

Module Content and Topics

Market Needs Analysis

Indicative study duration: 8 hrs

Table of contents

Learning outcomes and evaluation criteria	3
Learning outcomes.....	3
Evaluation criteria	3
Importance of the topic	4
Teaching methods and approaches.....	4
Suggested activities and exercises	5
Local context and examples.....	7
Futher reading and references	8

Learning outcomes and evaluation criteria

<u>Learning outcomes</u>	<u>Evaluation criteria</u>
By the end of this topic, learners will be able to: • Define the concept of market needs and explain why understanding customer needs is essential for business success. • Identify different groups of people in their community (market segments) and their specific needs or problems. • Conduct basic market research using observation and simple customer interviews. • Analyze and summarize the findings from their research to identify potential business opportunities. • Demonstrate improved communication and listening skills through interacting with potential customers. • Present a summary of community needs and propose a business idea that responds to those needs.	• Explains market needs: Clearly defines market needs and articulates their relevance to successful entrepreneurship. • Identifies market segments: Recognizes distinct community groups and links them to specific needs or challenges. • Conducts basic research: Uses appropriate methods (e.g., observation, interviews) to collect relevant customer insights. • Summarizes research findings: Interprets and condenses collected data to highlight viable business opportunities. • Shows effective listening and speaking skills during field interactions. • Presents needs-based idea: Summarizes key findings and proposes a business idea clearly aligned with identified needs.

Importance of the topic

As a teacher, I find that market needs analysis is a fundamental component of entrepreneurial education. Many new businesses fail because their products or services do not meet real customer needs. Therefore, it is essential for learners to understand how to identify and analyze what people in their community truly want and are willing to pay for.

Through this topic, learners develop customer-centered thinking and learn to validate their business ideas before investing time or resources. It helps them avoid assumptions and make decisions based on evidence, not guesswork. (IDEO.org, 2015; Osterwalder & Pigneur, 2010)



Teaching methods and approaches

Observation:

Encourage learners to observe people in everyday situations—markets, bus stops, schools—and note what products or services are in demand or missing. (IDEO.org, 2015)

Role-playing:

In class, learners can act as buyers and sellers. This activity helps them experience how to ask questions, understand customer preferences, and notice what influences buying decisions.

Customer interview practice:

Teach learners simple interview techniques using a few key questions:

What products do you often buy?

What problems do you face when shopping?

What do you wish was available in your area?

(Knapp, Zeratsky, & Kowitz, 2016)

Group discussion:

Learners reflect on their findings and discuss patterns or common needs that emerged from their research.

Market walk (if possible):

Organize a visit to a local market where learners can observe product displays, prices, customer behavior, and business owners in action.

Suggested activities and exercises

Activity: needs mapping

Guide learners to create a "needs map" of their community:

- What do children need?
- What do farmers need?
- What do students need?
- What do parents need?

Learners, in pairs or groups, design 3–5 basic questions to ask people in their community. After gathering responses, they analyze:

- What people want
- What is missing
- What people are willing to pay for

This helps them visualize market segments and tailor business ideas accordingly. (Michalko, 2006; Osborn, 1953)

Customer personas

- **Activity:** After gathering information from surveys or interviews, each group creates a simple “customer profile” (age, occupation, main need, what they usually buy).
- **Example:** *“Amina, 32 years old, mother of three, wants affordable school uniforms that last long.”*

Ranking needs

- **Activity:** Groups list the top five needs they observed in the community and then rank them in order of urgency or importance. This helps learners see which opportunities might have the strongest demand.
- **Example:** Learners might rank: (1) affordable food at school, (2) clean drinking water, (3) phone charging services, etc.

Role play – the seller and the customer

- **Activity:** Learners act out short dialogues. One plays a seller asking questions, the other plays a customer describing needs. Afterwards, the class reflects on what made the conversation effective.
- **Example:** Customer: *“I need cooking oil, but small packages are too expensive.”* Seller: *“Would you buy if we offered smaller sachets at lower price?”*

Needs mapping with sticky notes

- **Activity:** Each learner writes one observed community need on a sticky note. Notes are placed on a board under categories like “Children,” “Farmers,” “Students,” “Families.”
- **Example:** Farmers → need affordable seeds; Students → need school supplies; Families → need cheaper cooking gas.

“Hidden needs” observation game

- **Activity:** Teacher shows a picture of a busy market scene. Learners discuss: *What are people buying? What problems do you notice? What business opportunities are hidden here?*
- **Example:** A picture of a bus stop might lead to the idea that passengers need snacks, drinking water, or phone charging while they wait.

Mini case studies from local context

- **Example 1:** A youth in the community noticed that boda-boda (motorcycle taxi) drivers needed raincoats, so he started selling cheap plastic ponchos near the road.

- **Example 2:** A shopkeeper realized students often run out of exercise books mid-term, so she started selling single notebooks in smaller bundles to make them affordable.

Reflection journal

- **Activity:** After each field activity, learners write a short reflection: *What did I observe? What surprised me? What could be a business idea from this?*

Local context and examples

In many Tanzanian communities, small businesses respond directly to local needs. For instance, where there is no electricity, individuals offer mobile phone charging services using solar panels. Where clean water is scarce, people sell water in containers. Highlighting such real-life examples helps learners connect theory with lived experiences.

Also encourage learners to talk to local micro-entrepreneurs and ask how they identified the needs their business serves. These case studies can be informal but highly effective in building insight. (UNESCO-UNEVOC, 2021)

Futher reading and references

Knapp, J., Zeratsky, J., & Kowitz, B. (2016). *Sprint: How to solve big problems and test new ideas in just five days*. Simon & Schuster.

Osterwalder, A., & Pigneur, Y. (2010). *Business Model Generation*. Wiley.

IDEO.org. (2015). *The Field Guide to Human-Centered Design*. IDEO.

Michalko, M. (2006). *Thinkertoys: A Handbook of Creative-Thinking Techniques*. Ten Speed Press.

UNESCO-UNEVOC (2021). *Entrepreneurship education in Africa: A key to unlocking youth potential*.

Osborn, A. F. (1953). *Applied Imagination: Principles and Procedures of Creative Problem-Solving*. Charles Scribner's Sons.

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