

# Quantifying the Business Opportunity in Developing-country Markets

## Key Benefits:

- Quantify the market size and create forecasts for existing or proposed solutions in specific geographies
- Compare scenarios and make informed decisions about business models, geographic focus and solution features
- Create credible business cases that track performance and secure internal funding and support

**Assessing the market opportunity in developing countries is a daunting task. Data are of poor quality or do not exist. Vital Wave Consulting provides credible data and actionable insights to help technology companies make strategic decisions about these growth markets.**

Information and communication technology (ICT) companies are being driven to developing-country markets by the need for incremental, profitable business expansion. One major challenge of realizing this growth is in accurately characterizing and quantifying the opportunity.

Business managers who hope to introduce technology solutions and business models to developing-country markets must create credible business cases that accurately reflect the opportunity in order to secure internal funding and support.

Credibility, however, is based on **sound data** and in-depth **market knowledge**.

One business unit in a leading multinational IT company\* is spearheading a strategic effort to penetrate the next one-to-two billion technology users. The head of the business unit had an ambitious research agenda with broad geographic scope and precise segment and solution parameters. To truly size and characterize the market opportunity, they needed a market model that supported:

- ROI analysis of the company's emerging-market activities
- Reliable production plan for the coming year
- Realistic and effective go-to-market plans for specific platforms and segments
- Trade-off decisions about areas of focus and specific resource investments

The company sought the assistance of Vital Wave Consulting to create a five-year market model of the top 25 emerging-market countries to forecast *incremental* growth for three specific market segments.

Unlike traditional research firms, Vital Wave Consulting focuses exclusively on developing-country markets. Most readily-available market data on developing countries represents only large enterprises and the wealthy elite in urban areas. Vital Wave Consulting, however, analyzes the whole growth

\* Vital Wave Consulting respects the confidentiality of its clients. Company and individual names have been omitted from this case study.

## About Vital Wave Consulting

Vital Wave Consulting enables accelerated revenue growth in emerging markets through strategic consulting, market research and business intelligence. Clients include multinational corporations in the information technology and telecommunications industries.

opportunity in these markets including mainstream populations, small businesses, and the public sector in urban and rural environments. Quantifying and characterizing these new markets requires innovative methodologies, non-traditional data sources, and in-depth understanding of the dynamics of developing-country environments.

### New Methodologies

Data on emerging markets is scarce and unreliable, so analysts must be able to judge the quality of the data. Finding, for instance, the true rate of electrical connectivity, the number of villages, or the number of schools in a specific geography requires experience and systematic reality checks.

When data is unreliable or simply unavailable, there must be processes in place to create a more realistic picture. Vital Wave Consulting routinely employs techniques like triangulation, the identification and use of proxies, and multi-source validation of key assumptions to generate the most realistic forecasts and reliable estimates of addressable markets.

### New Sources

Vital Wave Consulting synthesizes numerous statistical reports, databases and primary research to provide realistic and credible information and data that clients cannot obtain from other sources. The company's broad network of primary and secondary sources ensures full validation and global coverage.

### New Perspectives

Vital Wave Consulting evaluates characteristics that do not typically factor into mature-market models. To truly measure business opportunities in developing countries, the company includes political stability, literacy, government impedance and other factors in its analysis.

Based on its proprietary data and modeling methods, Vital Wave Consulting developed a customized tool for this IT client that reflects current and projected market characteristics. Users of the tool were able to modify variable data inputs enabling reliable and fast scenario planning and ROI analysis in select segments and geographies. For instance, the IT company could input a lower target price point and see the potential impact on the product's sales and revenue.

Vital Wave Consulting's market modeling tools provide clients with an assessment of the available market, the addressable market, and a sales forecast. The tools are sensitive to the specific characteristics of a solution, the go-to-market strategy, available resources, and geographic or segment focus. The market models are customizable and feature a user-friendly interface.

Together with qualitative market research and business planning services, the market modeling tool enables clients to apply a rigorous business approach and deeper understanding to new emerging-market opportunities. Vital Wave Consulting provides the necessary tools and information to make investment decisions that maximize revenue growth and reduce risks.



## Contact Information

101 Alma Street, Suite 908  
Palo Alto, CA 94301

Phone: +(650) 321-3313

Fax: +(650) 644-0110

[info@vitalwaveconsulting.com](mailto:info@vitalwaveconsulting.com)

[www.vitalwaveconsulting.com](http://www.vitalwaveconsulting.com)