
MARKET FORECASTING

Challenge

The client, who is a manufacturer of technology products, wanted to determine the size of the market for its products across different regions over a 5 year horizon. The client also wanted to know if demand is mainly repeat purchases due to replacement cycles or new purchases. Also the client wanted to gain insight into the demand for existing products with the introduction of a newer and cheaper product?

Solution

We employed various quantitative forecasting techniques to determine the total addressable market for the client's products across various regions over a 5 year horizon. We created statistical models to decompose demand into replacement and non-replacement purchases and also provided estimates of the installed base of the client's products. Our analysis also included risk and uncertainty in the form of scenario and sensitivity analysis to capture the effect and impact of various events and variables on the estimates.

Results

BAXIA Group's analysis led to an optimal allocation of resources across products and regions resulting in over 30% uplift in revenue. Delivered insightful information on replacement purchases and the investments necessary to accommodate demand