

MARKET OPPORTUNITY ASSESSMENT FOR A SPORTS BRAND



Ipsos Business Consulting

Client: A prestigious sporting goods producer
Industry: Consumer Goods
Solution: Go-to-Market, Market Opportunity Assessment

Introduction

A prestigious sporting goods producer was looking for growth opportunities in the China market as a late entrant. Ipsos Business Consulting conducted a study to quantify the market potential, and identified strategies to improve the company's market standing.

About the Client

The client is a global athletic equipment company which produces diverse products with premium price designed for a wide range of sports.

Business Issue

As a prestigious player which entered the China market much later than others, our client seeks opportunities to expand its business in China. The client was fully aware of the importance of understanding current market dynamics before formulating market expansion strategies. Thus, they approached Ipsos Business Consulting to assist in establishing an overview of the sports retail goods sector in selected markets in Greater China, as well as evaluating its current performance and positioning in the market to support formulating a market expansion strategy.

Ipsos Business Consulting Solution

We adopted a five-phase approach to develop understanding of the sports retail goods market, and to eventually suggest market expansion strategies.

The first phase reviewed the sports gear market development in China. Our team built models to estimate the total size of the sports gear retail market and the size of each category under sports gear in history and in future development, by understanding the growth drivers and barriers. We also identified major market players and corresponding market share.

The second phase evaluated the client's performance in the market. We studied the client's sales performance in wholesale value, and assessed its perceived positioning, brand image, and brand awareness across sports gear categories, in order to gain comprehensive knowledge of client's strengths and weaknesses.

The third phase analyzed the current competitive landscape. We identified key competitors across sports categories, and "deep dived" the top five competitors, evaluating market share and growth potential, perceived positioning, and product-price offering across sports gear categories, as well as distribution network, coverage, and marketing and promotional activities.

The fourth phase conducted opportunity analysis for future growth in different city tiers across sports categories. We assessed market potential based on different attributes such as market size and competition intensity. We also executed market analysis on a national and city level, with highlights on characteristics specific to first- and second-tier cities.

The fifth phase provided recommendations on increasing the client's market standing, covering future market positioning, price strategies, and marketing directions. We also suggested potential areas of focus for the client to strengthen its existing market position, capitalize on new growth opportunities, and mitigate market threats.

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Results

As a result of the study, our client had profound understanding of the overall sports gear market environment, market growth trend, competitive landscape and target consumers' perceptions and preferences. Recommendations suggested by Ipsos Business Consulting have assisted the client with their pricing strategy and market positioning.