

Market Sizing Worksheet (For Beginners)



Company ABC

Date
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Understand your real market opportunity—step by step

What Is This For?

This worksheet helps you answer:

- How many people could buy my product?
- How many people can I actually reach and sell to soon?

We'll break it down into three levels:

- TAM = Everyone who could ever buy your product
- SAM = People your product is really made for
- SOM = People you can actually reach and sell to soon

Step 1: What Are You Selling?

What's your product or service?

Example: A mobile app that helps new parents track baby sleep and feeding.

Write yours here:

What type of business or industry are you in?

Example: Parenting apps, digital health, wellness

Write yours here:

Where are you planning to launch? (Country/Region)

Example: Ontario, Canada

Write yours here:

Step 2: Your Total Market (TAM)

TAM = The biggest possible market if everyone who needs this bought it.

Think: How many people in the world or country could use this?

How big is your industry?

Example: 400,000 babies are born in Canada every year (StatCan)

Where did you find this info?

Example: Statista, Google, industry reports, Census data

My TAM Estimate:

_____ people × \$_____ (price per customer) = \$_____ TAM

Tip: Don't worry about being exact. Use public numbers and keep it directional.

Step 3: Who Can You Actually Sell To? (SAM)

SAM = People you want to target first, based on your product and price.

Filter the big TAM by:

- Location (e.g., just Ontario)
- Customer type (e.g., new parents with smartphones)
- Price fit (e.g., people who would pay for a monthly app)

Example: Of 400,000 babies in Canada, 140,000 are in Ontario. We focus on parents of babies under 6 months. That's about 70,000.

My SAM Estimate:

_____ people × \$_____ = \$_____ SAM

Step 4: Who Can You Reach Soon? (SOM)

SOM = Your real, reachable audience in the next 12-18 months.

Now get practical:

- How will you find customers? (e.g., Facebook Ads, TikTok, influencers)
- What's your budget for marketing?
- How many people can you realistically reach?
- What percentage of those might buy?

Example: We can reach 50,000 new parents via Instagram. If 2% buy, that's 1,000 customers. If our app costs \$60/year → 1,000 × \$60 = \$60,000 SOM.

My SOM Estimate:

Reachable audience: _____

Expected conversion: _____ %

Paying customers: _____

Price per customer: \$_____

SOM = \$_____

Step 5: Reality Check

- Is your Year 1 revenue forecast less than or equal to SOM?
- Do your marketing plans explain how you'll reach this audience?
- Are your pricing and budget consistent with this model?

Final Snapshot

Market Layer	What it Means	Your Estimate
TAM	Everyone who could ever buy	\$:
SAM	People who would be interested	\$:
SOM	People you can reach and sell to soon	\$: