

nxtMOVE's client – a major player in its segment – asked us to understand the market opportunity for an ancillary product to its core offering

The problem

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Our objectives were to:

- Determine the macro-economic drivers of the ancillary segment and their effect on the growth of that segment
 - ✓ With this analysis, nxtMOVE was to develop a 'leave-behind' market analysis tool for predicting growth of the target product segments into the future
- Understand parallel and competitive products and markets – transforming any learnings from these benchmarks into actionable marketing strategies for this and other ancillary opportunities
- Determine where to play and how to win:
 - ✓ Understand consumer product requirements – the customer journey ...
 - ✓ Coupled with existing sales and manufacturing capabilities to provide actionable, intermediate recommendations for growth

nxtMOVE analyzed a large database of internal client data, external research reports and macro-economic data supplemented by numerous interviews with market participants

The approach

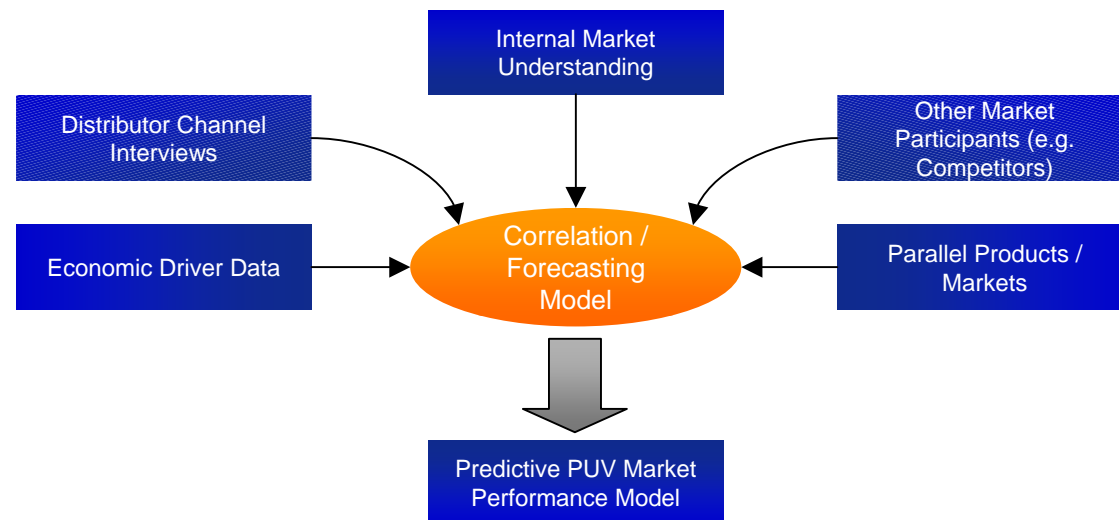
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Demographic / Market Data Sources:

- US Census, American Housing Survey 2003
- US Census Bureau (Disposable Income, Population, Real GDP, and Consumer Price Index)
- Standard & Poor's
- Agricultural Equipment Manufacturer's Association
- Motorcycle Industry Council
- National Marine Manufacturers Association
- Green Car Institute, Electric Drive Association

Demographic Driver Growth Assumptions:

Housing Data (includes all data sets)	-3.0 – 1.3%
Tractor (<40 HP) Sales	-0.5%
Disposable Income (Constant & Current \$)	1.4%
Population of 55+ year olds	1.1%
Real GDP	0.9%
Consumer Price Index	1.3%
S&P 500 stock price	4.7%



The methodology for this engagement was to synthesize in-depth quantitative analysis with in-depth interviews of market participants – customers, distributors, competitors and third-party market experts. Third-party experts were especially important as our client perceived that a major driver of the market was environmental concerns.

As a result of our ‘synthesis’ approach, our client was able to present a sound entry strategy for this new market – it is currently seeking additional funding from its executive board to enter this market

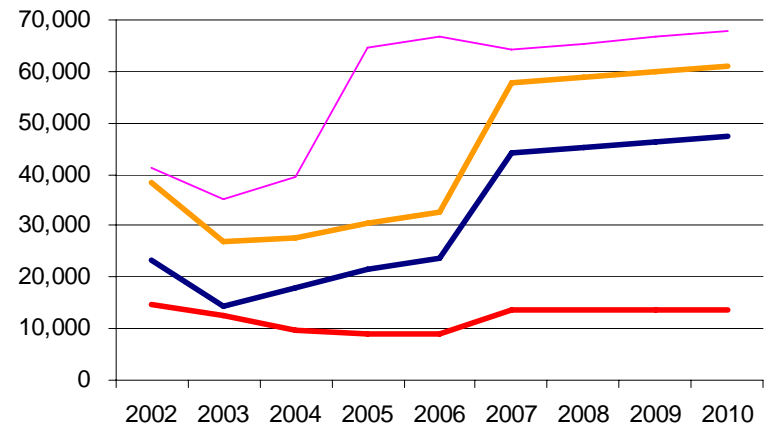
The results

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The synthesis of qualitative and quantitative data allowed us to make sound and actionable assumptions about secondary data sources and forecast with relatively high accuracy the performance of the ancillary segments within the target market.



Market Outlook, 2007-2010



Note: segment CAGR is based on nxtMOVE's synthesis of quantitative and qualitative data. For additional explanation.

