

Research Methodology

Industry research

Euromonitor International's industry research is based on a core set of research techniques:

- National-level desk research, company research and analysis, store checking, trade interviewing with national players and market analysis
- International-level desk research, multinational company research and analysis, trade interviewing with national players and market analysis

The same in-house team of analysts that conducts the complementary international-level research also co-ordinates, controls, edits and finalises the work of our research associates in each country under review.

Desk research

Euromonitor International has a considerable amount of relevant information on each industry sector in-house. This is collated to provide a starting-point for the new national and international research. Added to this, an in-depth programme of desk research is conducted to gather as much new primary and secondary source data as possible.

Main sources include:

- National Statistical Offices, inter-governmental bodies and other official sources
- The national and international specialist trade press and trade associations
- Industry study groups and other semi-official sources
- Reports published by major manufacturers, distributors, retailers and suppliers
- Online databases
- The financial, business and mainstream press

Store checks

Store checks are carried out by Euromonitor International's network of analysts based in the countries being researched. Analysts are briefed to conduct store visits in major outlets of all relevant types to gather up-to-date information on product types and brands.

Comprehensive store visits and product/brand range audits ensure that country-by-country research establishes the whole range of

available product types and individual brands on the market. Store checks also provide valuable data on packaging, pricing, display, marketing and merchandising trends, as well as useful insight into the retail channel distribution pattern of the product market.

Store checks, combined with desk research findings, provide a basis of solid and detailed market information on which to conduct trade interview surveys.

Trade surveys

As an independent and objective market analyst, and through the high profile of the Euromonitor International brand, we are able to talk directly to key industry players and inform our analysis with the knowledge and opinions of the leading operators in the market or industry under review.

Trade interview surveys are conducted to:

- Fill gaps in the available published data per company
- Generate a composite industry view of the size, structure and strategic direction of the overall market
- Access latest year data where published sources are out of date
- Evaluate the experts' views on current trends and market developments

Interviews are conducted with a variety of players in each industry (eg suppliers, manufacturers, wholesalers, distributors, trading companies, retailers and service suppliers) as well as third party analysts and observers from the trade press, industry associations and industry study groups, and with representatives of relevant regulatory bodies.

Interviews are conducted both by our analysts in subject countries and at regional/global HQ level for international issues. Interviews are conducted in the native language of the respondent by fluent linguists trained in Euromonitor International's market interviewing techniques.

Euromonitor International has offices in London, Chicago, Singapore, Shanghai and Vilnius and a network of over 600 analysts worldwide. We have a unique capability to deliver reliable information resources to support strategic business planning.

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Trade surveys are particularly important for areas of market analysis not covered by any official or semi-official sources. Market size and share data are generated by surveying a wide range of industry personnel, in companies in different functions (from supply to delivery) in order to gain various perspectives. It is crucial to test each respondent's information and views against those of other respondents in order to ensure reliability and to eliminate bias (intentional and unintentional) from any single source.

Company analysis

Analysis of the leading players in the industry calls for a programme of company research, in turn based on interviews with the companies themselves and (where relevant) with their suppliers and customers.

Corporate intelligence research also draws on sources such as:

- Company annual reports
- Analysis of annual accounts
- Independent analyst reports
- Trade press coverage
- Financial and mainstream press

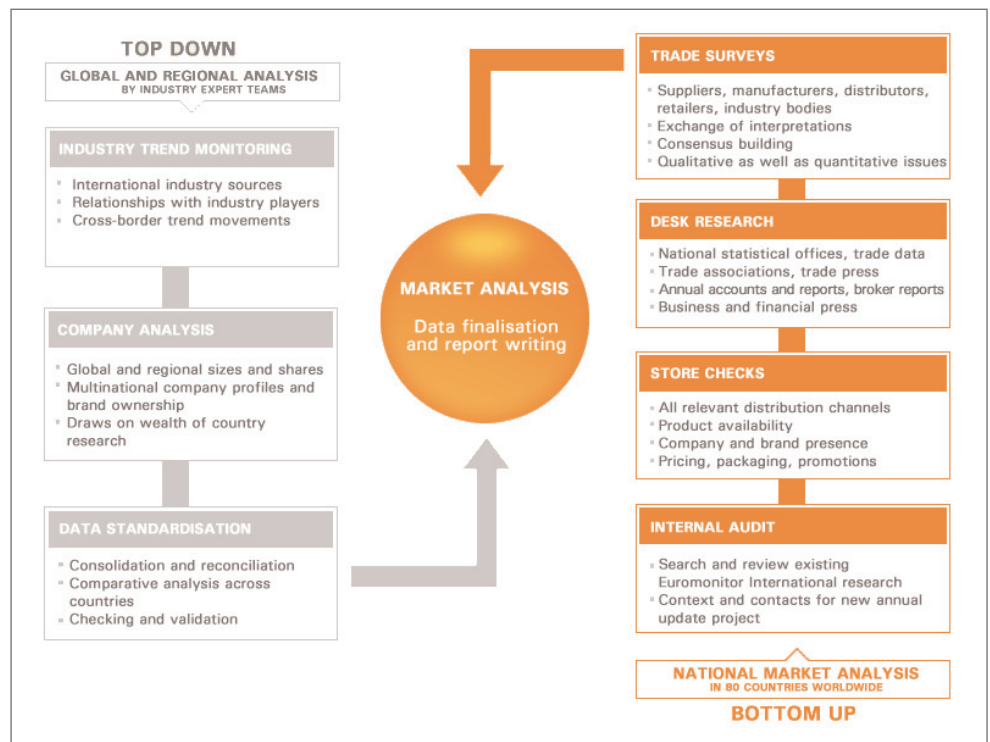
Research is conducted at local subsidiary level within each national industry study. Company analysis is also conducted globally and regionally to complete top-down estimates of major players' total global and regional sales.

Market analysis

The collation of data is only the initial stage of the process. Final data and reports are generated using our team of experienced analysts who have already written extensively on trends and developments in these markets. Our in-house and in-country teams have the breadth of regional and market/industry specialisms required to support our global research activities.

Euromonitor International ensures the best possible levels of robustness and accuracy in its data in several ways:

- We conduct research on the ground in each country, closest to the best sources
- We use experienced, well-trained analysts
- We exchange ideas with trade sources, to make the input from our trade surveys as strong as possible
- Cross-checking sources and comparing countries is a huge part of every study



→ We work closely with the major international players to refine, improve and expand the scope of the research each year

Forecasting

Future outlook for each industry and sector-specific sales forecasts are key elements of Euromonitor International's market intelligence. Having established historic market trends, we ask some simple questions: how will the market perform from here in comparison with its performance over the last 5-10 years? Will its historic trend (whether growing, stable or declining) now speed up, continue as previously or slow down? Will a decline bottom out or will rapid growth peak and plateau?

As a global analyst, conducting studies across many countries, we can also ask: how does this markets ultimate growth potential compare to other countries and sectors that we know?

Forecasts represent many of the essential conclusions we have reached about the current state of the market and how it works. Importantly, our analysis will also state the assumptions and trade opinion behind our predictions, be they optimistic or pessimistic, so that our clients can use statistical forecasts with confidence.

Data standardisation

Industry specialist in-house teams bring together findings from all stages of the research process. They liaise where necessary with field research personnel, exercise editorial control and coordinate the final publication of new data and text in each online system.

Upon completion of the country-by-country research, data standardisation checks take place to ensure international comparability across the global database. Comparative checks are carried out on per capita expenditure levels, growth rates, patterns of subsector breakdowns and retail distribution shares. Where irregularities are found between proximate national markets, supplementary research is conducted in the relevant countries to confirm and/or amend those findings.

Our methodology ensures that there is international comparability across our industry research – that consistent product sector and subsector definitions have been used, that value data has been accurately collated and converted to the common currency of US\$ and that discrepancies between different published sources have been examined and reconciled.