Adjacent Market Growth Strategy Case Study

Global obstruction lighting manufacturer assess adjacent market opportunities

Background and Objectives

An obstruction lighting business unit within a publicly traded international industrial products conglomerate seeking to drive revenue growth engaged BCE to assess two client identified adjacent market opportunities: 1) European obstruction lighting and 2) North American marine aids to navigation. The client asked BCE to assess the attractiveness of each adjacent opportunity and develop a set of strategic recommendations to enter these markets.

Approach

BCE began its analysis by conducting a thorough review of ~200 secondary sources including industry data sets, journal articles and competitor SEC filings. BCE then conducted primary research interviews ~130 primary sources including customers, competitors, channel partners, industry analysts and regulators.

BCE's research focused on customer assessment, channel dynamics, competitive overview and regulatory insights. BCE then utilized data collected to develop a market projection tool including market size, segmentation, and growth projections by segment.

BCE then synthesized and analyzed all data collected to assess the relative attractiveness of each market opportunity based upon the addressable market, client positioning, channel alignment, and competitive intensity.

Recommendations

BCE identified, analyzed, and evaluated organic and inorganic market entry options for each adjacent market, and recommended a multi-step acquisition approach to allow the client to create a global presence leveraging channel synergies. BCE identified and recommended acquisitions targets, and a sequenced approach to executing the strategy.