



How to use non-patent literature for market reports – *Video Transcript*

Using NPL to forecast the market

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Welcome back to our course, 'How to use NPL for market reports.'

In this video, we're now going to explore the world of forecasting. Of course, no-one has a crystal ball, but that doesn't stop interested parties asking for a forecast of the future of an emerging technology. So, for this assessment, we will now look at how we can use NPL to define the threats or opportunities in a market space, so we can determine either the accuracy or viability of market trend forecasts that either analysts - or we - might make.

There are five areas to take into account, which we'll look at in turn. These are

Adjacent technologies

Investment

Industry assessments (such as forecasts from market researchers)

Supply chain and channel

And... Regulatory news

Let's start with adjacent technologies:

There would be a number of reasons to assess adjacent technologies – such as finding new ways to commercialise a technology in order to increase the return on investment for any research and development activities.

An analysis of scientific, technical, market reports and expert opinion – and the subsegments or verticals to which the reports relate. For example, here we can see the results of an analysis of different sources of NPL, plus patent data, when evaluating artificial intelligence. There are numerous different market sectors that are found – and indeed it is worth running this against a patent landscape as well, to see what areas overlap, or to find further subsegments of a technology.

Next, investment.

The key question here is: What is the trend for investment in the target technology area? – is it growing year-on-year, so experiencing accelerating growth... or is it growing, but at a slower rate, so experiencing decelerating growth?

Thirdly, the industry assessment from market analysts.

What is the compound annual growth rate for the next five years in this technology area, which may be in terms of volume and/or value?

Comparing different sources from different researchers, such as this example with the data science platform market, will help you to determine conservative versus aggressive estimates for the technology – and will enable you to read between these forecasts for an ‘average’ assessment of opportunity. Whether you should favour an optimistic or rather a more conservative view of the market opportunity will depend on the next two areas of research, namely the end-to-end supply chain and regulatory factors.

It is worth making a note of not only the answers to the following questions but to assess whether the answer is positive or negative, so that you can see the balance between the positives and negatives ---- and then you can use this to ascribe a level of confidence to the market of high, medium or low, depending on that balance, which will tip you either more towards an optimistic or conservative market opportunity forecast.

Let’s start with supply chain and channel...

Reviewing the relationship map that we created in our previous video, we now need to evaluate: Will the right infrastructure be in place to support the end-to-end manufacture, distribution and evolution of the target technology?

For instance, when reviewing the science and technical literature, who specifically would manufacture which parts of the technology that are needed, and are they capable of delivering? What or who is needed in the end-to-end ecosystem for the technology to be successful? The more complex the solution, the more investment would be required in order to educate either end customers, the channel or distributors.

How will the ability to support suppliers of component parts, distribution of the technology or training about the new technology impact the rate at which the market can grow?

Finally, the regulatory factors.

How will regulators and standards bodies impact the evolution of the market? Is it a highly regulated market, or is it unlikely to need any regulation either now or in the future?

Often, the regulatory and standards bodies will indicate how heavily regulated a specific industry area is. These websites will also often indicate other related committees for news and information, such as this example on ETSI. ETSI itself also provides a standards search tool.

Finally, what sentiment is being propagated in the news with regards to public perception or government attitude towards the target technology? Again, are there more positive or negative stories, or are they largely neutral?

Now you have completed all sections of the market assessment report, you will have a robust framework for writing the document up with sections that can cover the current market state, the competitive landscape, forecasts and routes to market. However, in many cases, such as a market requirements document, it is likely that you will want to plan to build this as a living document – which we'll explore in the final video in this series. Thanks for watching and see you next time.