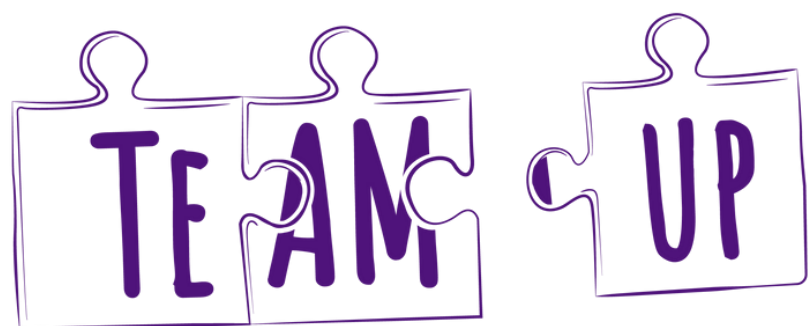


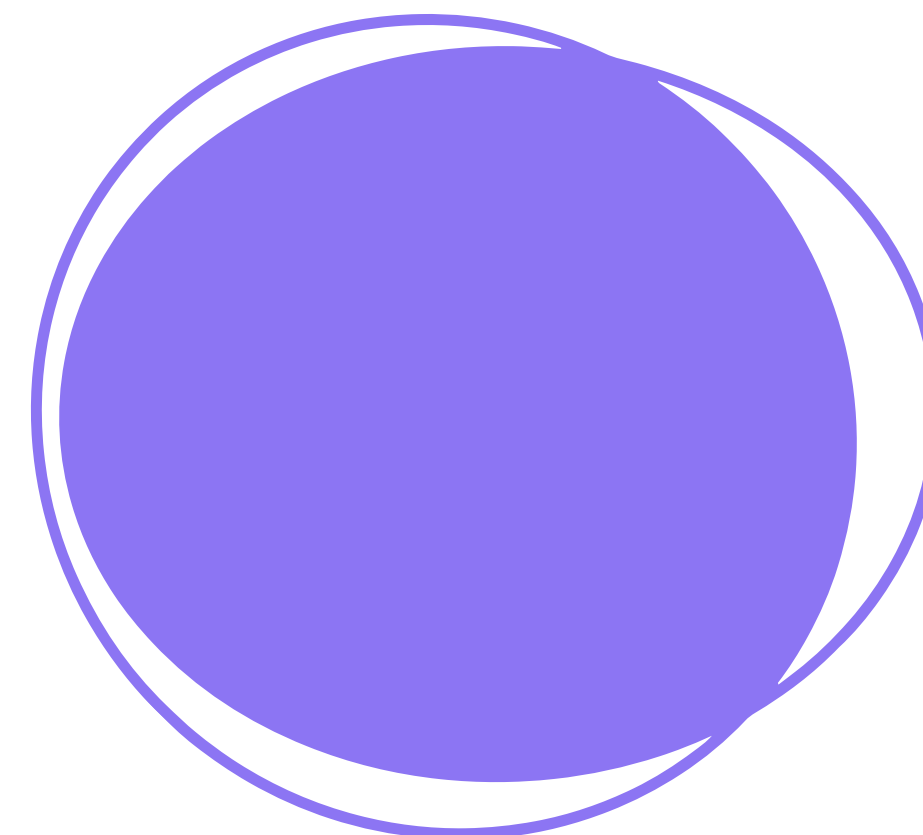


Co-funded by the
European Union

Market niche

August 26th, 2025

Finding the right market niche



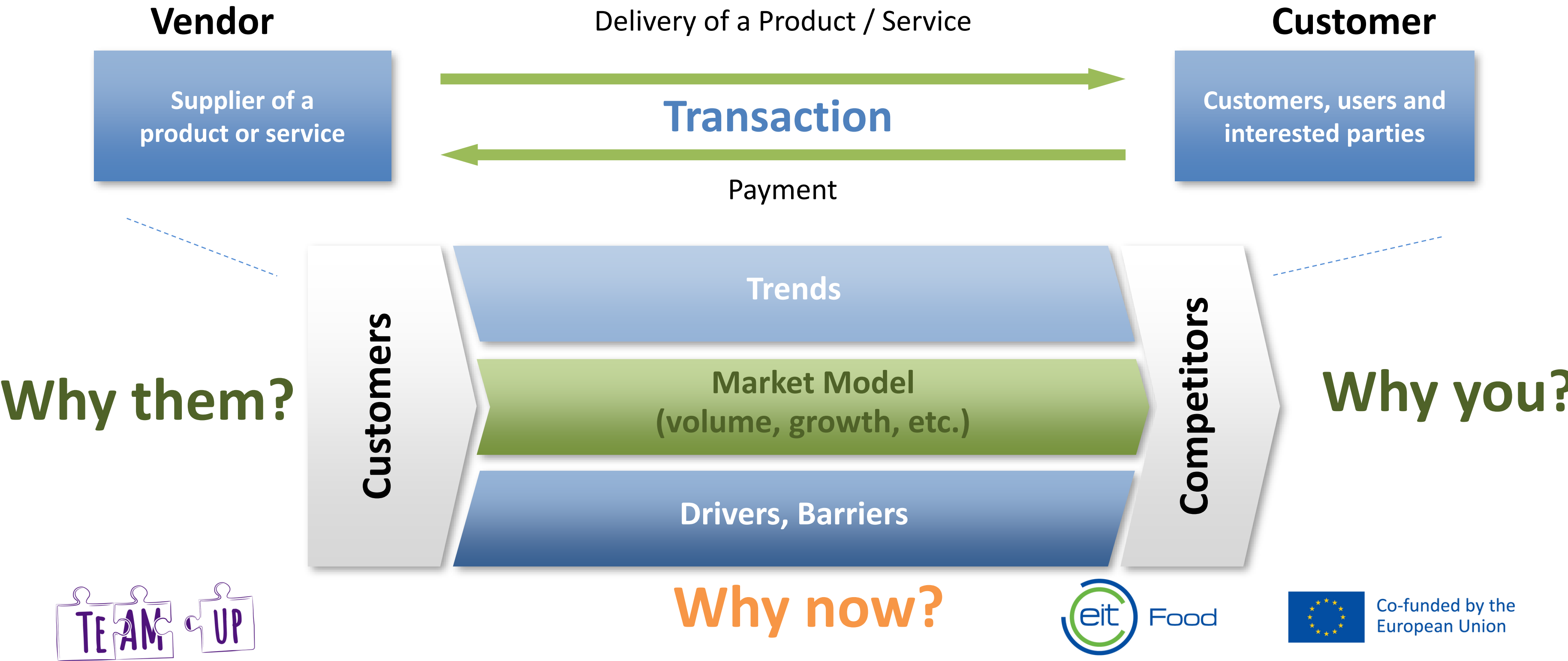
Co-funded by the
European Union



Recap

The core elements of a market study are insights regarding trends, customers, competitors and a market model

What to derive from a market analysis?



Example: Market definition and segmentation

Case study– Bioplastics from Spent Coffee Grounds (SCG)

Market definition

1 Product description and market definition

Example: Market definition and segmentation

Market definition- Bioplastics derived from Spent Coffee Grounds

Step 1. Market definition

Market definition: Bioplastics

- According to European Bioplastics, a plastic material is defined as a bioplastic if it is either biobased, biodegradable, or features both properties. Biobased: The term "biobased" means that the material or product is (partly) derived from biomass (plants). Biomass used for bioplastics stems from e.g. corn, sugarcane, or cellulose. "Biodegradable": Biodegradation is a chemical process during which microorganisms that are available in the environment convert materials into natural substances such as water, carbon dioxide, and compost (artificial additives are not needed). The process of biodegradation depends on the surrounding environmental conditions (e.g. location or temperature), on the material and on the application.

Source: European Bioplastics



Bioplastics derived from Spent Coffee Grounds (SCG) as an alternative to plastics



Market Segmentation

2 Break the market into different segmentation types

Example: Market definition and segmentation

Market segmentation – Bioplastics

Step 2. Segmentation level 1: By end-use

Agriculture & horticulture
Home & garden consumer goods
Automotive interior trims

Bioplastics from SCG

Example: Market definition and segmentation

Market segmentation – Bioplastics

Step 3. Segmentation level 2: Different segmentation types

By application function: Soil biodegradable mulch films, Seeding & plug trays, Plant pots

By product type / household function: Indoor planters & saucers, Storage & organisers, Bathroom accessories, Decorative trims & bezels

By product type / functional role: Deer pocket liners & small storage inserts, HVAC louvers & switch bezels

Agriculture & horticulture
Home & garden consumer goods
Automotive interior trims

Bioplastics from SCG

Food & beverage packaging: Thermodeformed tubs & trays, Coffee system components, Cup lids & rigid lids, Coffee chains & cups, QSR quick-service restaurants, Institutional catering

Foodservice & hospitality

Personal care & cosmetics packaging: Skincare pots & caps, Haircare bottles & closures, Deodorant stick shells & refill sleeves

Example: Market definition and segmentation

Market segmentation – Bioplastics

Step 4. Prioritisation: Discuss potential uses cases for your product and choose up to 4 potential market niches

Soil biodegradable mulch films, Seeding & plug trays, Plant pots, Indoor planters & saucers, Storage & organisers, Bathroom accessories, Decorative trims & bezels, Deer pocket liners & small storage inserts, HVAC louvers & switch bezels

Agriculture & horticulture
Home & garden consumer goods
Automotive interior trims

Bioplastics from SCG

Food & beverage packaging: Thermodeformed tubs & trays, Coffee system components, Cup lids & rigid lids, Coffee chains & cups, QSR quick-service restaurants, Institutional catering

Foodservice & hospitality

Personal care & cosmetics packaging: Skincare pots & caps, Haircare bottles & closures, Deodorant stick shells & refill sleeves

Source: Annual Reports, SEC Filings, Investor Presentations, Press Releases, Secondary Research, Statista, Expert Interviews and Active Research



Prioritisation

3 Prioritise up to four market niches

Example: Market definition and segmentation

Market segmentation – Bioplastics

Step 5. Define the use cases for each prioritised market niche

	Food & Beverage Packaging	Foodservice & Hospitality	Personal Care Packaging	Agriculture & Horticulture
 Bioplastics from SCG	 Coffee system components	 Coffee chains & cups	 Skincare pots & caps	 Plant pots
Use case	Coffee grounds collected and processed into SCG bioplastic compounds serving as coffee capsules and dosing scoops	Cafe chains install SCG collection bins and buy back branded lids, straws, or reusable trays made from SCG bioplastic	Cosmetic companies adopt SCG bioplastic for cream jars, tube containers, and lids	SCG bioplastic is injection-moulded into seedling pots, nursery troughs, pots, and decorative garden planters





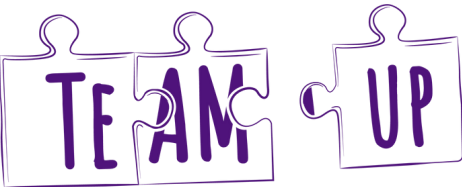
Choosing the right market niche

Example: Market definition and segmentation

Market segmentation – Bioplastics

Step 5. Define the use cases for each prioritised market niche

 Bioplastics from SCG Use case	Food & Beverage Packaging	Foodservice & Hospitality	Personal Care Packaging	Agriculture & Horticulture
	 Coffee system components	 Coffee chains & cafés	 Skincare jars & caps	 Plant pots
	Coffee grounds collected are processed into SCG-bioplastic compounds serving as coffee capsules and dosing scoops	Café chains install SCG collection bins and buy back branded lids, stirrers, or reusable trays made from SCG-bioplastic	Cosmetic companies adopt SCG-bioplastic for cream jars, balm containers, and lids	SCG-bioplastic is injection-moulded into seedling pots, nursery transit pots, and decorative garden planters



Key criteria for prioritising markets can be summarised in three dimensions

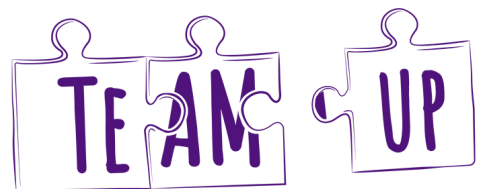
Evaluation criteria



Why them?

Product-market-fit

Problem to be solved, work to be done product-market fit, value proposition



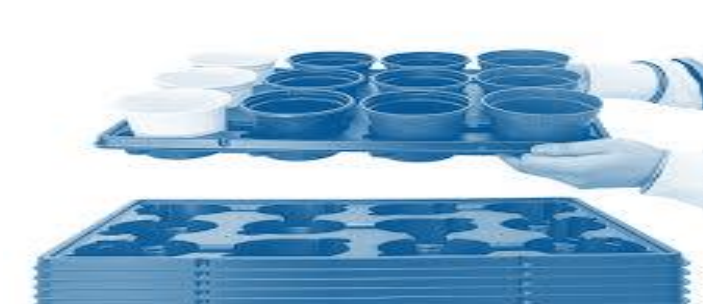
Example: Finding the right market niche

Prioritisation – Bioplastics

Step 6. Evaluate the product-market-fit for each market niche

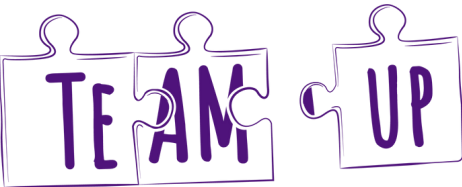


Bioplastics from SCG

Food & Beverage Packaging		Foodservice & Hospitality	Personal Care Packaging	Agriculture & Horticulture
				
Coffee system components		Coffee chains & cafés	Skincare jars & caps	Plant pots
Coffee grounds collected are processed into SCG-bioplastic compounds serving as coffee capsules and dosing scoops		Café chains install SCG collection bins and buy back branded lids, stirrers, or reusable trays made from SCG-bioplastic	Cosmetic companies adopt SCG-bioplastic for cream jars, balm containers, and lids	SCG-bioplastic is injection-moulded into seedling pots, nursery transit pots, and decorative garden planters
➡		↗	↗ ↗	↗

Use case

Problem-Solution-Fit



Use Generative AI to deepen the fit of the solution in each of the selected niches and use cases

Suggested prompt

For a new [describe the technology/product/service], we have identified the following sectors and use cases:

- *Sector 1: [Y] → Use case: [Z]
- *Sector 2: [Y] → Use case: [Z]
- *Sector 3: [Y] → Use case: [Z]
- *Sector 4: [Y] → Use case: [Z]

Make a brief analysis according to the following **chain of thought**:

1. **Assess the product–market fit** of each sector and use case based on the degree of alignment between the value proposition of the [technology/product/service] and market needs (very high, high, medium, or low)
2. **Provide a comparative analysis** to justify which sectors and use cases offer the best fit (product-market-fit) for the [technology/product/service] and why.
3. Generate your response in a **table format** with three columns summarising your analysis (sector, product-market-fit, justification)

Think deeply



Key criteria for prioritising markets can be summarised in three dimensions

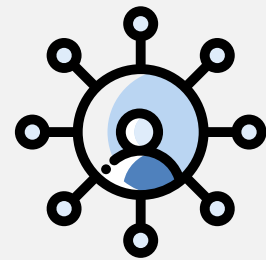
Evaluation criteria



Why them?

Product-market-fit

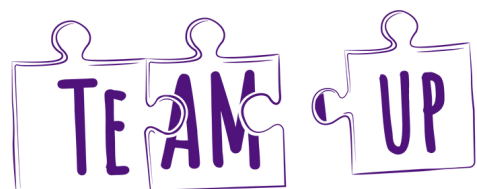
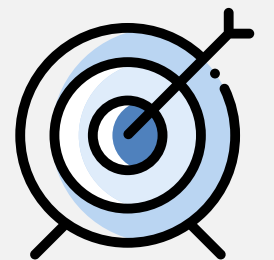
Problem to be solved, work to be done product-market fit, value proposition



Why now?

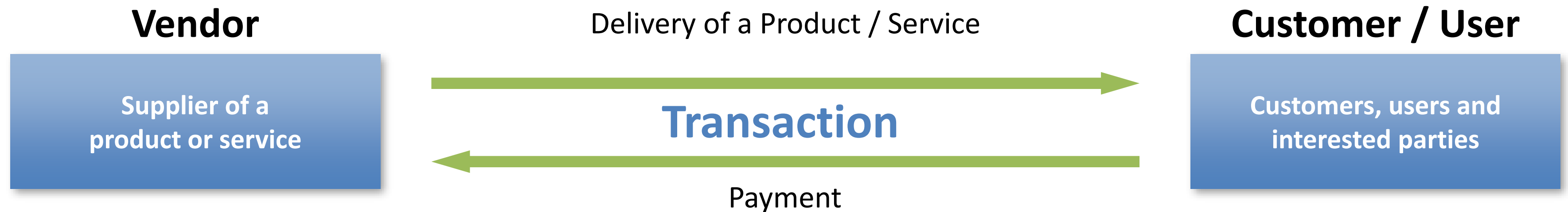
Market potential

Impact, market size, market growth, trends and drivers of market development



A market summarises a defined set of transactions within a given fields (e.g. industries) and/or geographic area

Market sizing

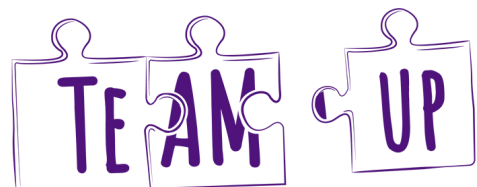


Market Volume (e.g. per year, in EUR) = Value of existing transactions **REALISTIC**

Market Potential (e.g. per year, in EUR) = #customers * price **THEORETICAL**

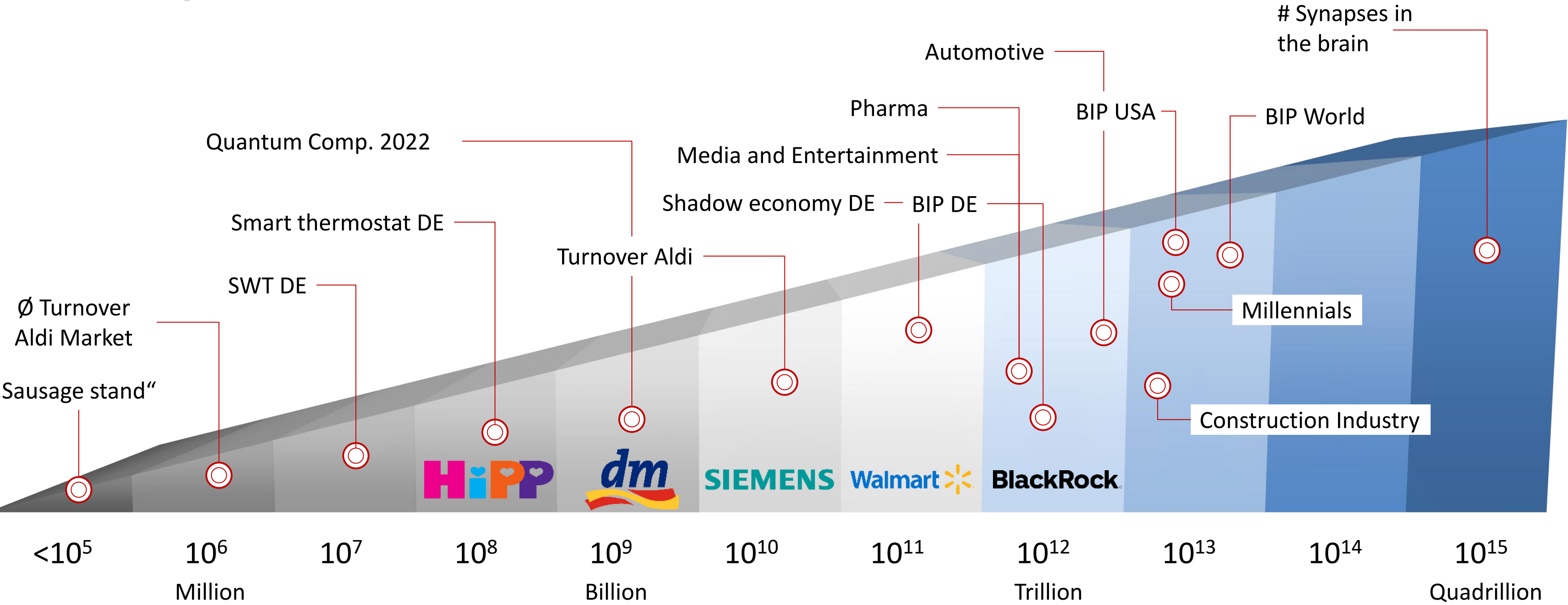
Market growth: e.g. CAGR (Compound Annual Growth Rate) or year-on-year

Note: Market size can be linked to business plan



Getting the order of magnitude right is a decisive factor for your own market research

Order of magnitude and market size

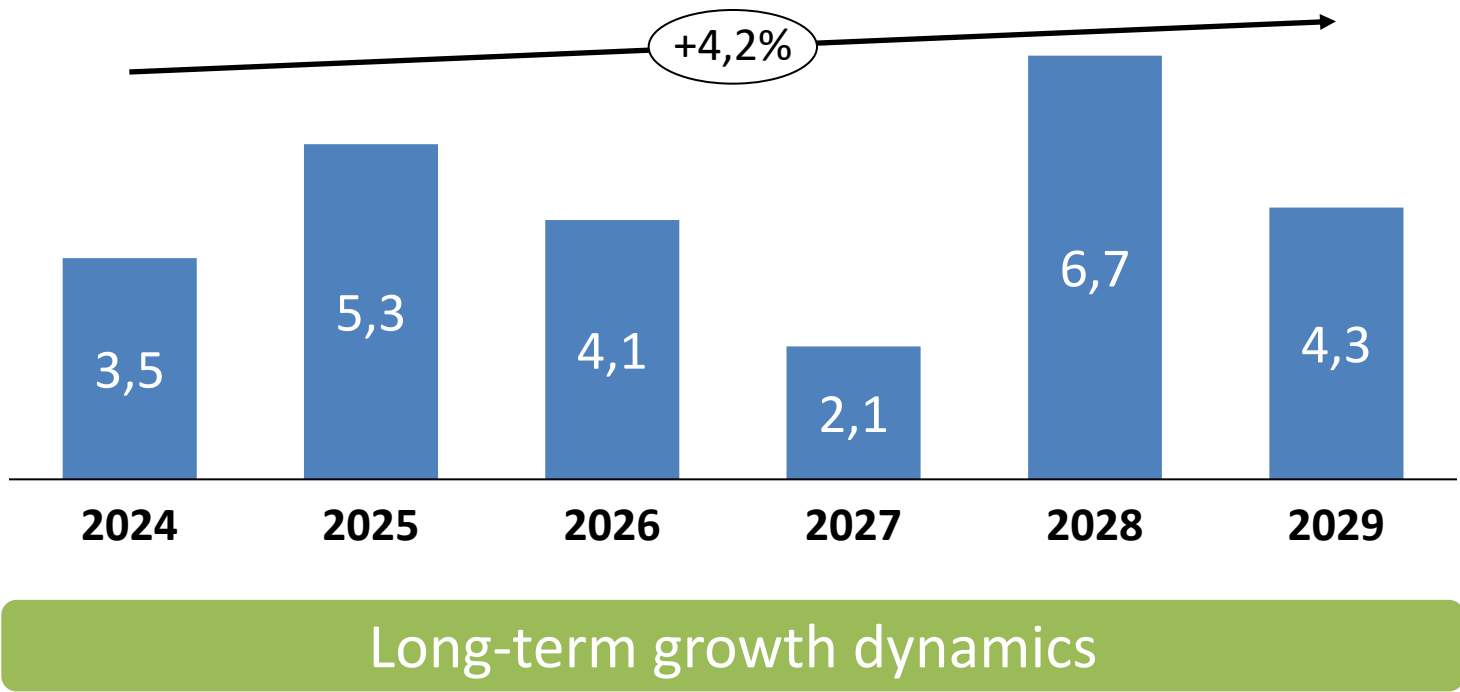


For practical purposes, CAGR and Y-o-Y are the most important index for creating a market model

Types of growth rates

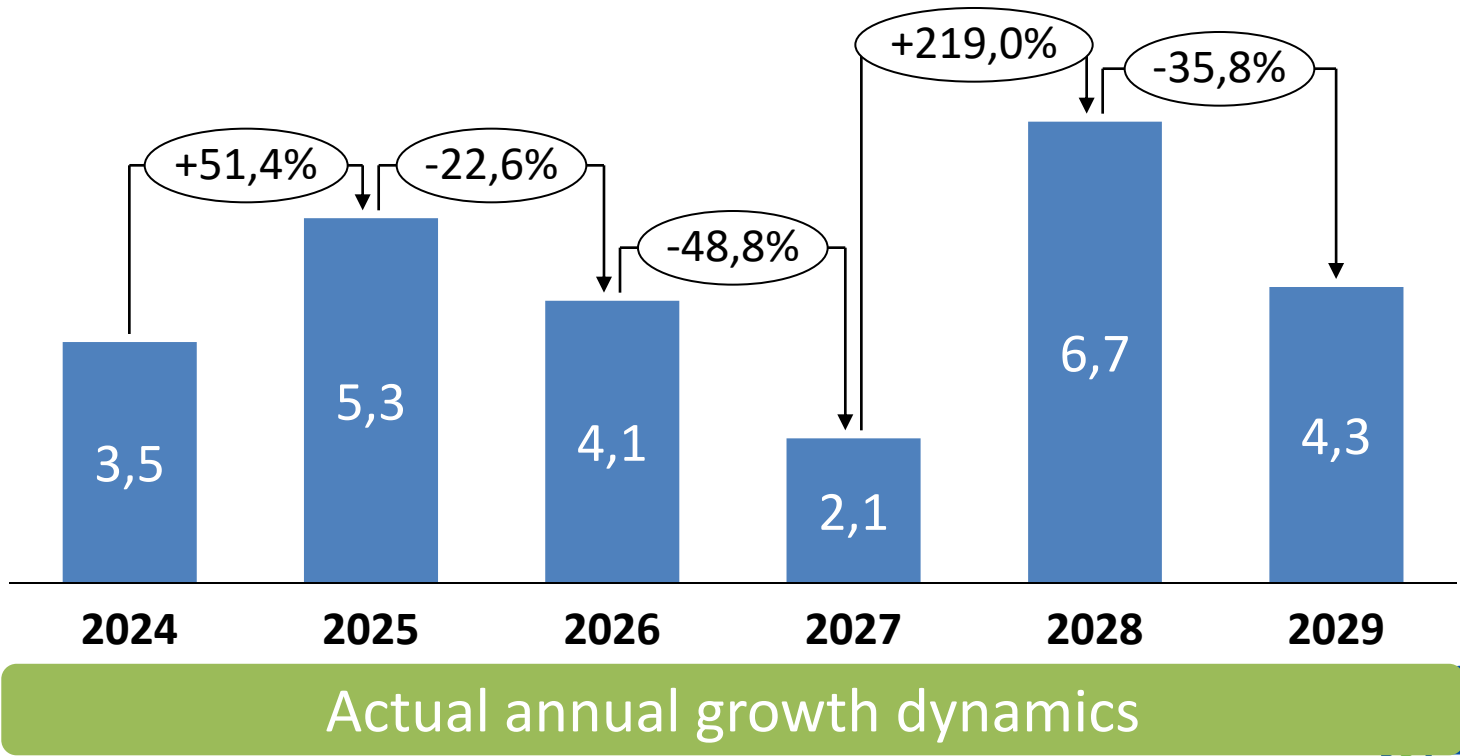
CAGR

Compound average annual growth rate



Y-o-Y

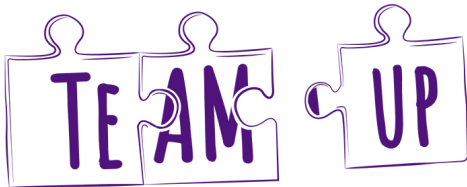
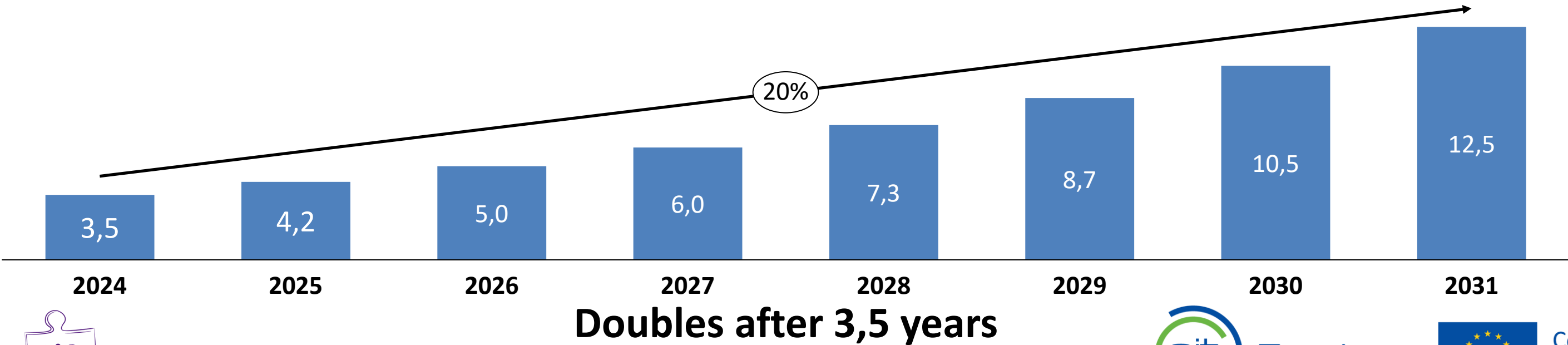
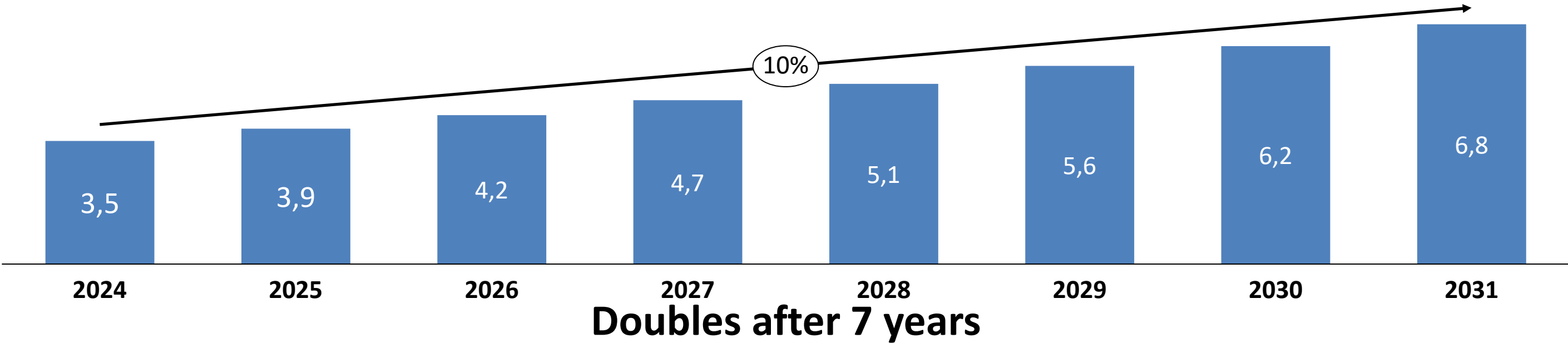
Year-on-year growth



CAGR (Compound Annual Growth Rate) provides information on long-term market dynamics

Average annual growth (CAGR)

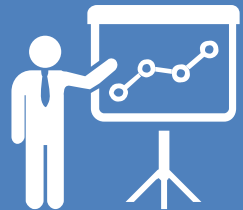
Inflation averages ~3% per year



Many methods to estimate market sizes. Focus on the main four, but combining many of them yields the best results

Methods to estimate market size

Market Reports and Estimates



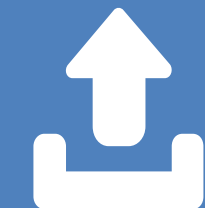
Top Down



Sum of competitors



Bottom Up



Value Chain
(Forward and Back)



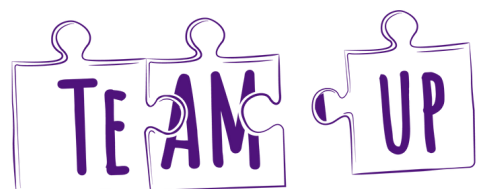
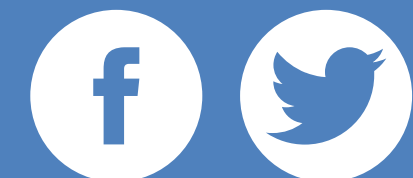
GDP Correlation



Adjacent Market
Method



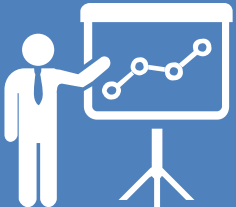
Social Media Analysis



Many methods to estimate market sizes. Focus on the main four, but combining many of them yields the best results

Methods to estimate market size

Market Reports and Estimates



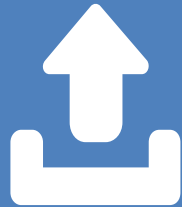
Top Down



Sum of competitors



Bottom Up



Value Chain
(Forward and Back)



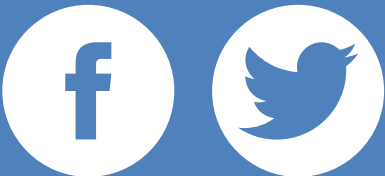
GDP Correlation

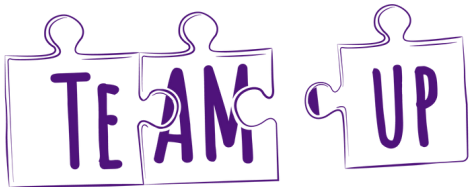


Adjacent Market Method



Social Media Analysis

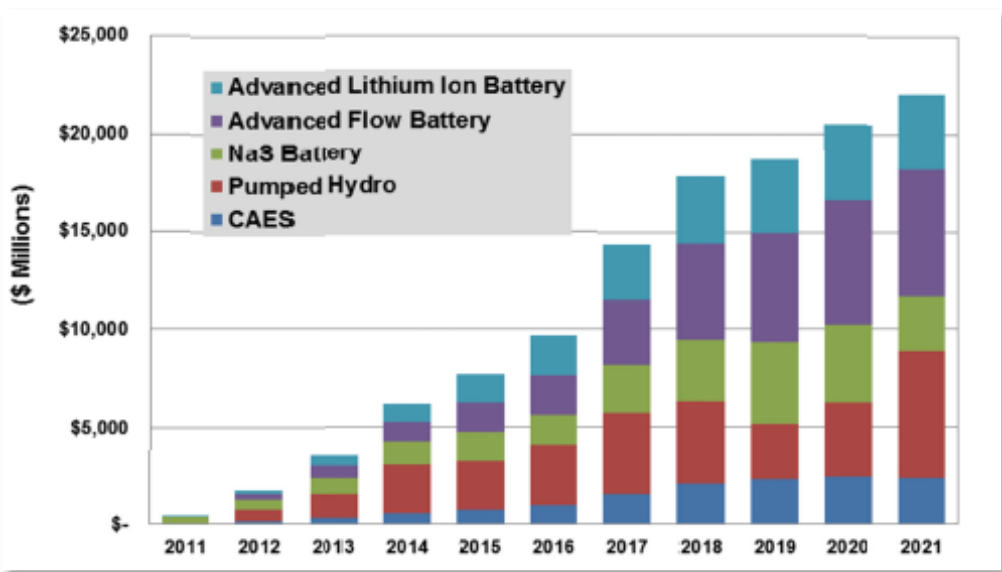
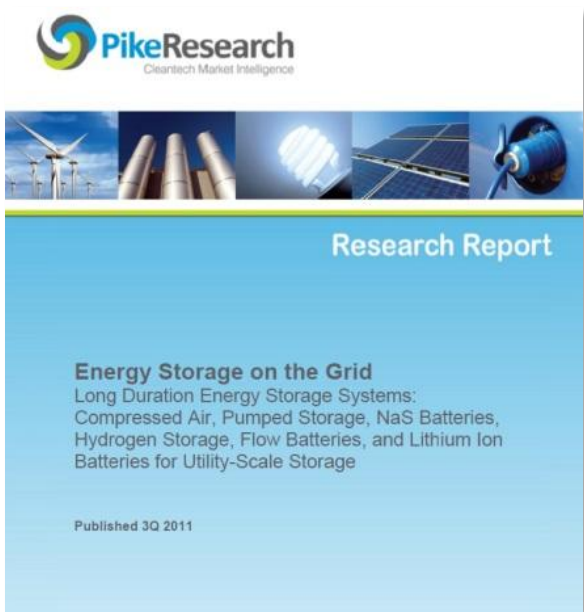




The market report method yields good fast results, when a trustworthy industry report is available

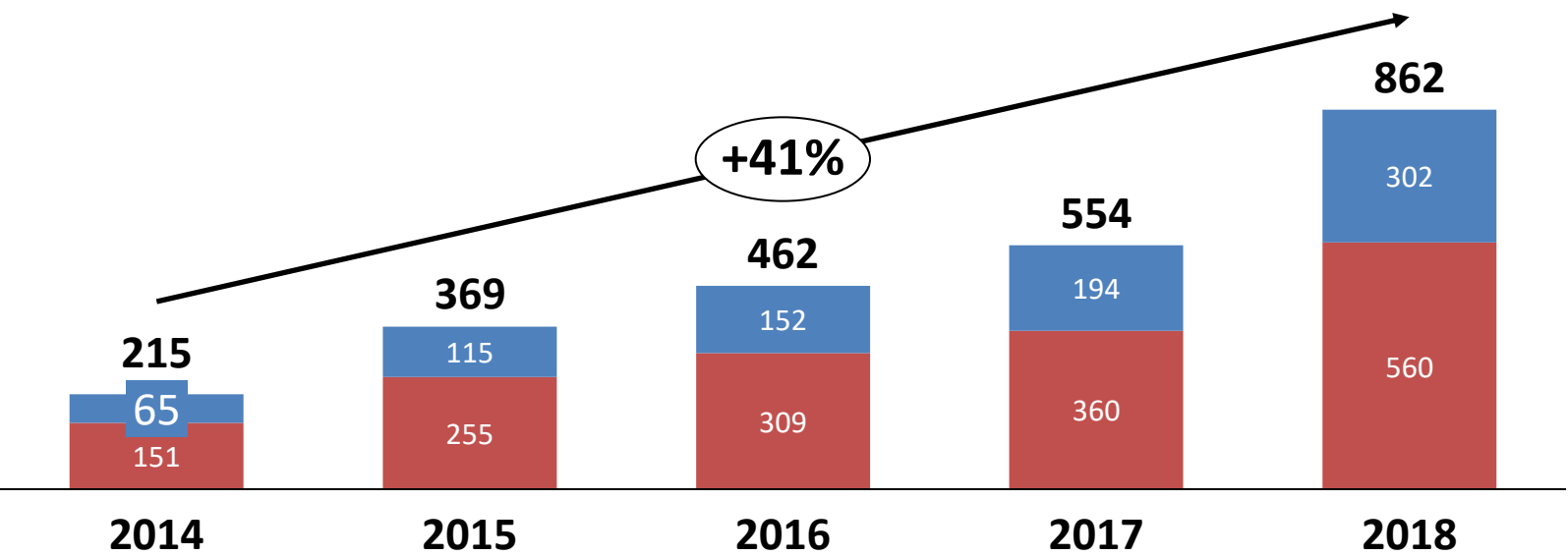
Example Method 1: Market reports and participant estimates

How large is the market for battery electrodes in Europe?



Electrodes make up for 15% of costs

Expert ABB



CAGR 14 - 18

47,0% Europa
38,8% RdW

30% are being installed in Europe, and this is likely to increase

Expert EASE

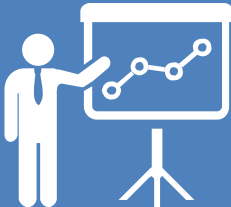


Co-funded by the European Union

Many methods to estimate market sizes. Focus on the main four, but combining many of them yields the best results

Methods to estimate market size

Market Reports and Estimates



Top Down



Sum of competitors



Bottom Up



Value Chain (Forward and Back)



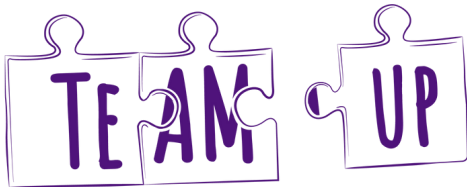
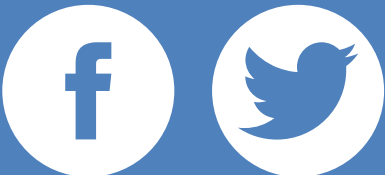
GDP Correlation



Adjacent Market Method



Social Media Analysis



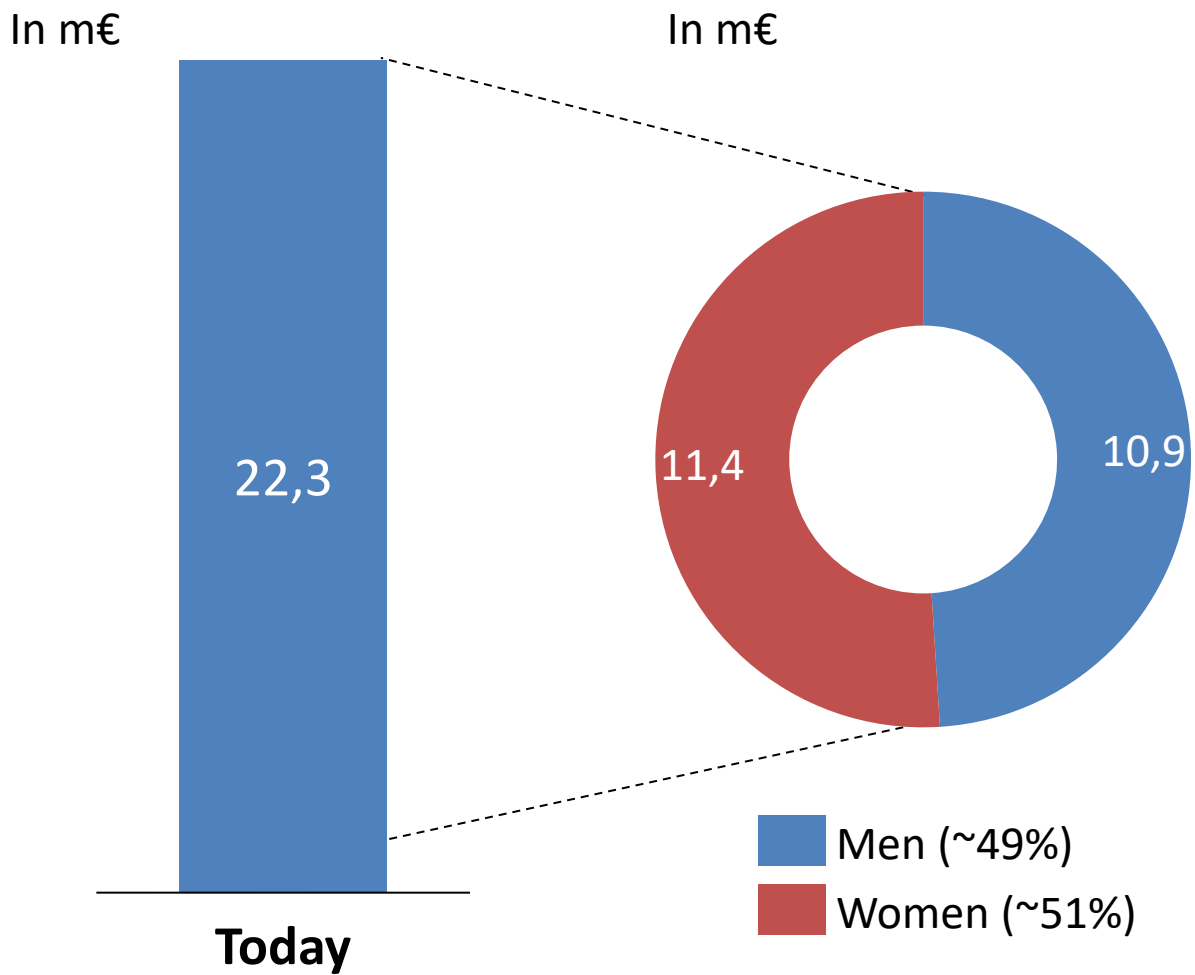
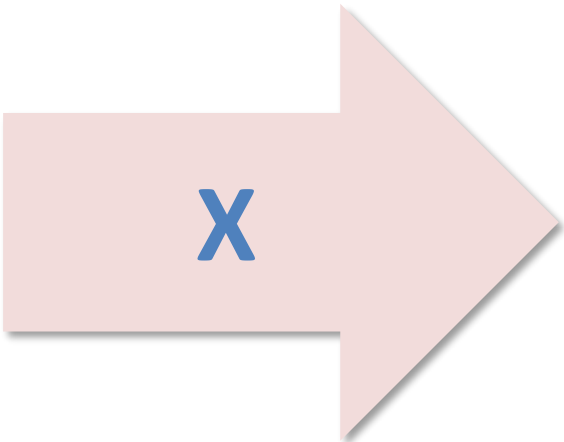
With the right boundary condition, the Top-down method allows a very fast estimation of potential

Example Method 2: Top-down

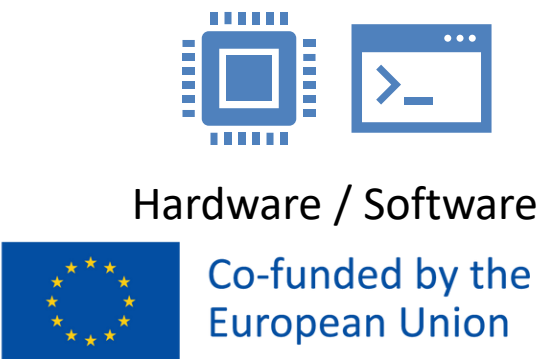
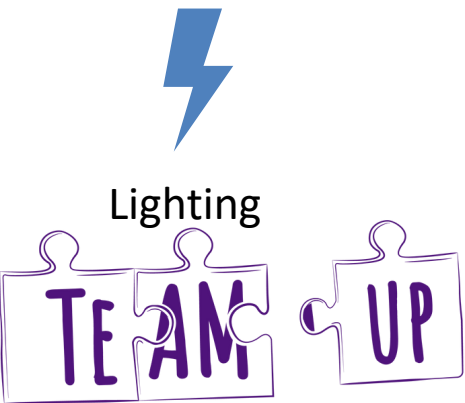


Potential for a pharmaceutical against depression

	Population	82,6
	Prevalence rate	18%
	Rate of diagnosis	5%
	Purchase rate	15%
	Expenditure / patient	200€



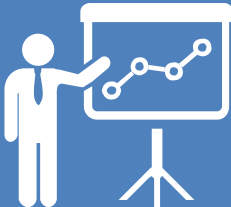
Method is useful for a multitude of markets and applications, e.g. :



Many methods to estimate market sizes. Focus on the main four, but combining many of them yields the best results

Methods to estimate market size

Market Reports and Estimates



Top Down



Sum of competitors



Bottom Up



Value Chain (Forward and Back)



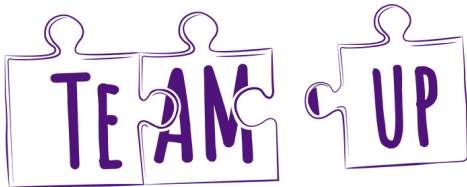
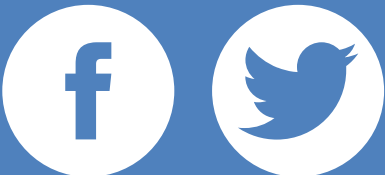
GDP Correlation



Adjacent Market Method



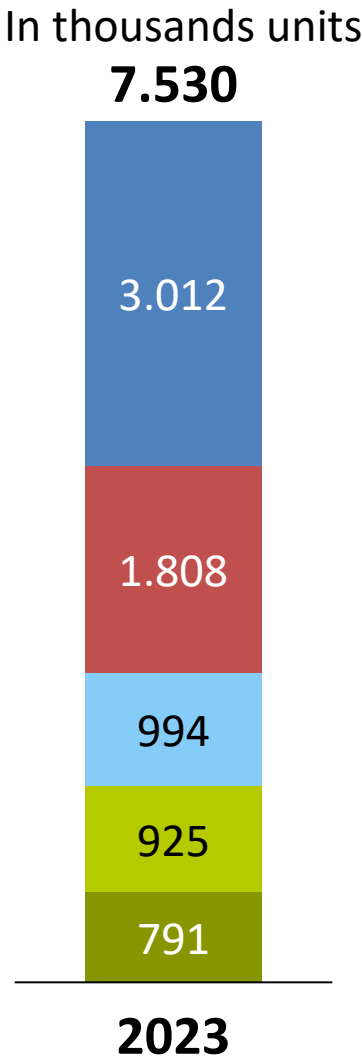
Social Media Analysis



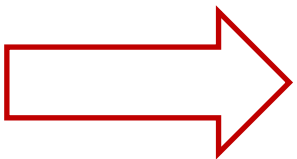
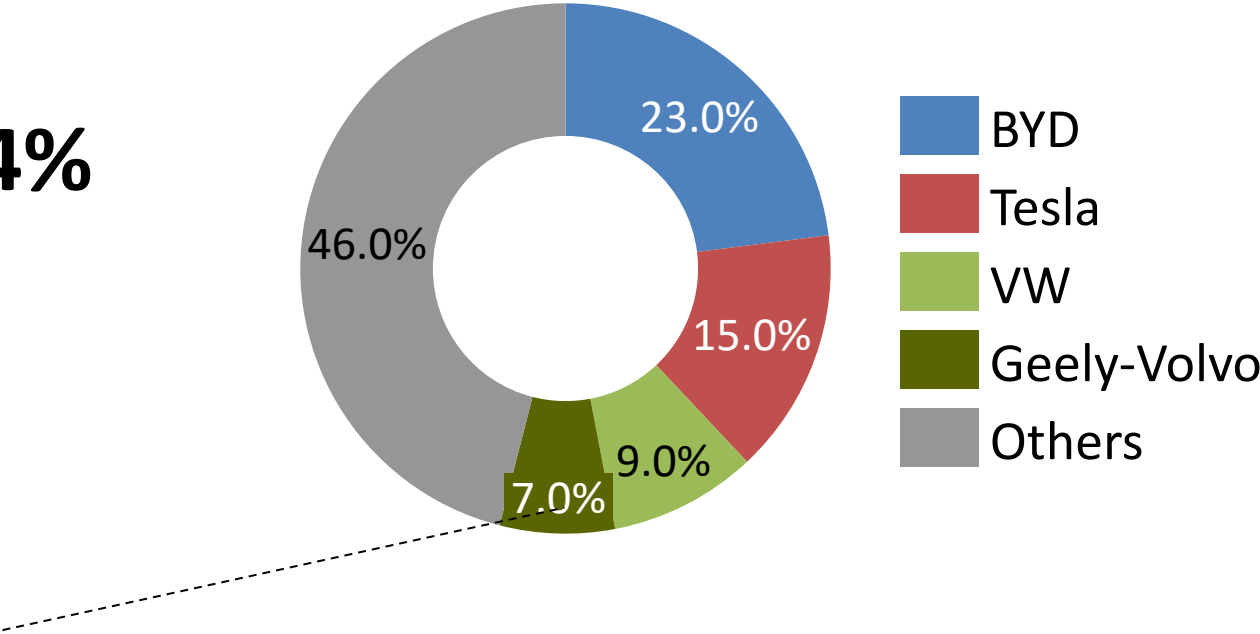
The sum of competitors can estimate both specific niche and overlapping markets

Example Method 3: Sum of competitors

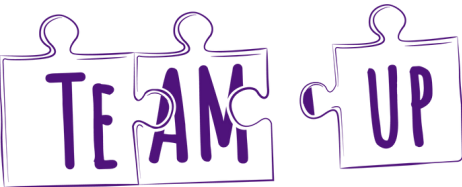
Electric vehicles market overview



54%



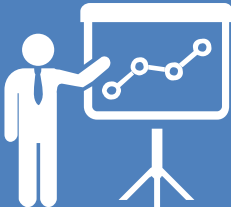
Global market ~210 billion €



Many methods to estimate market sizes. Focus on the main four, but combining many of them yields the best results

Methods to estimate market size

Market Reports and Estimates



Top Down



Sum of competitors



Bottom Up



Value Chain (Forward and Back)



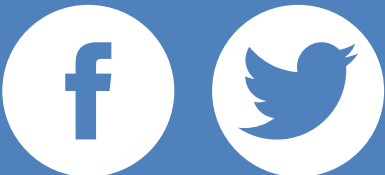
GDP Correlation



Adjacent Market Method

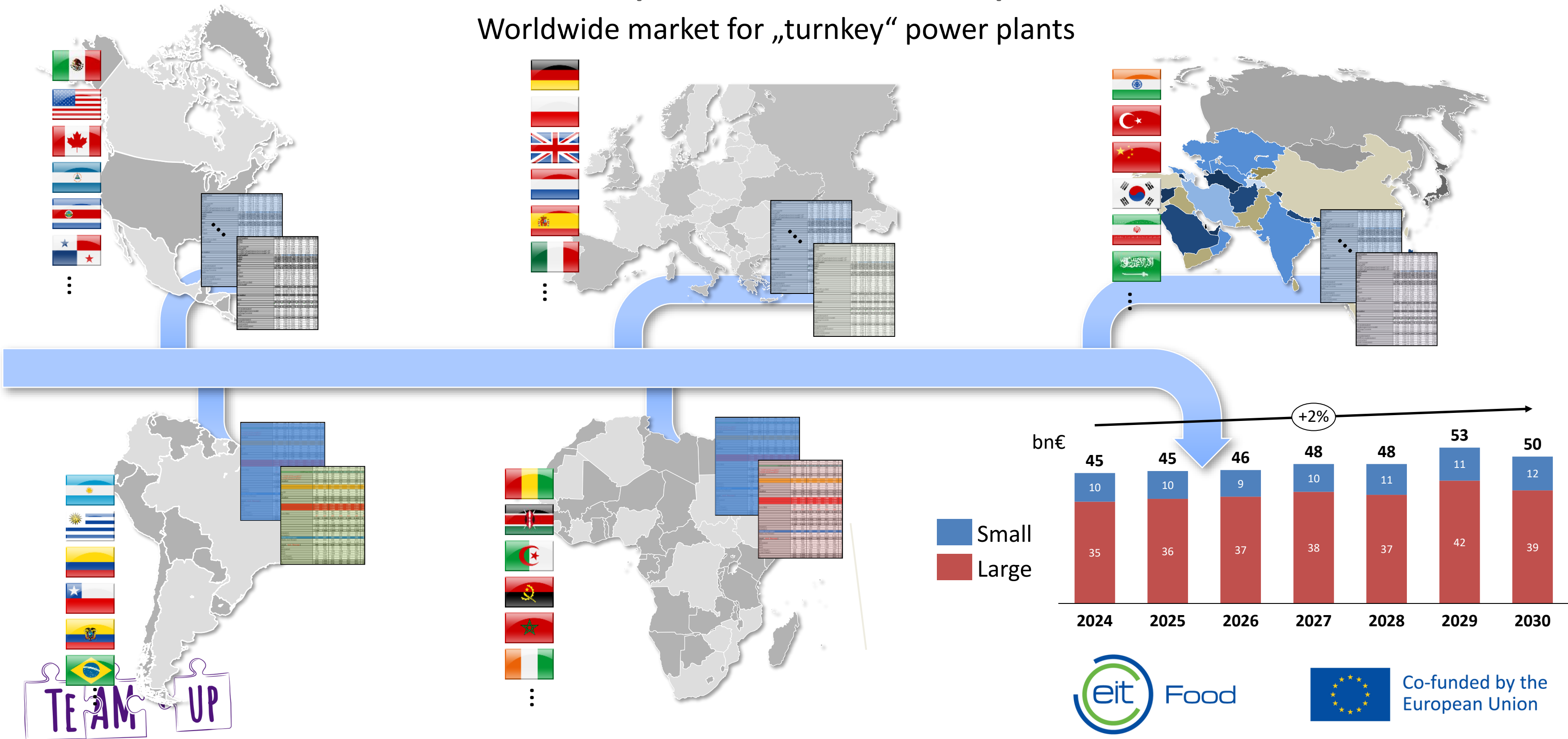


Social Media Analysis



The bottom-up method enables highly accurate estimation of the global market for turnkey power plants

Example Method 4: Bottom-up Worldwide market for „turnkey“ power plants



Example: Finding the right market niche

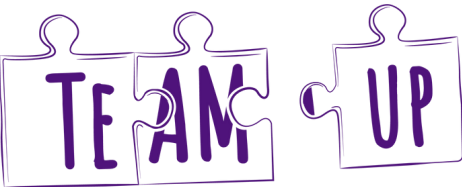
Prioritisation – Bioplastics

Step 7. Evaluate the market potential for each market niche



Bioplastics from SCG

	Food & Beverage Packaging	Foodservice & Hospitality	Personal Care Packaging	Agriculture & Horticulture
	Coffee system components	Coffee chains & cafés	Skincare jars & caps	Plant pots
Use case	Coffee grounds collected are processed into SCG-bioplastic compounds serving as coffee capsules and dosing scoops	Café chains install SCG collection bins and buy back branded lids, stirrers, or reusable trays made from SCG-bioplastic	Cosmetic companies adopt SCG-bioplastic for cream jars, balm containers, and lids	SCG-bioplastic is injection-moulded into seedling pots, nursery transit pots, and decorative garden planters
Problem-Solution-Fit	➡	↗	↗ ↗	↗
Market Potential	↗ ↗	➡	↗ ↗	↗



Use Generative AI to gather market data and identify trends

Suggested prompt

For the commercialisation of a new **[describe the technology/product/service]**, we have identified the following sectors and use cases:

- *Sector 1: **[Y]** → Use case: **[Z]**
- *Sector 2: **[Y]** → Use case: **[Z]**
- *Sector 3: **[Y]** → Use case: **[Z]**
- *Sector 4: **[Y]** → Use case: **[Z]**

We now require **market data** to obtain a quantitative and qualitative overview of how the **[technology/product/service]** is positioned in each sector and use case, providing insights to guide strategic decisions and prioritisation of commercialisation efforts. To this end, please carry out the following:

1. Provide information or estimates on the **market size** (in revenues, volume, or number of potential customers) for the **[technology/product/service]** in each sector.
2. Include **data or growth projections** (CAGR)
3. Identify the main **competitors, suppliers, or relevant players** offering solutions similar to our **[technology/product/service]** in each sector.
4. Highlight **market trends or key factors** driving adoption (regulation, technological evolution, shifts in demand, etc.).

Suggested format for the response: a table ranking the identified sectors by market size (largest market first).



Key criteria for prioritising markets can be summarised in three dimensions

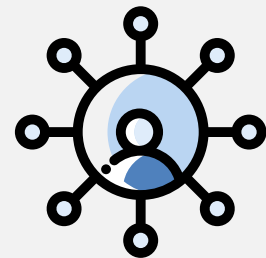
Evaluation criteria



Why them?

Product-market-fit

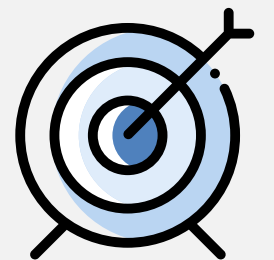
Problem to be solved, work to be done product-market fit, value proposition



Why now?

Market potential

Impact, market size, market growth, trends and drivers of market development



Why you?

Risk assessment

Time to market, access to relevant customers, barriers to adoption of your innovation, competitive environment



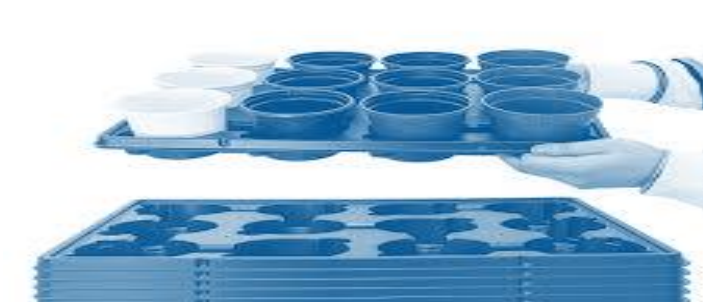
Example: Finding the right market niche

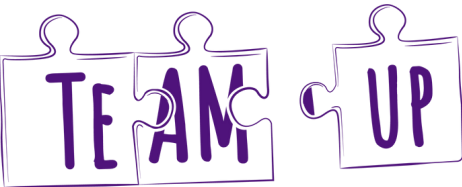
Prioritisation– Bioplastics

Step 8. Evaluate the potential risks for each market niche



Bioplastics from SCG

	Food & Beverage Packaging	Foodservice & Hospitality	Personal Care Packaging	Agriculture & Horticulture
				
	Coffee system components	Coffee chains & cafés	Skincare jars & caps	Plant pots
Use case	Coffee grounds collected are processed into SCG-bioplastic compounds serving as coffee capsules and dosing scoops	Café chains install SCG collection bins and buy back branded lids, stirrers, or reusable trays made from SCG-bioplastic	Cosmetic companies adopt SCG-bioplastic for cream jars, balm containers, and lids	SCG-bioplastic is injection-moulded into seedling pots, nursery transit pots, and decorative garden planters
Problem-Solution-Fit	➡	↗	↗ ↗	↗
Market Potential	↗ ↗	➡	↗ ↗	↗
Risk Assessment	↗	➡	➡	⬅



Use Generative AI to identify and analyse potential risks

Suggested prompt

For the commercialisation of a new [describe the technology/product/service], we have identified the following sectors and use cases:

- *Sector 1: [Y] → Use case: [Z]
- *Sector 2: [Y] → Use case: [Z]
- *Sector 3: [Y] → Use case: [Z]
- *Sector 4: [Y] → Use case: [Z]

Prepare a table identifying the following **potential risks for each sector** (specify the likelihood or criticality of each risk):

- **Regulatory risks:** regulations, laws, or specific requirements that could complicate the implementation of the [technology/product/service]
- **Competitive risks:** established competitors, entry barriers, patents, or intellectual property rights affecting the [technology/product/service]
- **Technological risks:** limitations of the technology, infrastructure or integration dependencies, cybersecurity, scalability
- **Distribution or supply chain risks:** logistical complexities, component availability, partner structures
- **Financial risks:** investment costs, unclear business models, difficulties in securing funding, uncertain return on investment

Think deeply



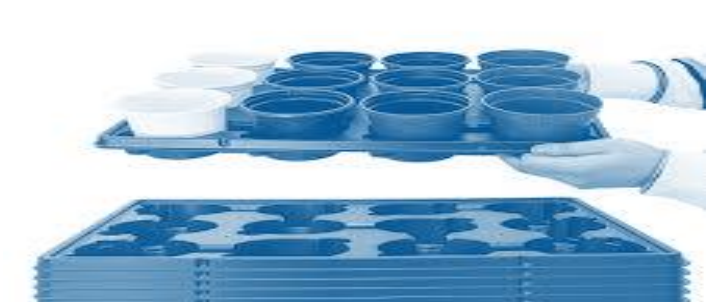
Example: Finding the right market niche

Prioritisation– Bioplastics

Step 9. Choose your right market niche



Bioplastics from SCG

	Food & Beverage Packaging	Foodservice & Hospitality	Personal Care Packaging	Agriculture & Horticulture
				
	Coffee system components	Coffee chains & cafés	Skincare jars & caps	Plant pots
Use case	Coffee grounds collected are processed into SCG-bioplastic compounds serving as coffee capsules and dosing scoops	Café chains install SCG collection bins and buy back branded lids, stirrers, or reusable trays made from SCG-bioplastic	Cosmetic companies adopt SCG-bioplastic for cream jars, balm containers, and lids	SCG-bioplastic is injection-moulded into seedling pots, nursery transit pots, and decorative garden planters
Problem-Solution-Fit	➡	↗	↗ ↗	↗
Market Potential	↗ ↗	➡	↗ ↗	↗
Risk Assessment	↗	➡	➡	⬅



1 Product Name: SCG BioPot™ – injection-moulded nursery pots

2 Product explanation:

- SCG-bioplastic plant pots are injection-moulded seedling pots, nursery transit pots, and decorative planters made from compounds utilising spent coffee grounds as a renewable feedstock
- They provide a sustainable alternative to traditional petroleum-based plastic pots by leveraging agro-waste to reduce carbon footprint and landfill waste
- The product is biodegradable, compostable, and suitable for horticulture and gardening sectors, supporting circular economy models

3 Market definition and segmentation:

Total market	Global plant pots market: €5B (2025); EU: €1.8B (2025)
Total addressable market	EU compostable/bioplastic pots: approx. €360M (20% of EU market)
Possible market segments	• by product: seedling pots, nursery transit pots, decorative planters • by channel: professional (nurseries, landscapers) vs retail/DIY • by material: plastic (PP/PE), terracotta/ceramic, natural fibres/biocomposites • by geography: NL, ES, IT, DE, FR, UK, Nordics, CEE
Selected market segment	B2B nursery transit pots (8–23 cm), injection-moulded plastic, EU focus starting with NL-ES-IT-DE-FR cluster.

4 Market estimation

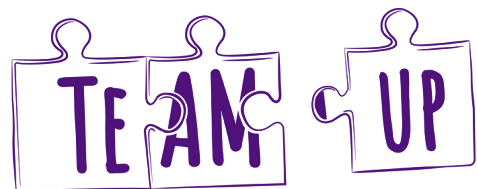
- **Sources found/used:** Europe Flower Pots Market Analysis (Mordor Intelligence, LinkedIn, Market Report Analytics), Biodegradable Flower Pot Market Overview.
- **Assumptions made:**
 - At least 20% of the European plant pots market shifts to biodegradable/bioplastic alternatives by 2025–2027, driven by regulatory and retailer pressures.
 - Adoption in urban gardening and nursery supply will be fastest, with retail and landscaping following
- **Result:**
 - **Estimated market result:** €360 million per year in Europe for SCG-bioplastic plant pots by targeting the compostable/bioplastic segment (TAM)
 - **Growth rate:** 6–7% CAGR expected through 2032, outpacing conventional plastics
 - **Major players (competitors/suppliers):** Baba Gardening, Bioplasmar, CowPots, Ecoforms, Plantics, Enviroarc, GEHE Swiss Handels GmbH
 - **Key trends:** Urban gardening boom, retailer demand for sustainability, regulatory support for biodegradable alternatives, consumer preference shift.

Next Steps



Homework

- ☐ Please schedule meetings with your team before each session
- ☐ Reach out to coaches and schedule appointments
- ☐ Team work on canvas
- ☐ Team work on market segmentation



Next Steps

Save the Dates

August 28th
Session 6
Target
groups

September 4th
Session 8
Legal issues

August 26th
Session 5
Market
niche

September 2nd
Session 7
Business
model

DELIVERABLE
Business model
& Team Canva
8th September

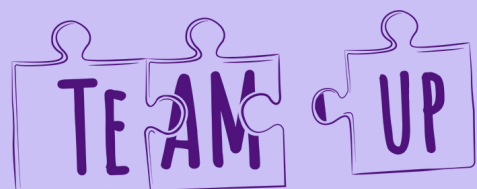


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Contact Us!

Do you have any questions?

teamup@eitfood.eu



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