



MARKET DUE DILIGENCE CHECKLIST

The Market Due Diligence Checklist is your baseline-level assessment of how much rock-solid information you have on the investment opportunity before you. If you at least have an idea of the target you have interest in, answer each of these questions on a scale of 1-7, with 1 being “I have no idea” and 7 being “I absolutely know that.” These questions should take you no more than 10 minutes to answer and help you determine where you need to expand your knowledge and insight before deciding whether to move forward with the deal.



MARKET

- ☐ How well do you know the size of the market?
- ☐ How well do you know how fast the market growing?
- ☐ How well do you know of any outside threats from other markets that may surface?
- ☐ How well do you know of any trends in technology, supply chain, or other areas that might impact the market?

CUSTOMERS

- ☐ How well do you know the segments of customers in this market?
- ☐ How well do you know of any unmet needs or changes in behavior that are happening with this market’s customers?
- ☐ How well do you know of the level of loyalty that customers have toward their providers?
- ☐ How well do you know of the criteria customers use when purchasing?
- ☐ How well do you know the likelihood and difficulty of customers switching providers?

COMPETITORS

- ☐ How well do you know how customers perceive competitors in this space?
- ☐ How well do you know who the leaders in this market are?
- ☐ How well do you know where your competitive position might be in the overall market relative to other companies?
- ☐ How well do you know of whether or not your competitors can replicate your core offerings?
- ☐ How well do you know of the degree of intensity between competitors in this market?

TARGET

- ☐ How well do you know of the factors and influences that may drive growth of the target?
- ☐ How well do you know of the target’s position in the market?
- ☐ How well do you know of the target’s opportunities for growth?
- ☐ How well do you know of the target’s competitive advantages (and disadvantages)?
- ☐ How well do you know of the target’s “stickiness” in keeping customers interested in its offerings and coming back for more?

