**Proposed Project Outline**

**Project Name:** Company X New Vertical Market Assessment

**Project Sponsor:** Joe Client – Company X Business Leader

**Project Background:**

Company X is a leading online and catalog provider of professional grade products to aftermarket transportation (primary), manufacturing, and maintenance professionals. We are a small but profitable business within Parent Company X’s business portfolio.

Company X’s value proposition to our current customer base is as follows:

* We provide a broad range of hard-to-find electrical & transportation aftermarket products.
* We enable businesses with smaller demand requirements to purchase only what they need at competitive prices.
* We offer a lower total (perceived) cost of acquisition to customers who place a high value on speed and convenience.

While we have significant growth opportunities within our currently served Transportation Aftermarket vertical, we would like to begin to assess alternative markets to which the “Del City” model could be profitably expanded.

**Project Objective:**

To identify potential vertical markets to which we can effectively and profitably expand the Company X (catalog/online) direct supply model.

**Anticipated Deliverables:**

* List of potentially attractive new vertical markets
* Comparative evaluation of these markets across multiple criteria, including:
  + Customer receptivity to direct model
  + Competitive intensity and anticipated profitability
  + Fit with current capabilities and market positioning
* Recommendations for one or two vertical markets to pursue
* Recommendations regarding how best to market/sell to these vertical markets
* Potential acquisition targets that could accelerate penetration of these markets

**Key Questions To Consider:**

* Which vertical markets are the best fit with the current Company X model?
  + Customers willing to purchase via catalog or online
  + Customers willing to consider mail order vs. in-store purchase
  + Product range can be cost effectively shipped via common carrier (UPS/Fedex)
  + Manageable inventory investment
* What are the competitive dynamics of the proposed verticals?
* What are the best ways to reach the proposed vertical markets?
* What products might be included in an initial offering to that vertical market?
* Should these new vertical markets be approached with the Del City brand, or an alternative brand?