

Burton-Taylor

INTERNATIONAL CONSULTING LLC

Product Requirements Definition Sample

China Buy-side & Sell-side Research
Markets

2005 China Opportunity Overview

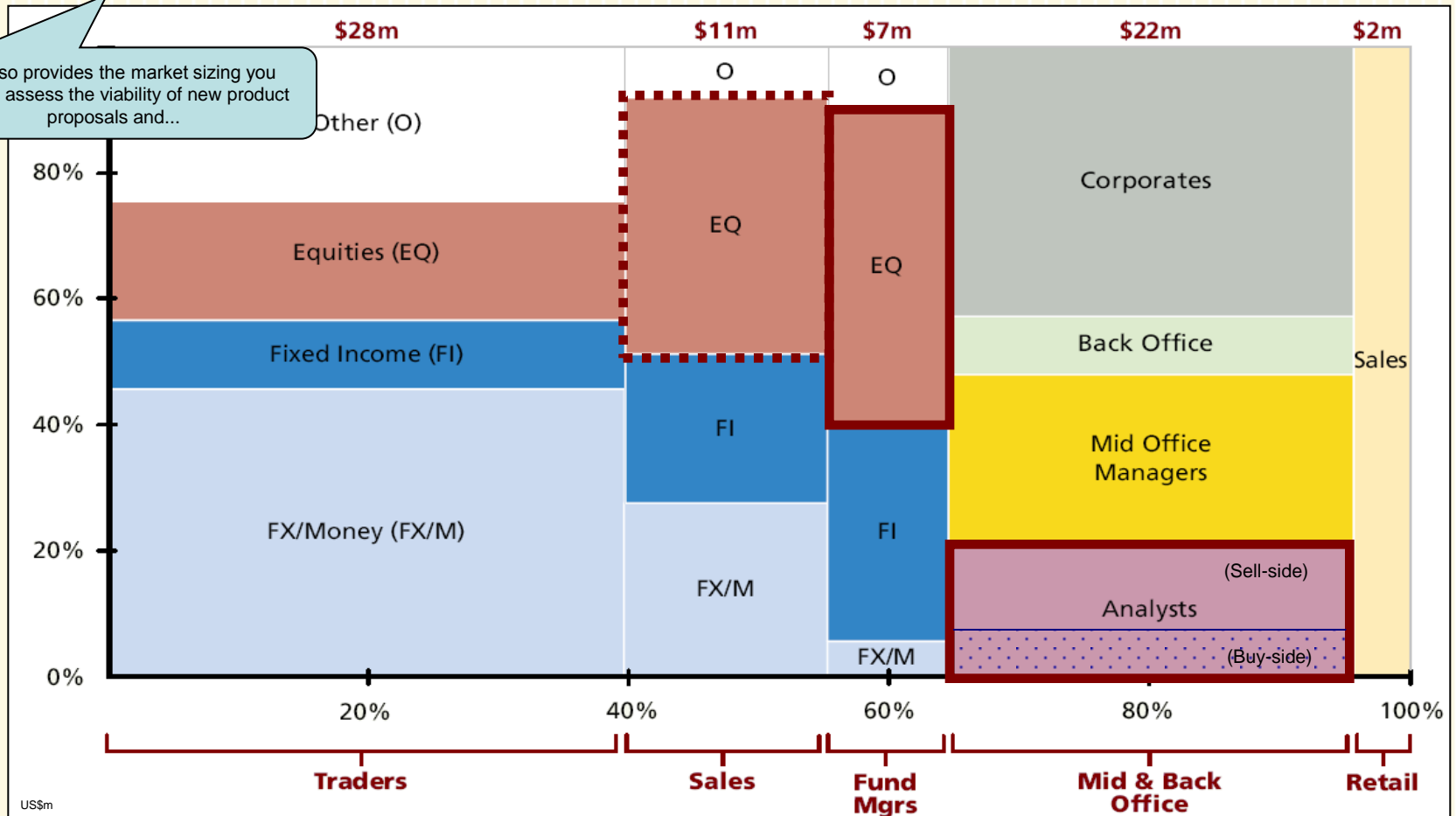
- Market maturing faster than others (historically) at this stage of development
 - ▶ Flood of capital
 - ▶ Transparency increasing
 - ▶ 1st RMB corporate bond issued last month
 - cheaper funding
 - FI growth leads to need for benchmark yield-curve
 - ▶ Derivatives & hedge funds will follow
- Setting expectations properly is key
 - ▶ China will be a “G7” level of market information need in terms of breadth and depth...soon
 - Should not be approached as “2nd tier” or “local country” investment
 - ▶ Committing to China is as significant as committing to Japan, UK, Germany, etc.
- Competitor dynamics are changing at light-speed
 - ▶ Competitors are recognizing the two points above
 - ▶ Wind have done a deal for DJ news and for CEIC economic data
 - Still lack real-time and international
 - ▶ Reuters has launched Fixed Income-based Reuters Trader – China
 - Moving fast to add equities, research and news
- Those who aspire to lead must move quickly

B-T's Add: *Advanced decision data*™ not only provides high-level overview information to point you toward possible opportunities...

2005 China Product Target Market

- Total China Desktop Spend is US\$70 million
 - ▶ 14,250 desktops served (estimate)

...it also provides the market sizing you need to assess the viability of new product proposals and...



Add: Advanced decision data™ market analysis Burton-Taylor International Consulting LLC



2005 China Product Competitive Outlook

	<u>Weaknesses</u>	<u>Gaps</u>	<u>How To Win</u>	<u>Competitiveness Today</u>	<u>Q407</u>
Bloomberg	<ul style="list-style-type: none"> • Non-user-friendly interface • High cost • No flexibility on packaging • Relatively poor int'l equity research content 	<ul style="list-style-type: none"> • Local language interface • After sales client service level • Contextual contributed data (MM, YCs, FX, etc) • Local language news • Fixed income content 	<ul style="list-style-type: none"> • Low price strategy • Exclusive research reports / proprietary content • Flexibility on packaging • Greater degree of product localization • Leverage Product 		
Reuters	<ul style="list-style-type: none"> • Not portfolio centric • Poorly integrated • Historical economic data & fund flow perceived as weak 	<ul style="list-style-type: none"> • China economic data & consensus forecasts • Perceived lower quality US fundamentals • Contextual contributed data (MM, YCs, FX, etc) 	<ul style="list-style-type: none"> • Low price strategy • Exclusive research reports / proprietary content • Focus on breadth of workflow • Greater degree of product localization 		
CEIC	<ul style="list-style-type: none"> • Few existing int'l clients • Lack of international content • Lack of content other than economics • Integration with other data • Lack of workflow tools 	<ul style="list-style-type: none"> • Significant perceived gaps in depth of China & emerging country data, foreign direct investment data and custom data series 	<ul style="list-style-type: none"> • Focus on China data combined with international content • Improve & promote emerging country economic data • Focus on workflow & integration • Highlight our portfolio/analytical capabilities 		
Wanguo	<ul style="list-style-type: none"> • Lack of international content • Lack of int'l client space • Integration with other data 	<ul style="list-style-type: none"> • Local dominant presence in market data space • Flexibility in product development 	<ul style="list-style-type: none"> • Differentiation through workflow solutions – i.e. real-time news together with real-time pricing data and analytics capabilities • Leverage int'l content on estimates and research reports • Leverage the analytical capability from int'l world 		

...B-T's Add: *Advanced decision data™* enables you to confidently translate your product opportunities into executable actions that will profitably differentiate your products from the competition.

■ Gaining
 ■ Constant
 ■ Losing

2005 China Product Competitive Outlook

	<u>Weaknesses</u>	<u>Gaps</u>	<u>How To Win</u>	<u>Competitiveness</u>	
				<u>Today</u>	<u>Q407</u>
Qianlong	<ul style="list-style-type: none"> DOS version interface Pure SE display platform without analytical add-on Struggling and deteriorating client base Not much local or int'l content apart from SE feed 	<ul style="list-style-type: none"> Local language interface Client base usage inertia After sales client service level & geographic presence Local language news 	<ul style="list-style-type: none"> Differentiation through workflow solutions – i.e. real-time news together with real-time pricing data and analytics capabilities Leverage int'l content on estimates and research reports 		
Tian Xian	<ul style="list-style-type: none"> Not independent enough, involved in IB area Not 100% focus as information provider 	<ul style="list-style-type: none"> Local language interface High reputation proprietary research Local language content Local network of the founder 	<ul style="list-style-type: none"> Differentiation through workflow solutions – i.e. real-time news together with real-time pricing data and analytics capabilities Leverage int'l content on estimates and research reports Acquire top domestic research reports 		
Wind Info	<ul style="list-style-type: none"> Lack of international content View by others as database warehouse only Not clear market positioning by consensus 	<ul style="list-style-type: none"> Local language interface Local technology infrastructure, e.g. data center Local data team Local development team 	<ul style="list-style-type: none"> Differentiation through workflow solutions – i.e. real-time news together with real-time pricing data and analytics capabilities Leverage int'l content on estimates and research reports 		
Northern Star	<ul style="list-style-type: none"> Very specialized Limited target audience 	<ul style="list-style-type: none"> Local fixed income content Local network relationship with regulatory Local development team Dominant fixed income analytical space 	<ul style="list-style-type: none"> Leverage trading capability at Product name withheld Focus on breadth of workflow and complete solution offer Develop or acquire company with sophisticated fixed income analysis 		

Gaining

Constant

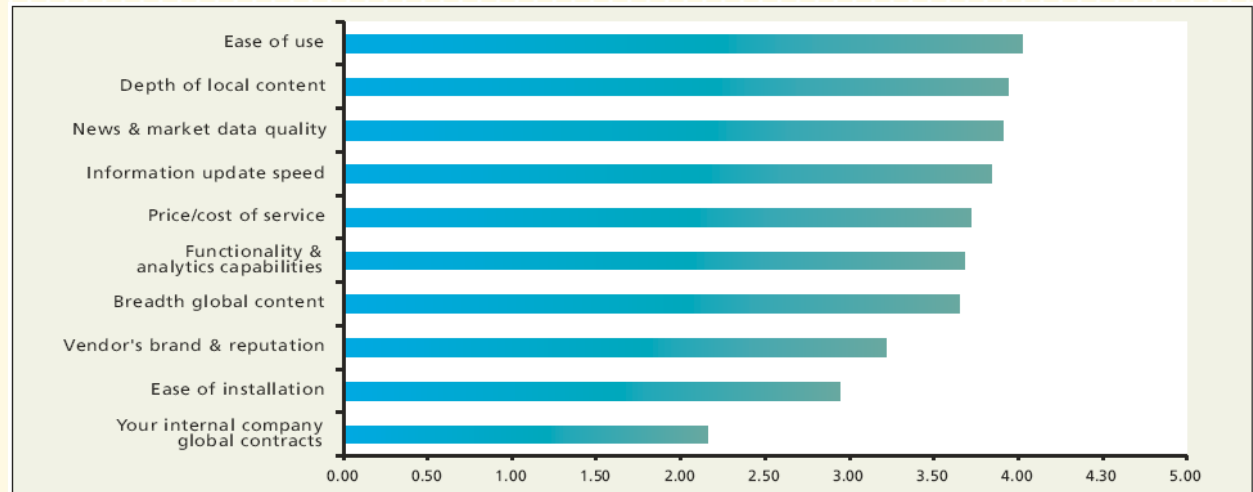
Losing

2005 China Product Vendor Selection Factors

■ “Why They Buy” – Buy-side Researchers

- ▶ Ease of use
- ▶ Depth of local content
- ▶ Quality of news and data

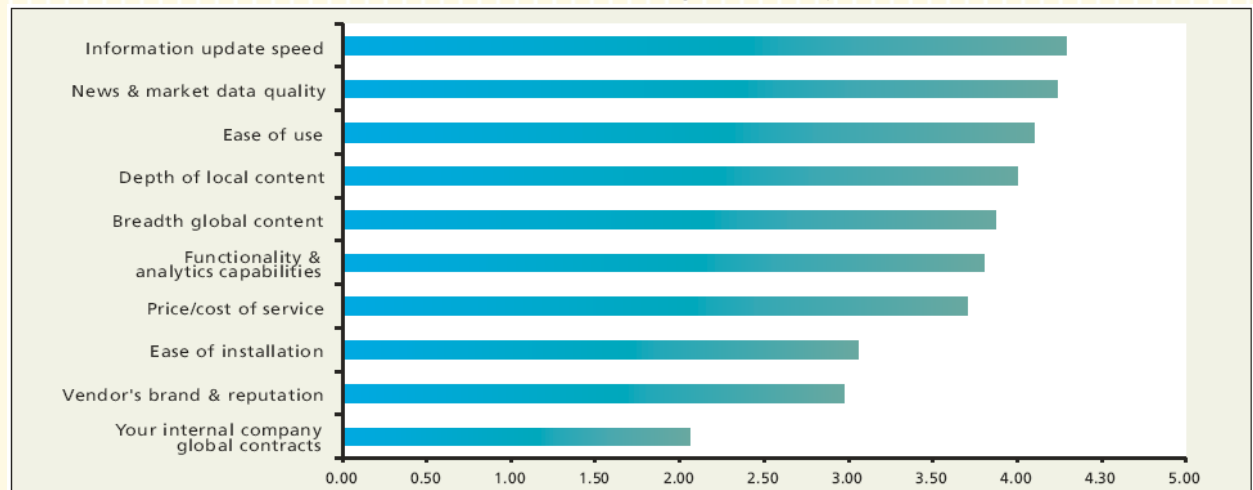
How important are the following factors for you to select an information vendor?



■ “Why They Buy” – Portfolio Managers

- ▶ Speed of updates
- ▶ Quality of news and data
- ▶ Ease of use

How important are the following factors for you to select an information vendor?



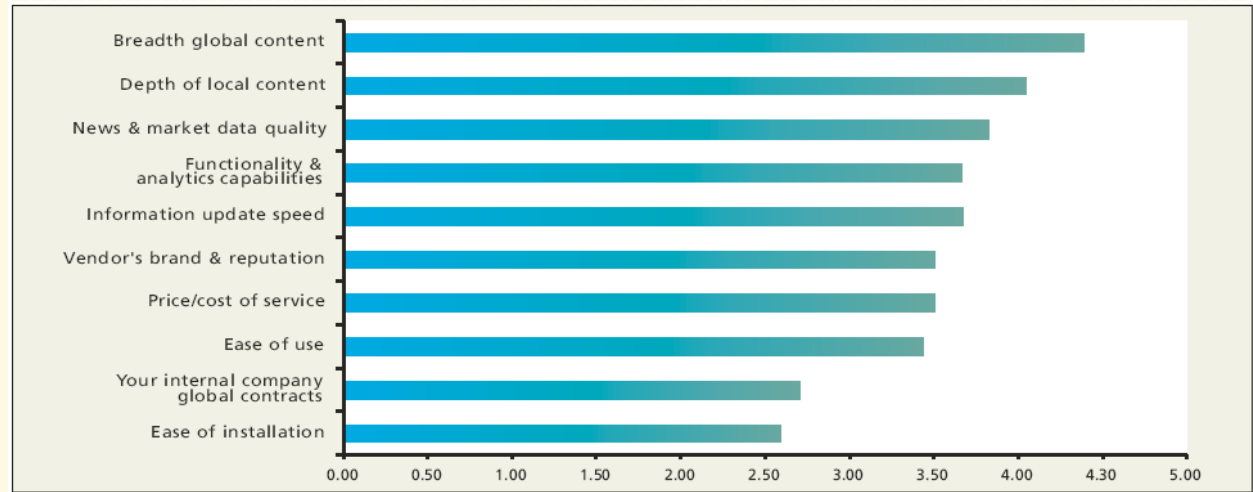
B-T's Add: *Advanced decision data™* ensures that, before you choose to build a product, you have a clear understanding of why your targeted prospect will select your product over the competition, and...

2005 China Product Vendor Selection Factors

■ “Why They Buy” – Sell-side Researchers

- ▶ Breadth of global content
- ▶ Depth of local content
- ▶ Quality of news and data

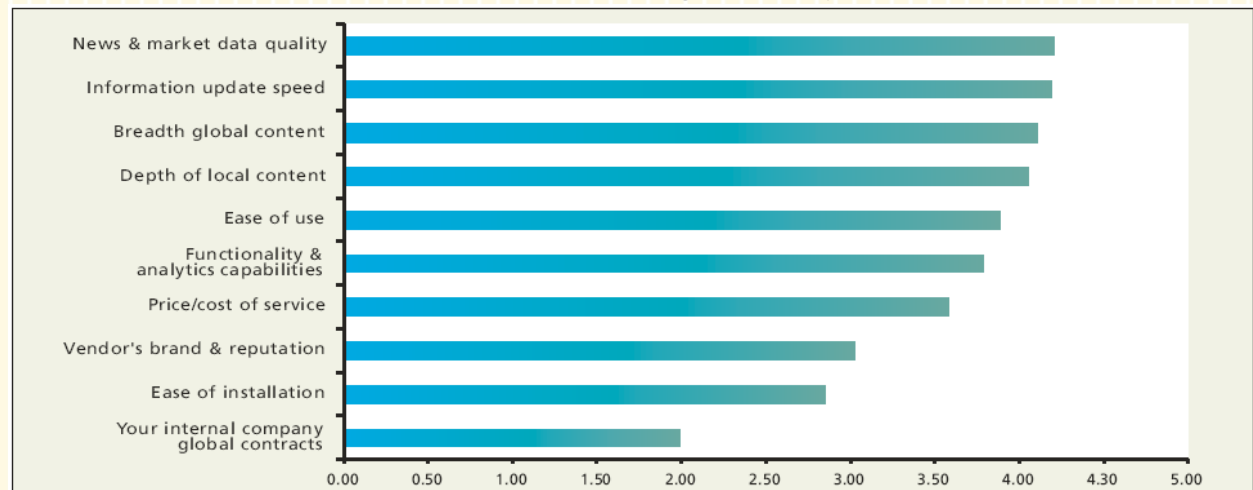
How important are the following factors for you to select an information vendor?



■ “Why They Buy” – Equity Sales

- ▶ Quality of news and data
- ▶ Speed of updates
- ▶ Breadth of global content

How important are the following factors for you to select an information vendor?



...and what subtle differences are required to widen your product's appeal to the widest possible segments.

2005 China Product Requirements Definition

- Primary differentiators for China market available today
 - ▶ Macroeconomics China
 - ▶ Industry group/sector analysis
 - ▶ Universal screening
 - ▶ Usability
- Integrating international content is key to success
- Integrating real-time news provides unique selling proposition
- Adding real-time research & estimates required to drive buy-side growth
- Combining local content with international content, news, research & estimates will deliver China's leading solution and fastest time to market

Not only will you have a clear picture of your future "killer product", you'll also be armed with the data to intelligently segment your product lines to maximize your revenue opportunities across all price points...

Features	Lower-tier Product	Mid-tier Product	Upper-tier Product
Content			
Market Data			
Macroeconomics China			
Company Profiles China			
Industry Groupings/Sector			
Fundamentals, Financials China			
Ownership (A) China			
Economic Reports			
Real-time News Int'l/China			
News Archive Int'l/China			
Real-time Research Int'l/China			
Estimates Int'l/China			
Company Forecast Int'l/China			
Functionality			
Site Context Passing - Company			
Performance	Not Tested	??	??
Symbol Book China			
Symbol Book Int'l/China			
Charting			
Free Text Search			
Alerts			
Peer Analysis			
Universal Screening - Company level	Lite		
Streaming Data			
Excel Download			
Excel Add-in			
Differentiator		Q206	
		Q406	
		Q207	

2005 China Product Plan

- Target market (users)
 - ▶ Buy-side (1,800 today, growing to 5,200 in 2010)
 - fund managers & researchers in local fund houses
 - QFII
 - foreign fund management firms
 - large local banks with asset management arms
 - insurance companies
 - ▶ Sell-side (2,600 today, growing to 5,500 in 2010)
 - researchers in large local securities companies
 - no equity sales positions will be targeted
- Pricing
 - ▶ US\$350 per user per month with real-time research (buy side users only)
 - ▶ US\$250 per user per month without real-time research
- Locations
 - ▶ Professional users in Beijing, Shenzhen and Shanghai
- Success rate
 - ▶ 1,837+ users in 5 years (1,000+ buy-side researchers & fund managers, 700+ sell-side researchers, \$5.7m annual revenue)
 - ▶ roughly 15-20% market share, by users

...enabling you to profitably
achieve the goals of your new
growth strategy.

Burton-Taylor International Consulting LLC

- The Burton-Taylor proprietary Hourglass Analysis™ methodology provides a structured, yet customizable consulting approach that helps companies dramatically improve three critical business disciplines; Market Intelligence, Strategic Planning and Revenue Generation.



Hourglass Analysis™ Burton-Taylor International Consulting LLC

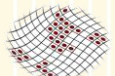
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Author	Biography
Douglas B Taylor	<p>Douglas B Taylor is founder and Managing Partner of Burton-Taylor International Consulting LLC, a business consulting organization created in 2006 and focused on helping information, news, software and financial services companies improve performance through improved Market Intelligence (Sector or Customer Research), Strategic Planning (BU/Company or Service/Product Strategy) and Revenue Generation (Marketing or Sales Plans).</p> <p>Mr. Taylor entered the information & news space at Reuters in 1987, where he spent 15 years in North America, South America and Europe, the last 5 of which heading Reuters news marketing and product management globally. His team successfully redefined product segmentation and commercial policy to, for the first time in Reuters 150 year history, profitably address financial professional, media and consumer audiences.</p> <p>After leaving Reuters, and before founding Burton-Taylor International Consulting LLC, Mr. Taylor served as Managing Director, Customer Segment Management, Marketing & Product Development, for Thomson Financial in Asia. In that role he headed the marketing and product development divisions, as well as the Investment Management, Investment Banking & Research, Institutional Equities and Wealth Management business units for the region. Mr. Taylor's teams completed ground breaking market, competitor, customer and user needs research, and defined a news and data strategy which tripled revenue in the region.</p> <p>Mr. Taylor has also served as Chief Operating Officer of EMIS, a global Euromoney Institutional Investor company specializing in delivering emerging market research, news, private company data and analytics to corporate, consulting, government and investment professionals, Chief Marketing Officer at Insurance Technologies, leading the research & strategy, communications and sales enablement teams, serving the annuity and life software sectors, and as Manager, Partner Engagement at Microsoft, responsible for channel partner business strategy and relationship management in Microsoft's largest customer segment.</p> <p>Among other publications, Mr. Taylor has been quoted as a financial information industry expert by The Wall Street Journal, The New York Times, The London Times, Dow Jones Newswires, Agence France-Presse and in the biography "Mike Bloomberg; Money, Power, Politics", by Joyce Purnick.</p> <p>Mr. Taylor has over 25 years financial information and services background, carries an MBA in Marketing and Management and a BBA in Finance from the University of Oklahoma, holds seven unique market research and analysis trademarks, is a member of the Society of Competitive Intelligence Professionals (SCIP) and is a non-Executive Board member of First State Financial Inc.</p>

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- ▶ Battery Ventures
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- ▶ Cision
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- ▶ Cornerstone Partners
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- ▶ Discern Financial Services
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- ▶ DZH/Great Wisdom
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- ▶ Lone Pine Capital
- ▶ Market News International
- ▶ Markit
- ▶ Maverick Capital
- ▶ McGraw-Hill
- ▶ McGregor BFA
- ▶ Meltwater
- ▶ Morgan Stanley
- ▶ Morningstar
- ▶ MSCI
- ▶ NASDAQ OMX
- ▶ Navarik
- ▶ NBC Universal
- ▶ News Corporation
- ▶ NYSE Euronext
- ▶ Oliver Wyman
- ▶ OTCMarkets
- ▶ Platts
- ▶ Parthenon Group
- ▶ Point Carbon
- ▶ Precise Media
- ▶ Prenax
- ▶ PricewaterhouseCoopers (PwC)
- ▶ Quadrant.io
- ▶ Quick
- ▶ RMP Media Analysis
- ▶ RBS
- ▶ Sanborn Consulting
- ▶ Scout Analytics
- ▶ Standard & Poor's
- ▶ State Council Information Office, Government of China (SCIO)
- ▶ SIX Financial Information
- ▶ State Street
- ▶ Summit Partners
- ▶ SunGard
- ▶ Taxware
- ▶ Themarkets.com
- ▶ Thomson Reuters
- ▶ Tullett Prebon Information
- ▶ UBS
- ▶ VantagePoint Venture Partners
- ▶ vwd
- ▶ Warburg Pincus
- ▶ WPP
- ▶ Xignite
- ▶ Dozens of private equity, investment & consulting firms from around the world, who have chosen to remain anonymous



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- B-T completes custom research, varying in size from small single product or market detail reports to large global industry and competitor sizing and profiles.
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