

Revealing Viable Markets

A Framework for Entrepreneurial Clarity

Executive Summary

Most new businesses fail not because the idea is flawed, but because the market for it is unclear or nonexistent. Entrepreneurs often begin building solutions without understanding whether anyone truly needs them. This paper presents a structured approach to market research. It emphasizes observing behavior, asking focused questions, and measuring the intensity of demand. A viable market is defined by recurring problems, strong emotional impact, existing effort or spending to solve it, and identifiable triggers that drive action. By applying this framework, entrepreneurs can reduce risk, clarify priorities, and focus on ideas with real potential.

What It Is. The Steps in It. What It Takes to Reveal Markets.

What Marketing Actually Is

Marketing is not promotion.

It is not advertising.

It is not social media posting.

Marketing is the structured process of discovering, clarifying, and aligning with existing demand.

It answers five core questions:

1. Who already has a problem?
2. How do they currently solve it?
3. What is inadequate about that solution?
4. What language do they use to describe the pain?
5. Where do they go first when they decide to act?

Marketing is not about persuasion.

It is about *pattern recognition*.

When done correctly, marketing reduces sales pressure because it reveals:

- Where demand already exists
- Who feels it most intensely
- When they are most likely to move

The Problem with New Ideas

Ideas are compelling to those who conceive them, and early encouragement from friends or colleagues can reinforce that sense of promise. However, interest alone does not indicate demand. True markets reveal themselves through action. People who experience recurring problems take steps to address them. They spend money, devote time, and attempt solutions repeatedly. Entrepreneurs must observe these behaviors rather than rely on verbal approval or curiosity. Clarity begins when founders suspend belief in the solution and focus on the structure of the problem itself.

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Defining a Market

A market is not simply a population or an industry label. It is a group of people who encounter the same recurring problem, experience clear consequences if it is not solved, and have already invested in partial solutions. Markets respond to identifiable trigger events that create urgency. Without these characteristics, what appears to be a market may be only an audience. The distinction between an audience and a market is essential, as failure to recognize it often leads to wasted time and effort.

Avoiding Solution Bias

Many founders fall in love with their solution before they understand the problem. This bias can cause them to ask inappropriate questions, such as whether someone would buy the product, rather than investigating how the problem is currently addressed. Founders must reverse the process, beginning with observation of the problem, studying current behaviors, identifying gaps or dissatisfaction, and only then refining potential solutions. Evidence of actual behavior, not enthusiasm, provides the foundation for market discovery.

A Step-by-Step Framework for Market Investigation

The First step: is to define the problem clearly in one sentence, focusing on a recurring condition rather than a hypothetical inconvenience.

The Second step: is to define the target customer, specifying *industry, role, size, and decision-making authority*.

The Third step: founders must observe current solutions to understand how the problem is being addressed and what people are already investing in.

The Fourth step: dissatisfaction with existing approaches must be examined to locate unmet needs and potential opportunity.

The Fifth step: trigger events should be identified, as these create urgency and activate demand.

The Sixth step: structured conversations with potential customers provide qualitative insight, focusing on consequences, costs, and frequency.

The Seventh step: willingness to pay must be tested to understand whether the problem is financially meaningful or presents value.

Finally, reachable market size should be estimated, focusing on the number of qualified prospects that can realistically be engaged. This process transforms ambiguity into structured understanding.

Measuring Market Strength

Market strength can be assessed by examining the frequency of the problem, the financial or operational cost, emotional intensity, existing spending, dissatisfaction with alternatives, clarity of triggers, and access to decision makers. Evaluating these dimensions provides an indication of whether a market is weak, moderate, or strong. Weak markets require refinement or repositioning, while strong markets provide evidence of sustainable demand.

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Common Market Misconceptions

Entrepreneurs often assume that broad appeal, lack of competition, large numbers, or verbal enthusiasm are indicators of a viable market. In reality, these assumptions are frequently misleading. Broad appeal often indicates low urgency, lack of competition may reflect lack of demand, large population numbers do not guarantee action, and verbal support is not equivalent to financial commitment. Recognizing these misconceptions protects founders from premature investment and wasted effort.

Positioning Within the Decision Process

Markets operate within sequences. Customers first recognize a problem, then seek information, evaluate options, and authorize action. Entrepreneurs must determine where they fit in this sequence. Solutions can operate upstream to prevent problems, downstream to resolve consequences, or as initial or secondary points of engagement. Clear positioning reduces friction, accelerates adoption, and increases the likelihood of success.

Expanding From a Validated Market

Once a market has been validated, expansion should follow structural patterns. Vertical expansion provides more services to the same group, while horizontal expansion addresses similar groups with the same problem. Upstream strategies focus on earlier intervention, and downstream strategies address the consequences of the problem. Expansion without structural alignment increases risk, whereas growth following observed patterns strengthens sustainability.

Conclusion

Entrepreneurship is a process of investigation, not invention. Markets are revealed through observation, structured questioning, and measurement, not through hype or intuition. Founders who apply a disciplined framework for market discovery save time, reduce risk, and focus on ideas with real demand. A viable business begins not with a product, but with evidence that the problem exists and is meaningful to those who experience it.

References

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Market Clarity Checklist

For Entrepreneurs Seeking Evidence-Based Validation

1. Define the Problem

- Can you describe the problem in one clear sentence?
- Is it a recurring issue, not a hypothetical one?
- Does it affect real people or organizations?

2. Identify the Target Customer

- Do you know who experiences the problem most?
- Can you define their role, industry, or context?
- Do you understand who makes the decisions?

3. Observe Current Behavior

- How are they solving this problem today?
- Are they investing time, effort, or money to address it?
- What frustrations or gaps exist in their current approach?

4. Assess Emotional Intensity

- How strongly do they feel the consequences of this problem?
- Do they express frustration, stress, or urgency when discussing it?

5. Identify Trigger Events

- What events push them to act on the problem?
- Are there predictable circumstances that create urgency?

6. Conduct Conversations

- Have you spoken directly with potential customers?
- Did you focus on understanding behavior rather than pitching your solution?
- Did you uncover surprises, objections, or repeated patterns?

7. Test Willingness to Pay

- Do customers currently spend money to address the problem?
- Would they invest in a solution that fully solves it?
- Have you identified potential pricing challenges or limitations?

8. Estimate Reachable Market Size

- How many qualified prospects exist within your accessible channels?
- How many of these are likely to act or invest early?

9. Evaluate Market Strength

- Does the problem occur frequently enough to sustain demand?
- Are the consequences meaningful enough to motivate action?
- Is there measurable dissatisfaction with current solutions?
- Are triggers clear and predictable?
- Can you reach decision-makers efficiently?

How to Use This Checklist:

Score each section as Complete, Needs Work, or Not Tested. Sections that remain incomplete indicate areas where further investigation is required. A market that scores high across these dimensions suggests real demand and a viable opportunity.

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Market Clarity Worksheet

An Interactive Guide for Entrepreneurs

1. Define the Problem

Write a clear, one-sentence description of the problem you want to solve. Focus on a recurring issue experienced by a specific group, not your solution. Make it concrete and measurable.

Answer: _____

2. Identify the Target Customer

Describe who experiences this problem most. Include their role, industry, organization size, and who makes decisions related to this problem. Consider their motivations, risks, and constraints.

Answer: _____

3. Observe Current Behavior

Explain how your target customers currently attempt to address the problem. Note tools, services, or personal efforts they use. Include what they spend and any frustrations or gaps they encounter.

Answer: _____

4. Identify Trigger Events

Identify the moments or events that push someone to act on this problem. These could include regulatory changes, organizational growth, personal transitions, or failures of existing solutions.

Answer: _____

5. Conduct Conversations

Record insights from conversations with potential customers. Focus on how they manage the problem, what happens if it goes unresolved, and the impact in terms of time, effort, or resources. Capture emotional responses and repeated concerns.

Answer: _____

6. Test Willingness to Pay

Note what customers currently spend to address the problem and what they might invest to fully solve it. Include any resistance or limitations to payment.

Answer: _____

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7. Estimate Market Size

Estimate how many qualified prospects you can realistically reach and are likely to act on the problem. Focus on accessibility rather than total population.

Answer: _____

8. Assess Market Strength

Reflect on the overall strength of the market. Consider frequency of the problem, severity of consequences, emotional intensity, dissatisfaction with current solutions, clarity of triggers, and access to decision makers. Summarize your conclusion about viability.

Answer: _____

9. Next Steps

Use your answers to decide if the market is strong enough to pursue. Identify gaps that need further research or testing before building your solution.

Answer: _____

To say, “it’s a billion-dollar market” is just a headline. That number tells you very little about whether **you** can reach it, get paid, or survive long enough to scale. Market size without structure is meaningless. The key is **how you enter the market, capture revenue, and establish access to decision makers.**

Think of it like this: a billion-dollar lake exists, but if you have a cup, you can only collect what fits in your cup, and only if you know where the lake is, how to get there, and that people will let you take the water. Here’s how to break it down practically:

1. Identify a Reachable Segment

The market might be huge, but only a fraction is **reachable early**. Ask: who can I realistically contact, influence, and sell to in my first months? Start small, where your cup can actually hold something.

2. Understand the Decision Sequence

Large markets have layers: influencers, gatekeepers, and final decision makers. You need to know **who authorizes spending, who evaluates options, and who feels the pain first**. Entering at the wrong layer wastes time.

3. Find an Entry Point

You rarely enter a billion-dollar market directly. You start with a niche where pain is acute, competitors are weak, or access is available. Once you’ve captured that niche, you expand outward.

4. Test Willingness to Pay

Before scaling, verify that your cup will actually be filled. People may want the solution, but are they willing to pay, and does your pricing match the value they perceive?

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5. Measure Early Revenue and Learn

Revenue, not market size, validates your business. Even small initial revenue tells you whether the market is accessible. If your cup stays empty despite effort, either your access, offer, or positioning needs adjustment.

In other words, **market size is a distant number. Your first steps are about access, proof of value, and small wins**. Only after you fill the cup in one segment does it make sense to scale toward the larger lake.

You can visualize by draw a simple visual framework showing “cup vs. lake” and how to enter, capture, and expand revenue in large markets, it makes this concept very concrete.

“As you break the process into clear steps and manage progress through measurable objectives, growth becomes repeatable and scalable rather than random.”

“By breaking the process into steps and tracking objectives turns growth into a repeatable, scalable system.”

Once the cup fills reliably, expansion can begin. Move laterally to similar segments, upstream to prevent problems, or downstream to resolve consequences. By dividing the process and managing objectives, expansion becomes deliberate rather than accidental, ensuring that growth is controlled and repeatable rather than random.