SUCCESS STORIES - SUMMARY

Project Name	Client	Brief Description	Services
Market Outlook Analysis	Temporary Staffing Company	**Estimated the size and growth prospect** for market segments catered by the client. **Identified the top geographical areas to expand business**, with highest market size, growth outlook and low market share.	▪ Market Sizing analysis

MARKET OUTLOOK ANALYSIS FOR TEMPORARY STAFFING COMPANY

ABOUT THE CLIENT

Client is one of the largest industrial staffing companies in the U.S. catering to manufacturing, logistics, clerical and transportation segments

SITUATION

- Client needed an in-depth understanding of the U.S. temporary staffing market to define a more targeted approach for formulating growth strategies for the business
- Merilytics partnered with the client to **assess the temporary staffing market and its growth outlook in the U.S.** coupling it with their existing presence to identify areas of opportunity to initiate/expand branch presence

VALUE ADDITION

- Developed a robust **analytical model to estimate the temporary staffing market size** by leveraging employment and wage data from various U.S. employment related data sources such as Economic Modeling Specialists Intl. (EMSI), Bureau of Labor Statistics (BLS), Occupation Employment Statistics (OES) etc.
- **Estimated Market size and corresponding growth projections** for all the U.S. counties at overall level and by target industry segments (including Manufacturing, Logistics, Clerical and Transportation) to identify the low hanging fruits where the company should initiate/expand presence

IMPACT

- The analyses provided the client **visibility into which counties they should focus on to improve their market share** and which counties to initiate presence in, given the significant size and positive growth aspects

METHODOLOGY/ APPROACH

01 **Identified the NAICS and occupation codes** most relevant to the industry vertical ensuring the selection is inline with the client's target market

02 **Extracted the employment and wage information** for each identified North American Industry Classification System (NAICS) and occupation code by county

Aggregated the extracted numbers and applied a job share to **arrive at an estimated count of temporary employment** relevant to the industry vertical

03 **Market size is then estimated** based on temporary employment for the segment, median hourly wages, average working hours and average mark-up %

Present market share is estimated basis the annual revenues and the estimated market sizes

04 **Overlaid the market share information on the market size analysis** to identify opportunities to grow

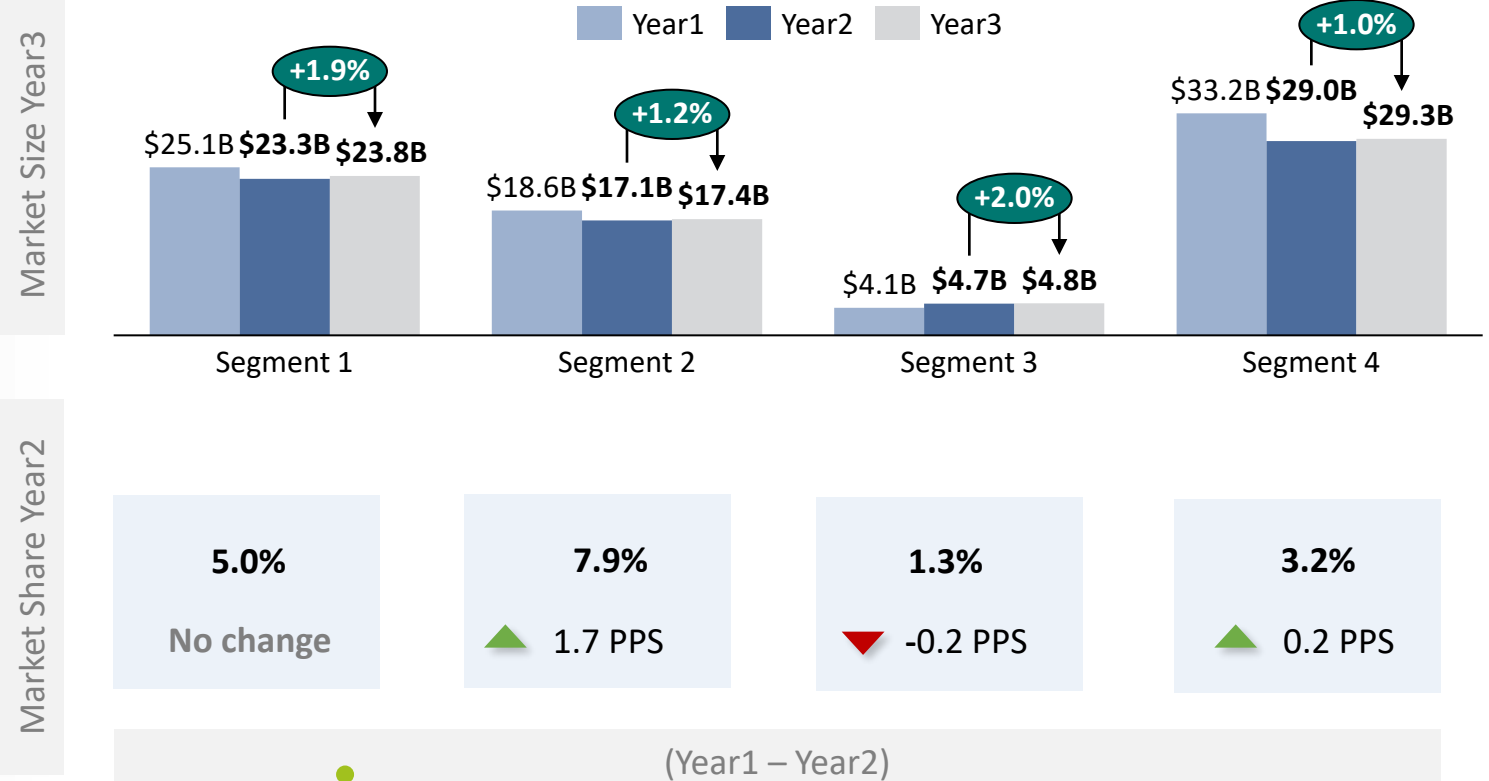# TARGET MARKET SIZE

Total Target Market Size (Year3)

Market Size Year3

$150.8B

▲ **1.7%**
(Year2 – Year3)

Market Share Year2

5.3%

▼ **-0.1** PPS
(Year1 – Year2)

Target Market Size by Industry Segments (Year1 –Year3)

Market Size Year3

Legend: Year1 Year2 Year3

Segment 1: $25.1B **$23.3B** $23.8B — +1.9%

Segment 2: $18.6B **$17.1B** $17.4B — +1.2%

Segment 3: $4.1B **$4.7B** $4.8B — +2.0%

Segment 4: $33.2B **$29.0B** $29.3B — +1.0%

Market Share Year2

Segment 1	Segment 2	Segment 3	Segment 4
5.0%	**7.9%**	**1.3%**	**3.2%**
No change	▲ 1.7 PPS	▼ -0.2 PPS	▲ 0.2 PPS

(Year1 – Year2)

Visibility into market size estimations at overall level as well as by market segment and CAGR for each, with deep-dive available up to county level

4

EXPANSION OPPORTUNITIES BY STATE

Target Market – Segment 1
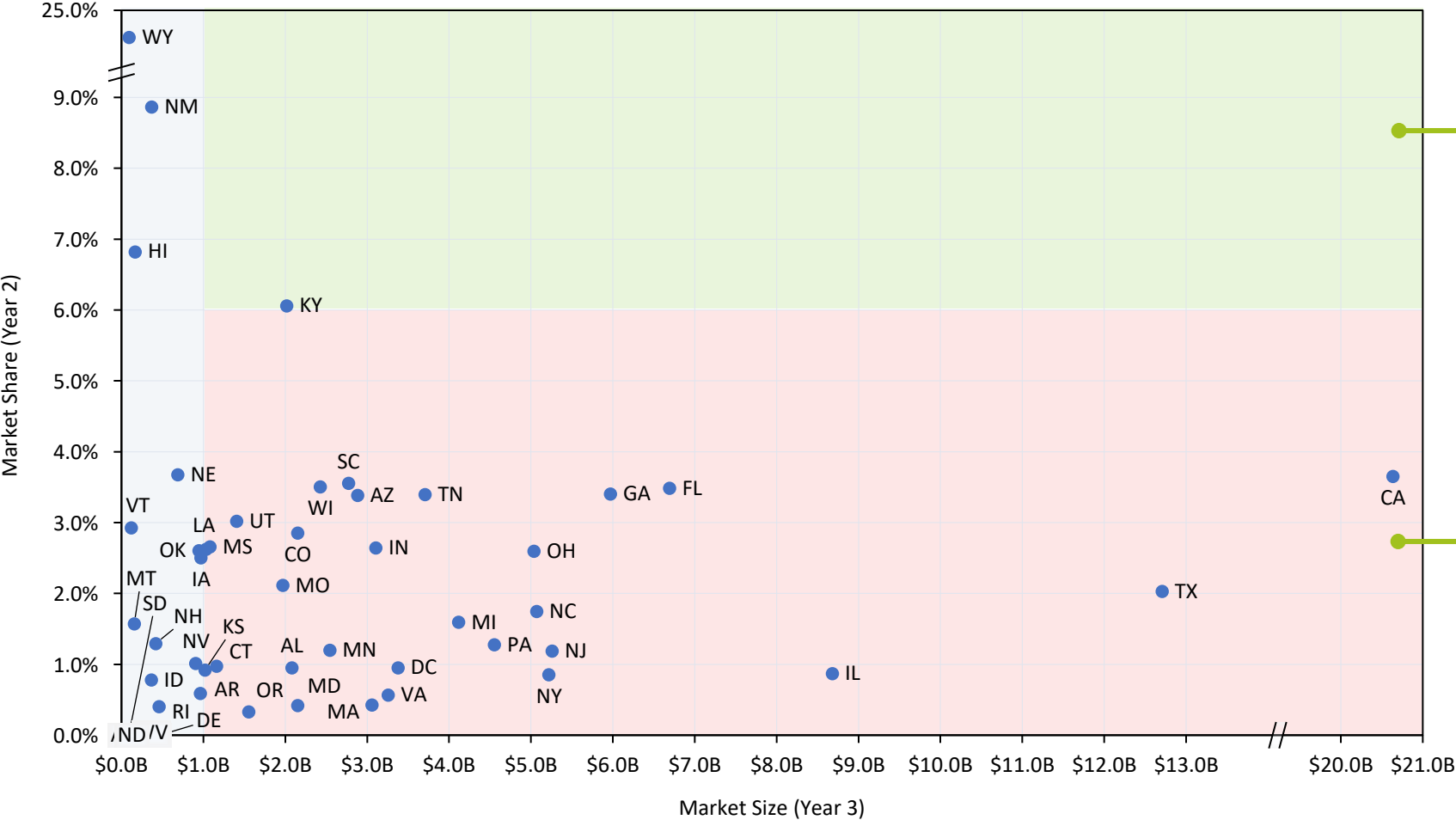
Large Markets with strong client presence indicating **opportunity to use current market position to further penetrate and become market leader**

Large Markets with limited client presence indicating **opportunity to penetrate further through targeted strategic initiatives**

EXPANSION OPPORTUNITIES BY COUNTY

	Market Size (Year3)	Δ Market Size (Year2 – Year3)	Client Market Share (Year2)
County 1	$668.3M	- 1.9%	13.6%
County 2	$637.3M	3.4%	10.1%
County 3	$260.8M	1.7%	9.3%
County 4	$412.5M	- 1.3%	6.0%
County 5	$347.6M	4.1%	3.2%
County 6	$302.3M	0.2%	1.3%
County 7	$272.1M	- 0.7%	0.8%
County 8	$783.0M	- 0.1%	0.4%
County 9	$509.6M	1.8%	0.3%
County 10	$283.2M	- 0.3%	0.1%

Opportunity was identified to increase focus in the sector in counties 5-10 given the significant market size and relatively low presence

6

MARKET SUMMARY DASHBOARD

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<u>**ILLUSTRATIVE**</u>

Overall Market Summary for All States across US

Clear All Filters

State
- [ ] Select all
- [ ] Alabama
- [ ] Alaska
- [ ] Arizona
- [ ] Arkansas
- [ ] California
- [ ] Colorado
- [ ] Connecticut

County
🔍 Search
- [ ] Select all
- [ ] Ada County, ID
- [ ] Adair County, OK
- [ ] Adams County, CO
- [ ] Adams County, IN
- [ ] Adams County, NE
- [ ] Adams County, PA
- [ ] Aiken County, SC

Branch Presence
- [ ] Select all
- [ ] No
- [ ] Yes

County Market Size
- [ ] High
- [ ] Medium
- [ ] Low

# Counties	Temp. Employment	Overall Market Size	Market Size by Industry		
1,151	**2.8M**	**$134.6bn** Overall temp. market size	**$40.5bn** Segment 1	**$4.7bn** Segment 2	**$29.0bn** Segment 3&4

# Client Branches	Overall Market Share	Market Share by Industry		
291	**2.6%** Total Market Share	**6.6%** Segment 1	**0.3%** Segment 2	**1.0%** Segment 3&4

Market Size by County
Market Size Category 🟡 Low 🔴 Medium 🟢 High

EB Presence
Division ● Commercial ● Franchise ● Others ● RemX ● Transportation

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Interactive dashboard depicting market size and client's presence (market share) at various granularities of state, county and market segment

LEARNINGS

- Improved understanding of the U.S. labor market data and temporary staffing industry

- Working on EMSI interface and data pull procedures

- Segmentation of data by industries using NAICS, SOC (*Security Operation Center*) and WC (*Workers' compensation*) codes for various datasets.

- Improved understanding of the factors impacting the growth of job market in US.

- Improved and automated procedures data cleanup, manipulation, aggregation and visualization using VBA and PowerBI.