

The Market Research Report Template

INTRODUCTION

Agencies must document their market research findings in a manner adequate to support their acquisition decisions. Information gathered by the market research team members may be critical to final determinations of industry capabilities: industry practices; available technologies; market trends; standard terms and conditions; competitive market forces; and availability of products or services. Documenting your market research results enables the sharing of information, eliminates or minimizes duplication of effort, facilitates organization of research results, preserves the record, maintains an official file, and provides the basis for the commerciality decision. Gathering market research data is important, but arranging it in a manner that makes your analysis efficient and effective is just as important. FAR 10.0002(e) states we have to document our efforts – but it doesn't tell us how. Described below are suggested topics to help in documenting your market research efforts. This template is a guide to some key areas that should be considered in your market research report and to assist in developing the market research portion of your Acquisition Strategy Panel.

Instructions: Once you open this document, select the File option, then select the save as option and specify the location of your market research file. Once these pages is read, delete it and start editing the page titled, "Market Research Report".

MARKET RESEARCH REPORT

Product or Service Needed:

Clearly state the what is needed

Purpose of the Product or Service

What is this product or service to be used for?

1. Performance Requirements

What performance requirements must the product or service meet?

2. Supplier Requirements

What requirements must the supplier meet?

3. Scheduling Requirements

Are there any scheduling requirements to consider?

4. Distribution Requirements

Are there distribution needs to be accounted for?

5. Geographic Issues

Are there any geographic or location limitations / issues?

6. Background Information:

- Describe the background of the procurement, circumstances/events leading up to the requirement.
- Any pertinent information that may be appropriate.

7. Information Relative to Agency Requirements:

- Describe the essential physical and performance characteristics/functions required to meet the government's needs.
- Describe the requirement in performance terms; function – what the product or service must do; performance – the qualities and attributes of the product or service; any physical characteristic requirements; and schedule requirements.
- Address any issues concerning product characteristics and/or user requirements gathered from market research.
- Are commercial and/or non-developmental items available that meet requirements?
- Can available items be modified to meet requirements?
- Any question about a commercial or non-development item's ability to function in the user's expected operating environment?
- Address any cost effectiveness issues associated with user requirements.
 - Any potential cost drivers without commensurate benefit?
 - Any cost/performance tradeoffs that may be recommended?

- Any distinguishing characteristics

8. Identification and Involvement of the Functional Disciplines in Performance of Market Research:

- Describe the involvement of the various functions (User, technical, contracting, financial management, logistics, etc.) in the market research effort, include office symbols and telephone numbers.

9. Market Research Techniques Used:

- Describe the various methods used to arrive at the market research findings. Examples of techniques that may be used are: Internet searches, industry days, one-on-one industry sessions, Requests for Information (RFIs) to Industry (Solicitation for Information or Planning Purposes), Commerce Business Daily announcements, etc.

10. Available Sources and the Methodology Used to Compile the Sources:

- Identify the number of sources contacted; identify whether they were large business, small business, small/disadvantaged business, Section 8A business, woman-owned business, government/non-government.
- If sole source, describe efforts to locate additional sources.
- Explain the rationale used to exclude sources (remember you are looking for a **CAPABILITY** - not doing a **SOURCE SELECTION**)
- Summarize the information obtained from each source contacted.

11. Market Analysis:

Identify any commercial specifications or industry standards. It is the central activity in evaluating the availability of commercial or non-developmental items. It also provides the basis for:

- Finalizing the requirement
- Developing a product description
- Determining logistics support, training requirements, etc, and
- Determining whether to use FAR Part 12 vs FAR Part 15 – The Commerciality Decision

12. Extent of Commerciality in the Market:

- Give your assessment of the extent to which the market possesses commercial characteristics (such as presence of firms with primarily non-government business bases, presence of business practices not consistent with public law/regulation/oversight covering government acquisition) along with examples or instances of information that supports your assessment.

13. Prevalent Business Practices:

- Provide instances of generally accepted business practices that differ from standard government practice.

14. Government's Presence/Leverage in the Market:

- Provide your assessment of the government's leverage in the marketplace, such as being the only buyer, making a minority of buys in the market, making the majority of buys, or being one buyer among many.
- Describe the nature of other market participants, such as other governments (foreign, state/local), commercial firms, hybrid government/government firms, etc.

15. Customary Business Practices, Commercial Terms and Conditions:

- Identify standard/customary terms and conditions (e.g. discounts, warranties, buyer financing, inspection, and acceptance) for the industry.

16. Market and Pricing Issues:

- Identify any pricing issues, price ranges, and explanation of price variations.
- Identify a fair/reasonable market price for the industry.

17. Trends:

- Identify any historical trends.
- Identify the general tendency for supply and demand in the industry.

18. Description of Commercial or Non-developmental Items:

- Identify the availability of commercial or non-developmental items that satisfy the requirement; whether they can be modified to satisfy the requirement.

19. Data and Analysis:

- Summarize the industry source contacted and the information obtained from them. Summarize the standard business provisions and conditions (e.g., terms, payment, freight, delivery, acceptance, warranties, etc). Lay out the range of prices encountered, any rationale for the variance, and the probability for determining a fair price.
- Summarize any trade studies, cost/benefit, user, or other analyses that influenced the outcome of the investigation.

20. Conclusions and Recommendations:

- Conclude the assessment with a summary of the available items (commercial, non-developmental, or government-specific) the value or shortcomings of each, recommendations for specific contract terms and/or provisions for training, acceptance, and warranties.

Remember: document in a manner appropriate to the size and complexity of the acquisition.