Data Driven Lead Generation

Toronto – April 3rd, 2019

CONWAY

Why do we need to talk about data in the context of Lead Generation?

Contents
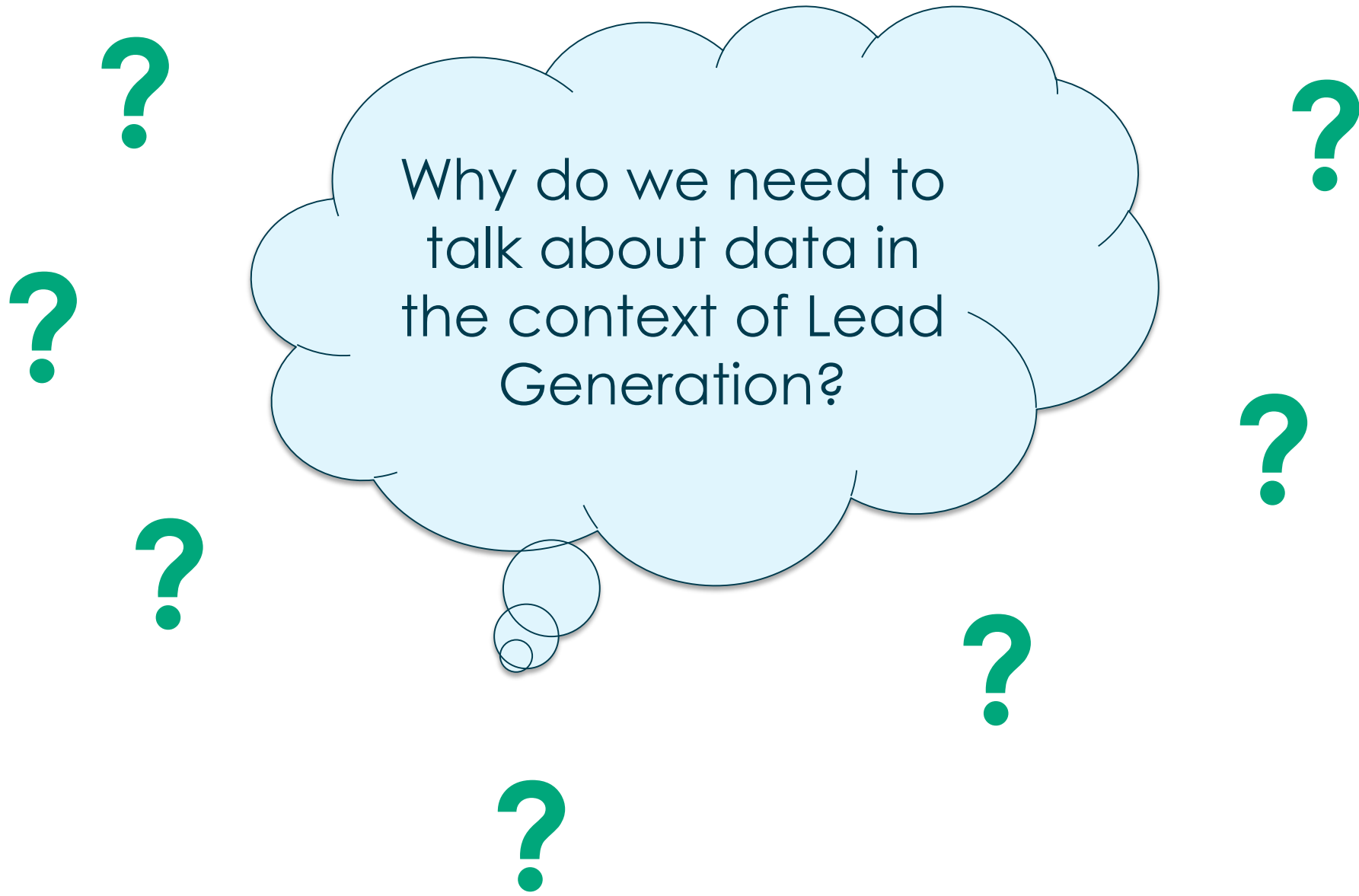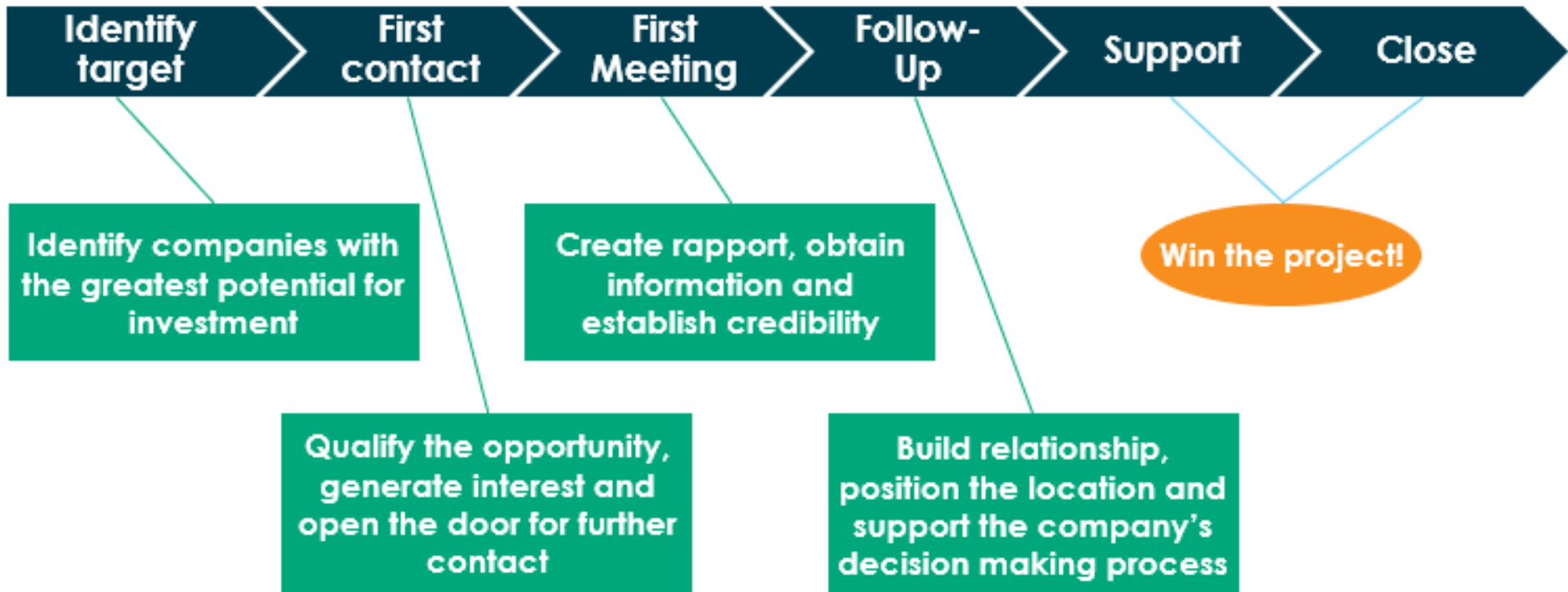
1. The Lead Generation Process

2. Industry-Based Targeting – Location analysis, sector analysis, FDI analysis

3. News-based Targeting – WISE, Conway Analytics

4. Our experience

5. Q&A

1 | The Lead Generation Process

Lead Generation Process

Process flow: Identify target → First contact → First Meeting → Follow-Up → Support → Close

- **Identify target:** Identify companies with the greatest potential for investment
- **First contact:** Qualify the opportunity, generate interest and open the door for further contact
- **First Meeting:** Create rapport, obtain information and establish credibility
- **Follow-Up:** Build relationship, position the location and support the company's decision making process
- **Support / Close:** Win the project!

Identify your targets

What is a target?

- **A target is a company with the greatest assumed potential for investing in my region**
- This potential is based on an understanding of the company's situation and characteristics
- **A target is not necessarily a "lead" (i.e. a company with a defined and active location project)**
- Initial contact with the company is necessary to determine whether it is a lead

Why targeting is important

- Provides **focus**.
- **Effective use of limited resources.**
- **Provides rationale** for contacting a company and facilitates the initial contact through increased credibility.
- Allows **matching** between company needs and location strengths.
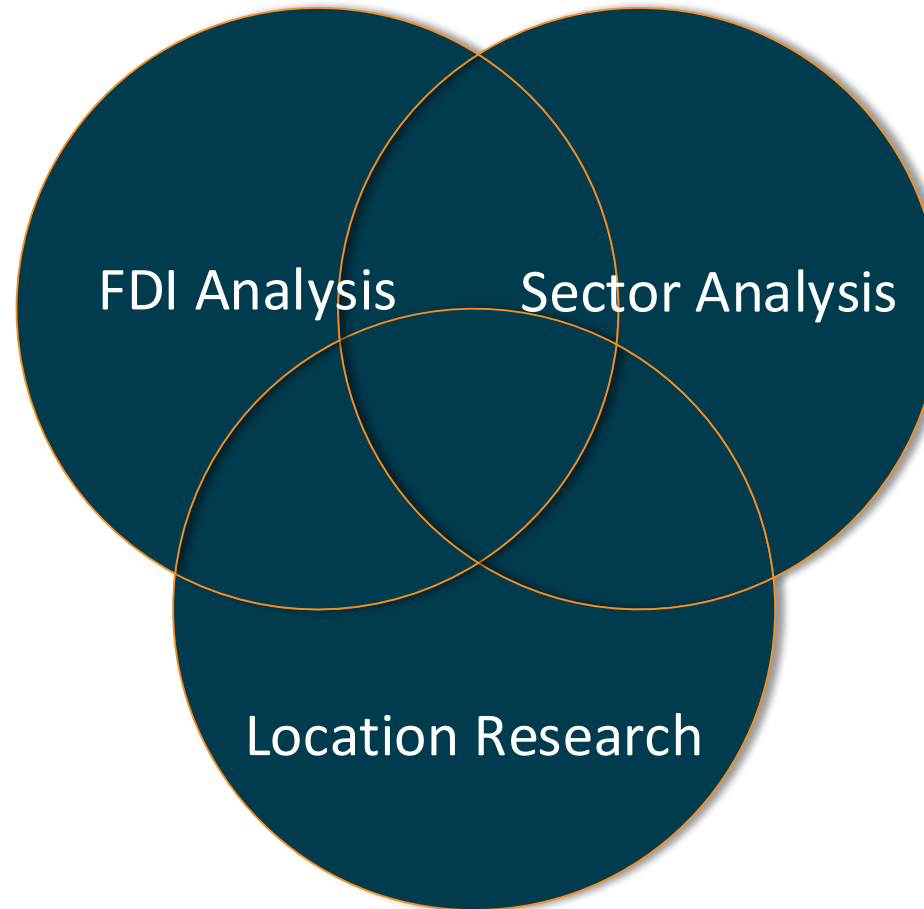
2 | Industry-based targeting

What is the objective of the industry-based analysis?

- Determine the **sectors/subsectors that seem most promising** for attracting FDI into your region

- Understand the **investment motives** and **location drivers** of companies from these (sub-) sectors

- Develop **sector-specific value propositions** to increase your chance for attracting the attention of companies from these sectors

- Which sectors attracted the highest number of greenfield FDI projects into my region?
- Which are the top sub-sectors within each of those sectors?

FDI Analysis

Sector Analysis

Location Research

- Which are the fastest growing sectors in my region?
- How are these sectors structured?
- What key trends could indicate (future) FDI potential?

- What are my location's key assets and how do they fit companies' sector-specific requirements?

9

CONWAY
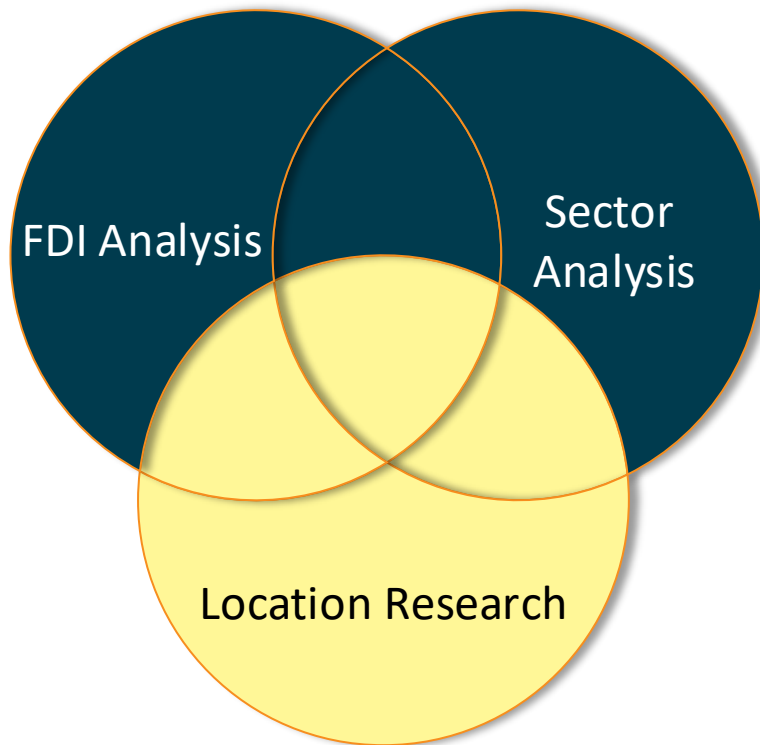
Goals of the analysis:

- Determine which are the strongest sectors in your region
- Discover new emerging sectors at and around your location
- Gather sector specific data

Types of data needed:

- Economic data on trade, employment, GDP per sector etc.
- List of universities in the region and number of graduates per subject
- Interviews with experts from the region: including university professors, chairmen of sector associations, trade associations
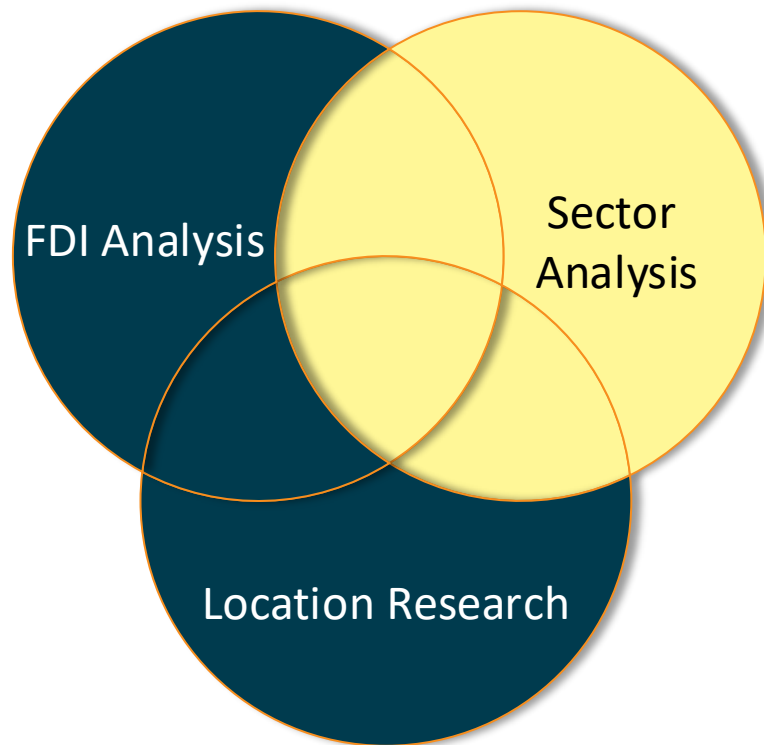
Industry-based targeting – Location Data

Location criteria	Criteria metrics
Cost Factors	Labor Costs
	Energy Prices
	Real Estate Prices
	Transportation or Logistics Costs
	Price of Resources
Availability of Resources	Natural Resources
	Skilled Labor
	R&D Expertise
Quality of Infrastructure	Road Infrastructure
	Access to Ports
	Airport Infrastructure
	Multi-Modal Transport Infrastructure
Regulatory	Product Approval Process
	Regulatory Changes

Fig 3: 22 Major Automotive OEM locations in China
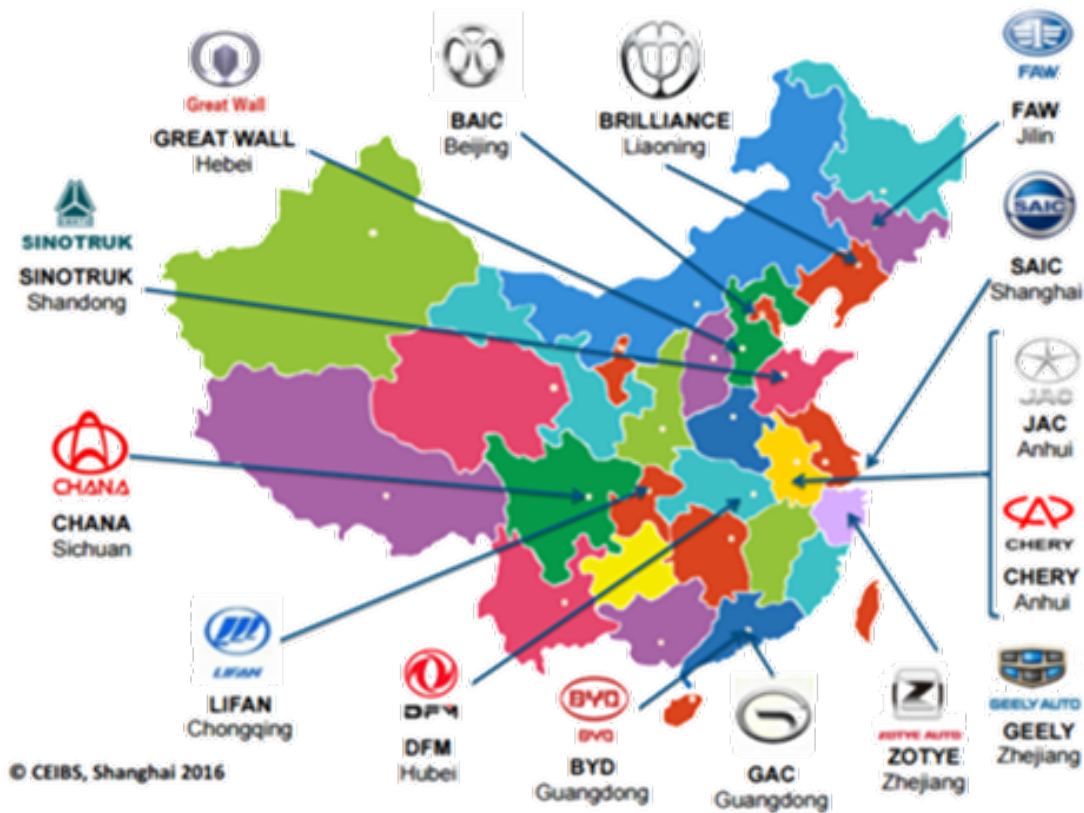
Other factors:

Knowing where industry is clustered and major players in the region

FDI Analysis

Sector Analysis

Location Research

Goals of the analysis:

- Identify key trends within specific sectors

- Understand the structure of each sector in terms of key subsectors

- Identify promising emerging sectors

Types of data needed:

- Sector-specific reports (e.g. from business associations)

- News articles published on sector specific portals

- Conduct interviews with sector experts (e.g. from universities or companies), perhaps at a sector-specific event

Industry-based targeting – Sector segmentation (products)

CONWAY

| Life Sciences | Pharmaceuticals Biotechnology Medical devices Healthcare services | Plant biotechnology; Animal biotechnology; Environmental biotechnology; Industrial biotechnology; Medical and pharmaceutical biotechnology; Diagnostics and bioinformatics; Biotech service suppliers; Biotech material suppliers | Diagnostic antibodies; Peptides, conjugates, oligonucleotides synthesis; DNA diagnostics; Biosensors, biomonitoring; Genome analysing techniques; Bio-data-informatics; Bio-informatics |

- Life Sciences

- Pharmaceuticals
- Biotechnology
- Medical devices
- Healthcare services

- Plant biotechnology
- Animal biotechnology
- Environmental biotechnology
- Industrial biotechnology
- Medical and pharmaceutical biotechnology
- Diagnostics and bioinformatics
- Biotech service suppliers
- Biotech material suppliers

- Diagnostic antibodies
- Peptides, conjugates, oligonucleotides synthesis
- DNA diagnostics
- Biosensors, biomonitoring
- Genome analysing techniques
- Bio-data-informatics
- Bio-informatics

Industry-based targeting – Sector Segmentation (value chain)

CONWAY

Research & Product Development	Components Manufacturing	Assembly	Distribution	Marketing & Sales	Post-Sales Services
Prototype	Software Development	Assembly	**Final Products** Capital Medical Equipment	**Market Segments** Cardiovascular	Training
Process Development	Electronics/Electrical Components	Packaging	Therapeutic Devices	Orthopedics	Consulting
Regulatory Approval	Precision Metal Works	Sterilization	Surgical & Medical instruments	Infusion Systems	Maintenance, Repair
Process Development	Plastics Extrusion & Molding		Disposables	Others	
Sustaining Engineering	Weaving/Knitting Textiles				

Input Suppliers

Resin	Metals
Chemicals	Textiles

Buyers

Wholesale distributors	Doctors & Nurses
Hospitals (Public/Private)	Individual Patients

Source: Bamber, Penny and Gary Gereffi. (2013). Costa Rica in the Medical Devices Global Value Chain

Industry 4.0
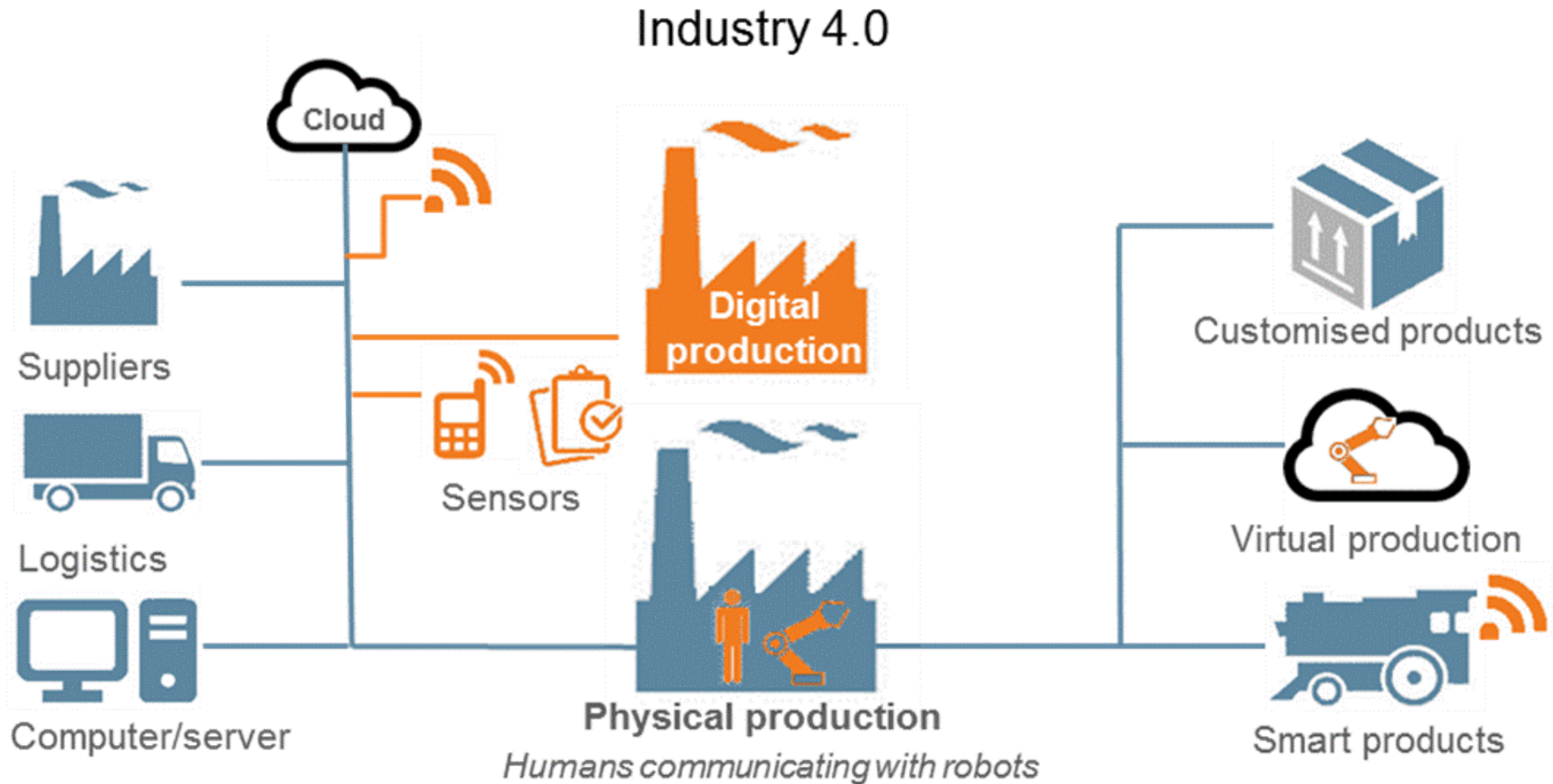
Sector growth	A key driver of FDI – refers to growth both globally and in my region
Distinctive target group	Some sectors are highly diversified/fragmented in terms of products or services, making it hard to define a clear group of target companies.
Sufficiently large pool of potential investors	Some sectors are dominated by few large players, others consist mainly of small companies that do not have the resources for international expansion.
Recent greenfield investments in my or a competitor region	A growing market may not necessarily be an indicator of foreign investment activity (e.g. companies expanding existing operations or via M&A).
Am I meeting potential investors' requirements	My region needs to meet sector-specific investment motives (e.g. market growth, regulations) and location factors (e.g. specific skills, infrastructure).

Industry-based targeting – Sub-sector screening (example)

Screened sectors	Growing sector?	Greenfied FDI examples?	Sufficient companies?	Definable target group?	Region a good fit?
Recycling (plastics, aluminum, electronics)	✓	✓	✓	✓	✓
E-Commerce logistics	✓	✓	✓	✓	✓
IT Outsourcing	➤	✓	✓	✓	✓
Automotive suppliers of lightweight materials and parts	✓	✓	✓	✓	✓
3D printing	✓	➤	➤	✓	✓
Data Centers	✓	✓	➤	✓	✖
Big data software and analytics	✓	✓	➤	✓	✖
Cloud computing	✓	✓	➤	✖	✖
eHealth	✓	✖	✖	➤	➤
Call centers	➤	✓	✓	✓	✓
Bioplastics	➤	➤	➤	✓	➤
Organic & gluten free food processing	✓	✖	✖	✓	✓
Contract Manufacturing & Biosimilars	✓	✖	➤	✓	✓
Bioanalytics & CRO	✓	✖	✖	✓	✓
Medical devices	➤	✖	➤	✓	✓
Food packaging	➤	✖	✓	✓	✓
Machine engineering	✖	✖	✓	✓	✓
Material handling equipment	➤	➤	➤	✓	✓
Agricultural machinery	✖	✖	➤	✓	✓
Automotive electronics & IT	✓	✖	➤	➤	✓

CONWAY

FDI Analysis

Sector Analysis

Location Research
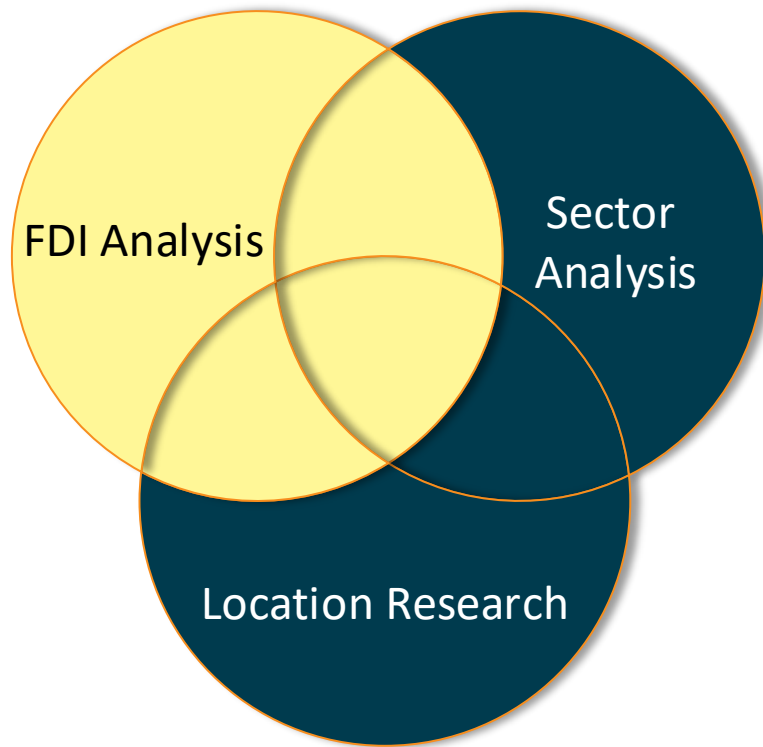
Goals of the analysis:

- Determine top sectors attracted the highest number of FDI projects into your region
- Determine which 3-4 sub-sectors (within each of the top 10 sectors) attracted the highest number of FDI projects into your region

Type of data needed:

- Recorded historic data on FDI projects including information on both sector and sub-sector level (for a distinctive geography)

Top Sectors for FDI into the Canada 2016-2019

- Aerospace
- Automotive
- Business & Financial Services
- Chemicals & Plastics
- Consumer Products
- Electronics
- Energy
- Food & Beverage
- IT & Comm.
- Life Sciences
- Machinery, Equip. & Const.
- Metals
- Minerals
- Paper, Printing & Packaging
- Textiles
- Transport & Logistics
- Waste Mgmt
- Wood Products

Source: Conway Analytics

Top Sectors for FDI into the Canada 2016-2019

Legend:
- Business & Financial Services
- Chemicals & Plastics
- Energy
- Food & Beverage
- IT & Comm.
- Life Sciences
- Machinery, Equip. & Const.
- Metals
- Transport & Logistics
- Consumer Products
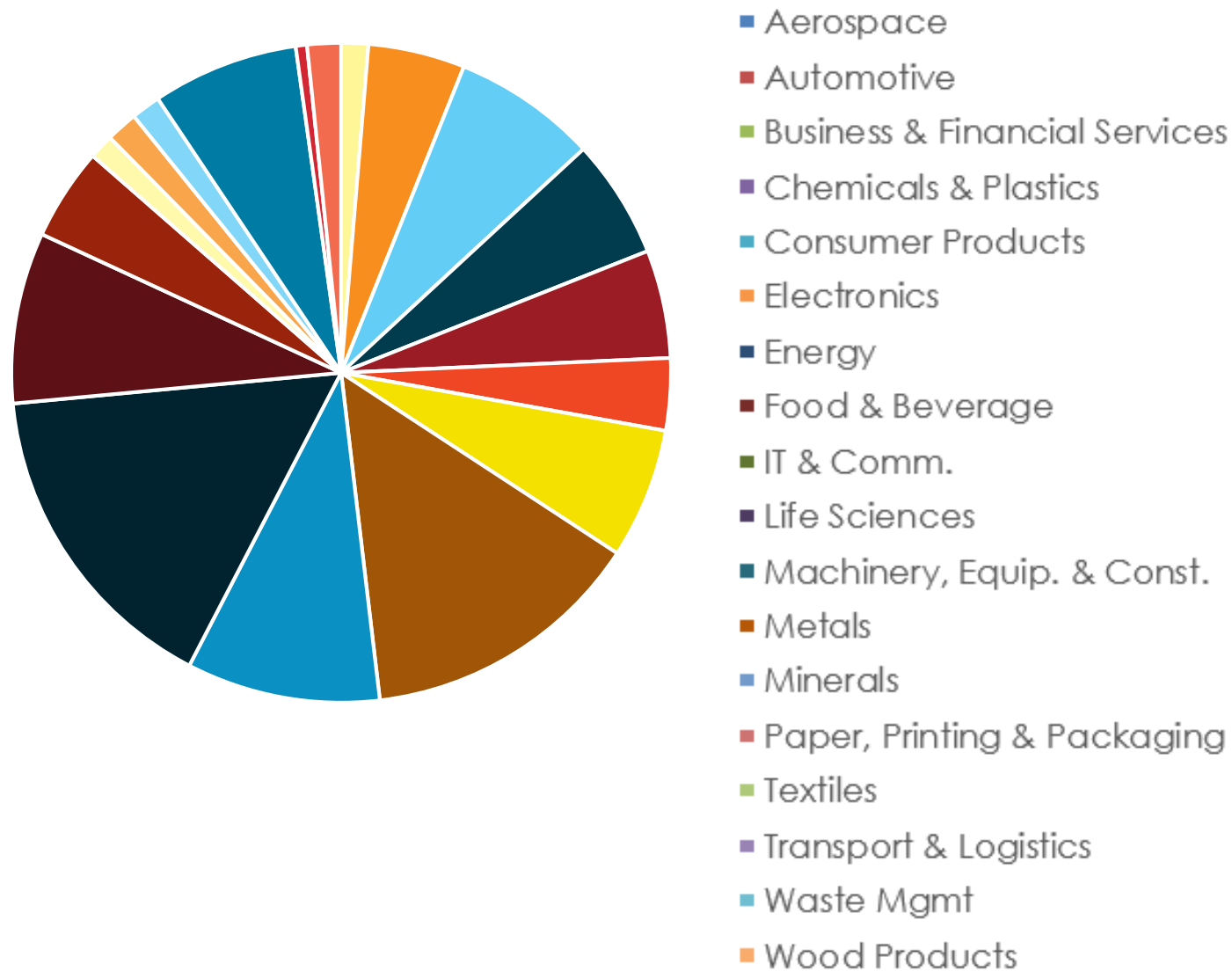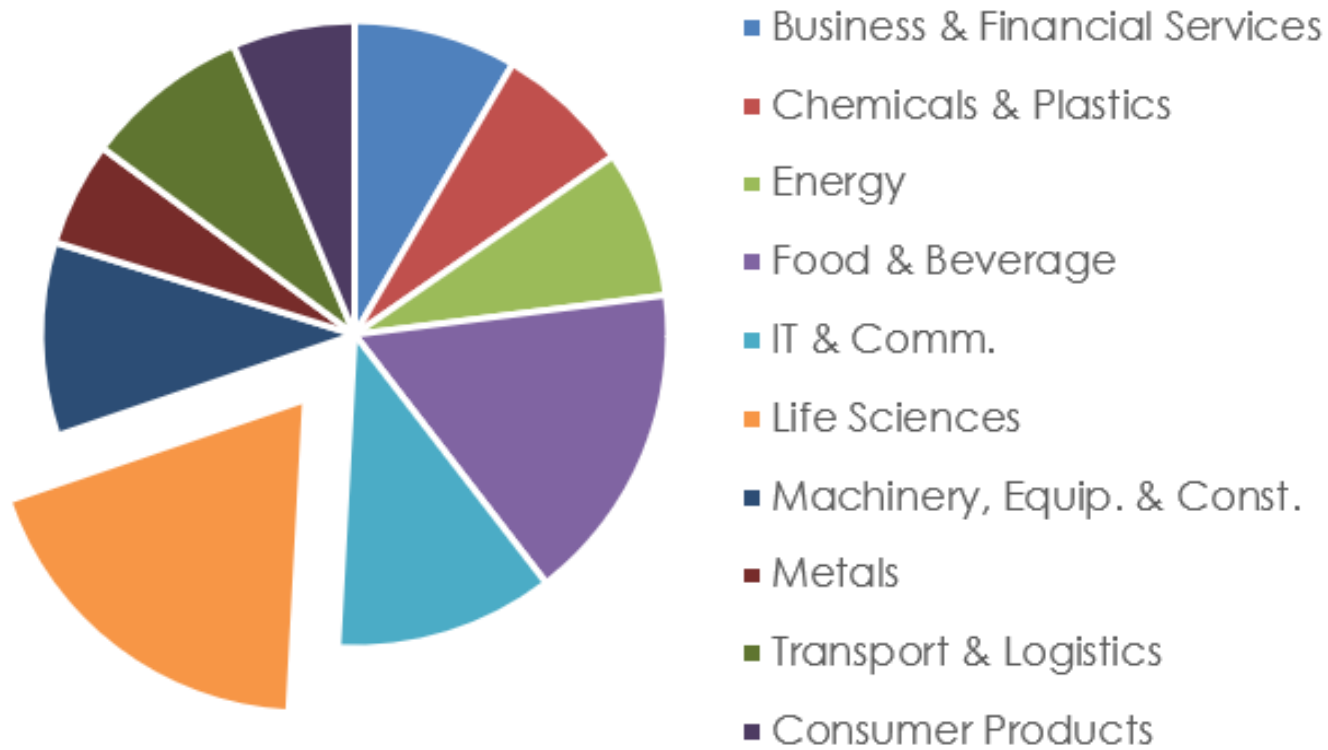
Source: Conway Analytics

Top Sub- Sectors for FDI into the Canada 2016-2019 : Life Sciences

- Biological Product (except Diagnostic) Manufacturing
- Medicinal and Botanical Manufacturing
- Research and Development in Biotechnology
- Pharmaceutical Preparation Manufacturing (pt)
- Surgical and Medical Instrument Manufacturing (pt)

What are top source countries for these sub-sectors?

Source: Conway Analytics

- Are the top FDI sectors and sub-sectors expecting future growth?
- Were there any greenfield FDI projects in the top growth sectors?

FDI Analysis

Sector Analysis

Location Research

4

1

2

3
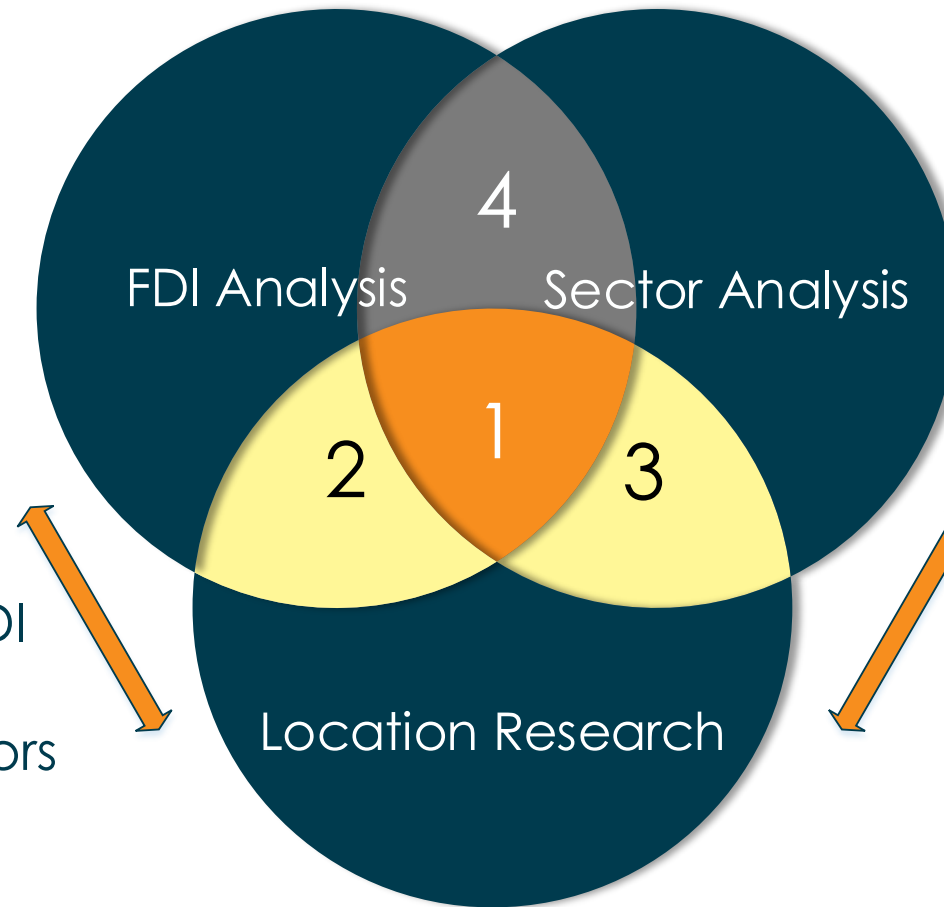
- Have my strong sectors attracted FDI projects?
- Do the top FDI sectors fit my location?

- Are my strong sectors expecting future growth?
- Are top growth sectors also strong in my location?

Source: Conway Analytics

3 | News-based targeting

How do we recognize a target?

A target has a clear business reason for establishing a new facility and investing in a certain geographic area. This is the "driver" for the investment:

- New products, markets, clients or contracts
- Growth
- Market access
- Customer proximity
- Cost reduction (e.g. energy, transportation costs)
- Restructuring/Reorganization
- Constraints in existing location
- Access to specific knowledge, skills or resources
- Supply chain considerations

Germany announces $1 billion investment in local battery cell production to support EV growth

Fred Lambert - Nov. 13th 2018 4:30 pm ET @FredericLambert

For example, BMW signed a $1 billion battery supply contract with CATL, China's biggest battery cell manufacturer who in return is expected to establish production in Germany.

Like Tesla's deal with Panasonic for Gigafactory 1 in Nevada, where they produce cells and also use cells imported from Asia, CATL is expected to start by exporting its Chinese batteries to Germany for local EV production and gradually ramp up local cell production.

The German government wants to encourage more local production of the critical component for electric vehicle production.

Reuters reported:

> "Altmaier said that the sites for battery cell output would be decided on with the consortiums and that there would be more than one. The first production lines could be available from 2021 and each consortium is likely to provide 1,000 to 2,000 jobs at first, he said."

He expects the first project to be announced during the first quarter of 2019.

Some other projects are currently underway in the country.

For example, Terra E Holding GmbH announced plans for a massive new battery factory with a planned capacity of 34 GWh at full production.

Tesla is also planning to soon announce a Gigafactory for both electric vehicle and battery production in Europe. The California-based automaker has been looking at Germany for a new Gigafactory.

Valmet adds Chinese investor in EV push

💬 | 🖨 Print | 📑 Reprints | ✍ Respond | ✉ | f | in | 🐦 | [f Recommend 1]

Tuomas Forsel
Reuters

January 30, 2017 13:37 CET -- UPDATED: Jan 30 15:40 CET
- adds Valmet statement

HELSINKI -- Chinese battery maker Contemporary Amperex Technology Limited (CATL) has bought a 22 percent stake in Finnish contract manufacturer Valmet Automotive to expand in the European electric car market.

CATL said it would partner with Valmet to supply European carmakers with battery packs and drivetrain solutions for electric cars.

"Our shared aim is to develop a strong position in the European electrical vehicles market," CATL Chief Operating Officer Jia Zhou said in a statement on Monday.

Valmet previously built the A class for Mercedes (shown). It will replace A class output with the GLC.

Photo credit: Valmet

CATL plans to build a factory in Europe. The company tripled its production capacity for lithium-ion car batteries last year and plans to grow its battery capacity six fold by 2020 to 50 gigawatt hours, which could put it ahead of Tesla Motor's Gigafactory in Nevada.

Valmet Automotive Chairman Jarkko Sairanen said in a **statement** that CATL will bring new resources and capabilities into the company as the electrical vehicle market undergoes a fundamental transformation with significant growth expectations.

CATL bought the Valmet stake for an undisclosed sum via a new share issue. Valmet's other owners are private equity firm Pontos and state-owned Finnish Industry Investment, which both have 39 percent stakes.

News-based Targeting - Keywords

The "motive" and future intentions for investments are often indirectly or directly communicated by companies in news through keywords OR keyword combinations

Primary Keywords

- **New Location:** plans to build a plant; plans to establish a subsidiary; new plant in Europe; further facilities planned;

- **Expansion:** plans to expand in Europe; announces Europe expansion

- **Increase Presence:** expand its footprint in Europe; strengthen its presence in Europe

- **Market Entry:** to enter the market in Europe; eyes new markets in Europe

- **Production capacities:** plans to double production; increase production capacity

- **New Funding or IPO:** raises financing; receives funding; files for IPO

Secondary Keywords

- **Growth:** plans further growth in Europe; eyes growth in Europe

- **New Executive Appointment:** appoints Managing Director EMEA

- **New product or product approval:** receives CE mark; receives product approval in Europe

- **New order, contract or client:** receives new order in Europe; wins contact in Europe

- **Growing demand:** growing demand in Europe; sees strong demand in Europe

Web search engines

Sector specific portals

Business press

WISE

A cutting-edge, user-friendly way to explore and download our data based on your needs.

AMAZON.COM, INC.

2017-08-11
Publish Date

Distribution Warehouse
Type of Project

$ **51**   **1000**   **800**
Values

Announced
Stage

New
Category

Opa-locka, Florida, United States
Target Location

Amazon.com, Inc. announced plans for a new fulfillment cen...

Target qualification

How can you determine if the target is a good target?

1. Company's business

- Get a basic understanding of the industry and the company business model

2. Company's locations and patterns of expansion

3. Recent developments

- Investments in new locations (last 2-3 years)?
- Financing for expansion?
- Growth in my region?
- New order or a new customer in my region?

4. Potential needs and key requirements

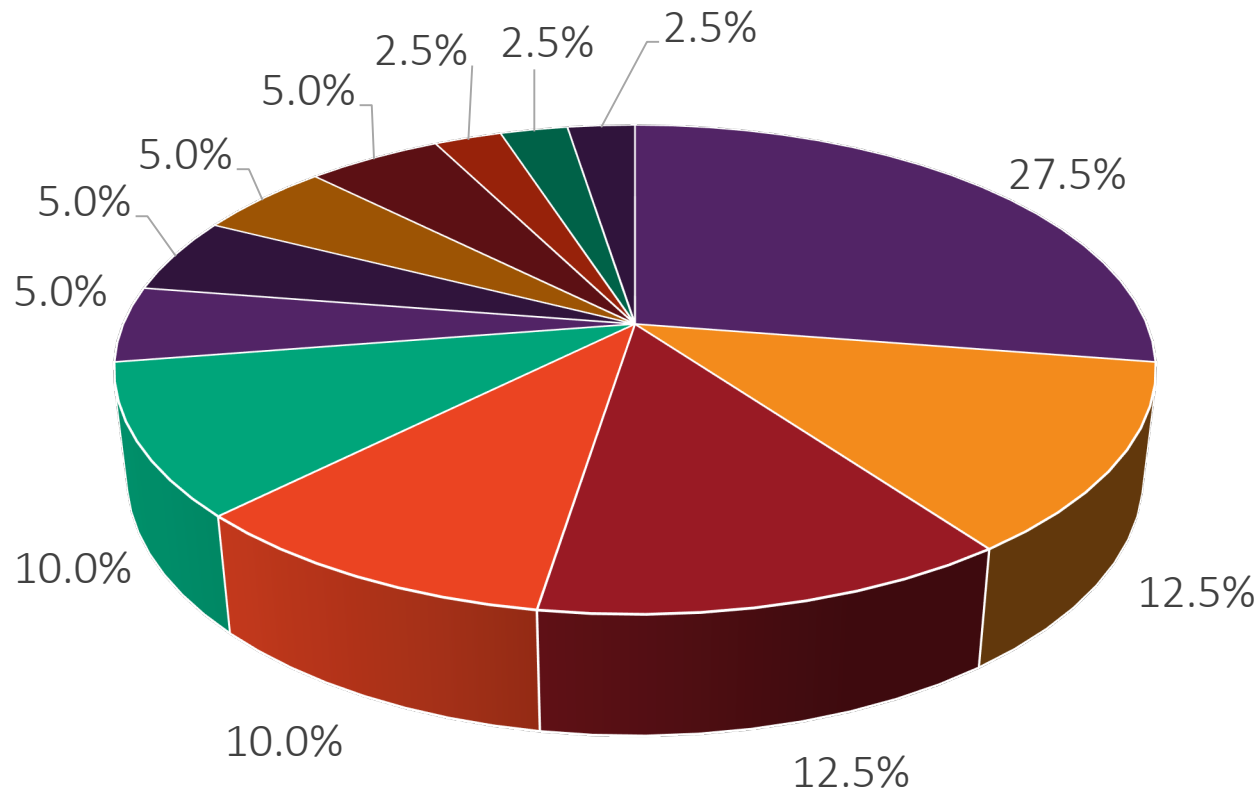- (e.g. workforce needs, proximity to customers)

- **Company's website**
- **annual/quarterly reports**
- **investor presentations**
- **press releases**
- **interviews with company executives**
- **News articles**

4 | Learning through experience
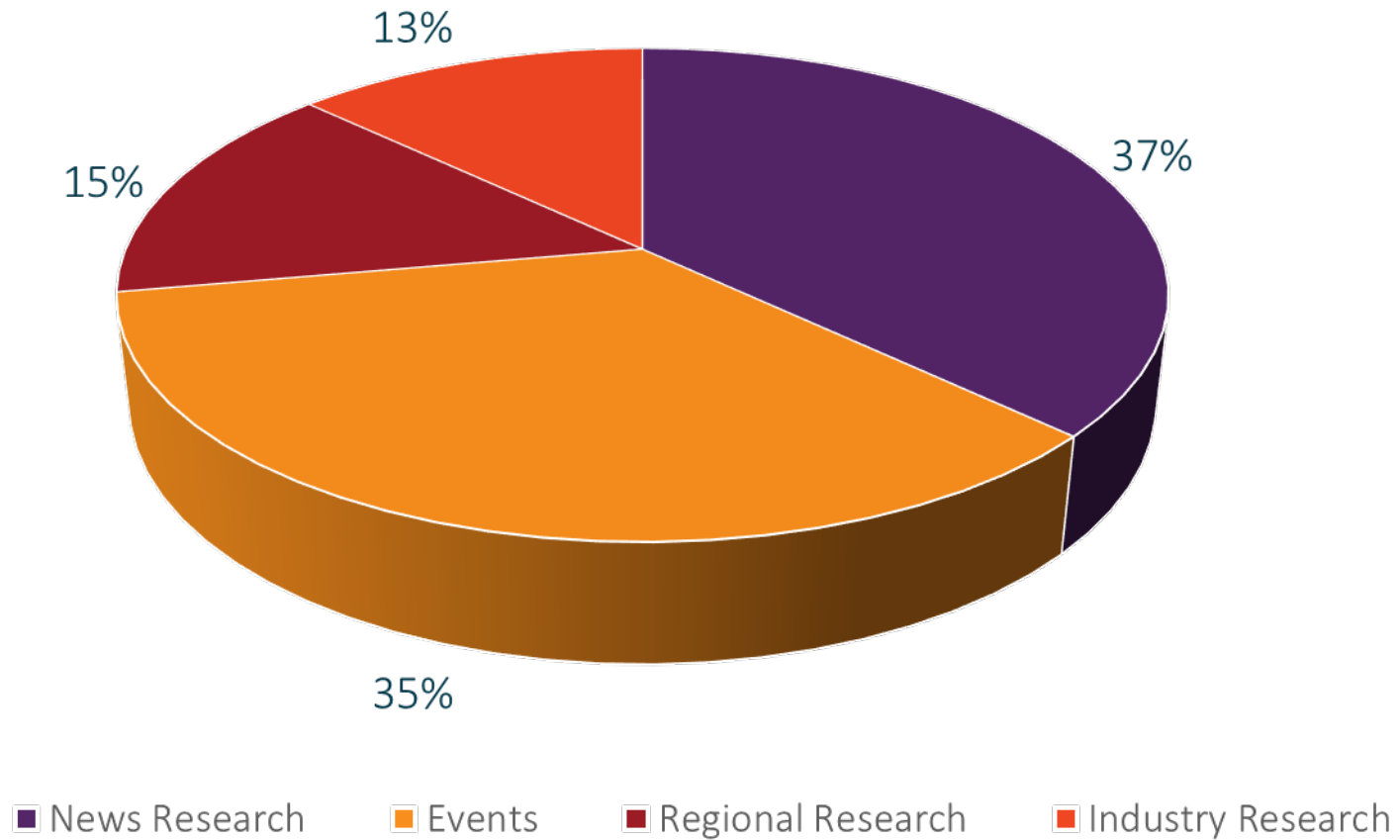
What sectors do our leads come from
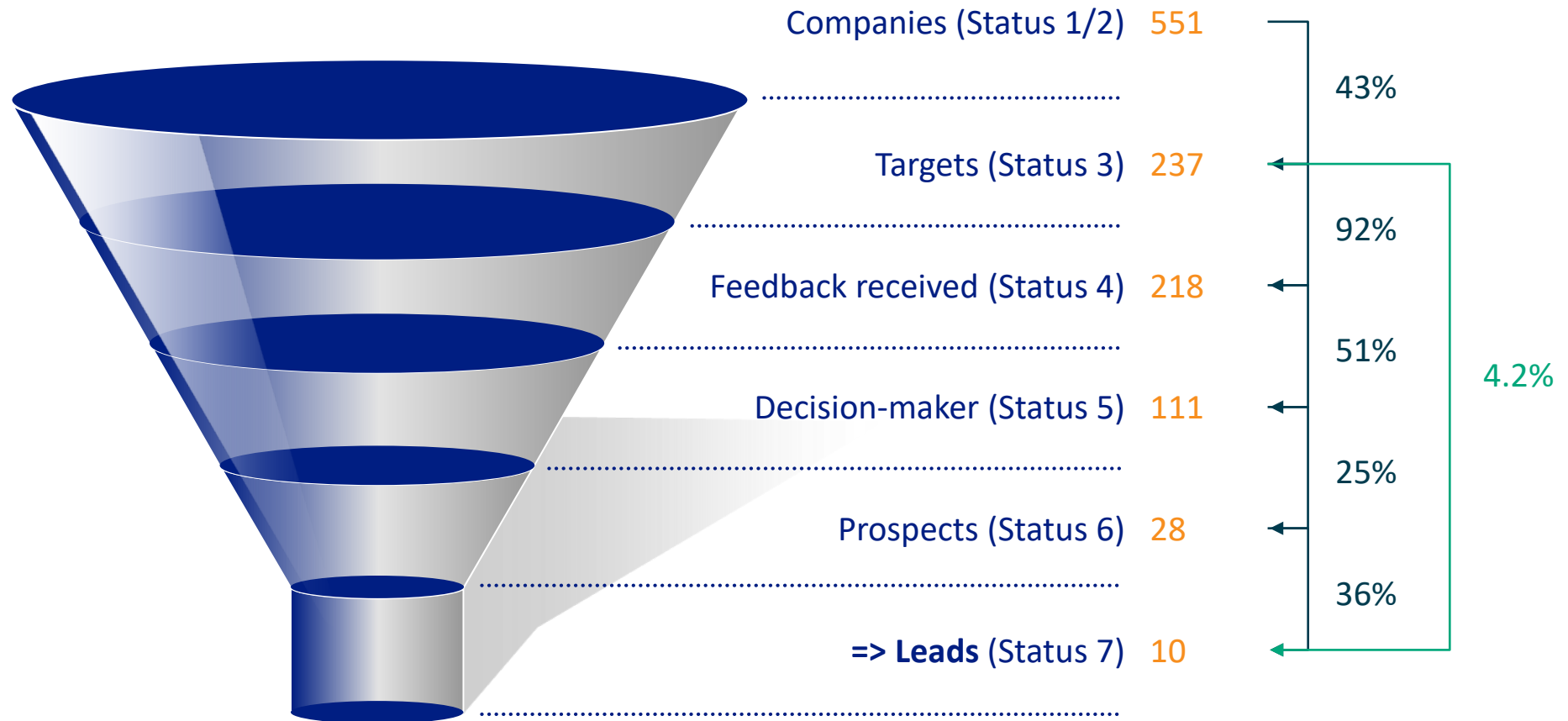

Leads per Industry %

- ICT (IT)
- Life Science (LS)
- Consumer Products (CP)
- Automotives (AU)
- Machinery and Equipment (ME)
- Electronic & Electric Equipment (EL)
- Photonics (PH)
- Nutrition (NU)
- Professional Services (PS)
- Chemicals (CH)
- Maritime (MT)
- Logistics (LO)

What are the main sources of our leads

% Leads per Source

13%

15%

37%

35%

■ News Research ■ Events ■ Regional Research ■ Industry Research

Converting contacts into leads

Companies (Status 1/2)   551

43%

Targets (Status 3)   237

92%

Feedback received (Status 4)   218

51%

Decision-maker (Status 5)   111

25%

Prospects (Status 6)   28

36%

=> **Leads** (Status 7)   10

4.2%

Key Take-Aways

Use multiple approaches of targeting in combination for maximum results – both news and industry-based targeting

The convergence of FDI analysis, sector analysis and location analysis will give you a complete picture of top sectors for potential FDI attraction

Do not underestimate the importance of building your own database of contacts and prospects for long-term FDI attraction

Thank you for your attention!

CONWAY

Joy Priya Somasundram
Joy.priya@conway.com
www.conwayadvisory.com