Segmenting your Market

○ Brainstorm
○ Narrow
  ■ You will select first few market ideas
  ■ You will ask **7 specific questions** (to funnel the ideas)
    1. Is the target customer well funded and are they readily accessible to our sales force?
    2. Do they have a compelling reason to buy?
    3. Can we today, with the help of partners, deliver a whole product to fulfill that reason to buy?
    4. Is there no entrenched competition that could prevent us from getting a fair shot at this business?
    5. If we win this segment, can we leverage it to enter additional segments?
    6. Can we show results in a one to two year timeframe?
    7. Is the market consistent with the values, passions, and goals of the founding team?

○ Research More
Segmenting your Market

- Brainstorm
- Narrow
- Research More
  - End user
  - Application
  - Benefits
  - Lead customers
  - Market characteristics
  - Partners
  - Market size
  - Competition
  - Complementary assets
<table>
<thead>
<tr>
<th>Industry</th>
<th>Entertainment</th>
<th>Industrial Design</th>
<th>Medical Visualization</th>
<th>Surgical Simulation</th>
<th>Micro Surgery</th>
<th>Geophysical Visualization</th>
<th>Non Visual C.H.I.</th>
<th>Prototyping</th>
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<tbody>
<tr>
<td>End User</td>
<td>Animator</td>
<td>Stylist Designer</td>
<td>Radiologist Surgeon</td>
<td>Med Student Surgeon</td>
<td>Surgeon</td>
<td>Geophysicist Blind Person</td>
<td>Engineer</td>
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<td>Application</td>
<td>Sculpt Animation Paint Modeling</td>
<td>Sculpt Paint Navigation Surgical planning Diagnosis</td>
<td>Training Surgical planning</td>
<td>Ophthalm Surgery Neurosurgery</td>
<td>View enhancement Drill plan</td>
<td>H.U.I. Design review Model evaluation</td>
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<td>Benefits</td>
<td>Ease of use Reduce cycle Increase accuracy</td>
<td>Ease of use Increase use of new tech Increase accuracy</td>
<td>Increase cycle Increase accuracy</td>
<td>Reduce cycle Increase yields</td>
<td>Reduce errors Increase access “mainstream”</td>
<td>Reduce cycle Improve designs</td>
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<td>Lead Customers</td>
<td>Disney ILM Dreamworks</td>
<td>Toyota Ford Rollerblade</td>
<td>Brigham &amp; Women’s German Cancer Rsrch</td>
<td>U. of Colorado Penn BDI</td>
<td>Dr. Ohgami Ottawa Eye BHP WMC / CSIRO</td>
<td>Certec U. of Delaware Volkswagen Stratasys Toyota</td>
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<td>Market Characteristics</td>
<td>Early adopt High-priced talent High growth</td>
<td>Dislike CAD &amp; computers High-priced talent</td>
<td>Mainstream High-priced talent HMO</td>
<td>Mainstream High-priced talent HMO</td>
<td>Early adopt High-priced talent HMO</td>
<td>Not computer automated</td>
<td>Mainstream Pressure to reduce prod. cycle</td>
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<td>40,000 X00,000 X0,000</td>
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<td>Windows</td>
<td>SUN, HF</td>
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<td>Complementary Assets Required</td>
<td>NURBS NURBS Stylus Dynamics</td>
<td>NURBS Stylus VRML</td>
<td>Voxels 6 DOF Custom devices</td>
<td>3 Finger scaling Voxels Stylus</td>
<td>Windows I/F NURBS VRML P300</td>
<td>Dynamics</td>
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*Table 1.1 The SensAble Market Segmentation Chart*
Announcements

- Milestone 2: Assignment added on your Google Drives
- Due date is Monday 4:05 PM

Next class: Monday 4:00-7:00 pm