

Case Study: ScannerFutures

scanneRFutures

Proof of Market Study

Following a comprehensive selection process, ScannerFutures chose Milner Strategic Marketing Ltd to carry out a Technology Strategy Board (TSB) funded 'Proof of Market' study to gauge the commercial opportunity for a new medical scanning technology.

Milner conducted primary and secondary research on the medical imaging market, culminating in a set of recommendations on product requirements, technology exploitation, market positioning and opportunity evaluations.

Using Milner's study to support its application, ScannerFutures was successful in meeting its funding requirements and was able to move onto the next stage of R&D and market development.



About ScannerFutures

X-ray CT and MRI scanners and diagnostic X-ray systems are widely used across the public and private sectors, particularly in healthcare. Typically they are large, expensive installations and use X-rays or intense magnetic fields, which carry a certain risk.

ScannerFutures explores the use of Radio Frequency (RF) waves as a safer alternative to X-rays in Computed Tomography (CT) and diagnostic systems, and intense magnetic fields in MRI. Since Radio Frequency CT is intrinsically safer it can be used on patient groups for which X-ray CT and MRI are unsuitable, such as pregnant women and the very young. RF CT could also prove significantly less costly than X-ray CT and MRI in terms of capital and operating expenditure, as it lends itself to a simple and compact construction. It therefore has the potential to be deployed more broadly across the health sector, reaching out into local communities through GP surgeries, dental practices and health centres.

ScannerFutures' Requirement

ScannerFutures wanted to investigate the market opportunity for a new non-ionising technology that could address the global X-ray CT scanner market estimated to be worth \$3.9bn in 2010.

There is documented concern about the effect of X-ray CT scanners on patient health and ScannerFutures wanted to find out whether there was sufficient medical interest in alternative imaging technology.

ScannerFutures required quantitative and qualitative evidence of clinical interest to support its future product development and fundraising.



Milner's Solution

Secondary research

Milner began by conducting secondary desk research to build an independent overview of both the market opportunity and product specifications in the medical scanning industry. The research investigated competing markets and vendors, as well as potential barriers to market entry. The initial research and market model were presented to the client and 2-3 areas were identified for detailed primary research.

Primary research

For the primary research, Milner designed structured interviews, identified respondents (in hospitals, general practice and dental surgeries), set up and carried out interviews and formatted the collected data. The interviews were formulated to gather quantitative and qualitative data, compiling comparable data sets from participants as well as seeking out 'unknown unknowns.'

Analysis and feedback

Drawing upon the secondary and primary research, Milner produced an interim report showing the initial results of the study and providing the client with another opportunity to provide feedback and direction. Following a final phase of detailed analysis of the data and additional research, Milner produced a concluding report and presented the findings to the ScannerFutures management team and later to potential investors to strengthen the client's business case.

Report and recommendations

The final report outlined Milner's research methodology and gave a summary of primary and secondary research outcomes. Milner also provided six actionable recommendations addressing R&D decisions, market requirements and market entry options. Milner also provided a valuation of the potential market opportunity.



ScannerFutures' Benefits

1. Market analysis specialists

Milner has substantial client experience in analysing technology markets using proven methods. In this study, a forecast market model was built for 3 different sizes of scanner and 4 geographic regions. Competitor market shares and detailed price analysis were added to scale the market opportunity. This meant that the specific findings on the scanner market were considered robust and reliable by potential investors.

2. Trusted analysis critical for investment

The independence and objectivity of Milner's findings (supported by primary and secondary data) was a key requirement in carrying out the TSB-funded research and critical in establishing investor confidence in the future product.

3. Client anonymity

Outsourcing the proof of market study to Milner allowed ScannerFutures to retain anonymity during the pre-product market testing stage. This was vital to ensure there was no bias in the primary data collection and to maintain commercial confidentiality.

4. Speed and cost efficiency

Milner designed and executed the proof of market study and provided a set of recommendations within agreed timescales and budget, allowing ScannerFutures' funding application process to proceed without disruption.

5. 100% customised

Milner's flexibility on the level of client engagement meant ScannerFutures was able to engage throughout the process, to get feedback on early findings and ask further questions. As a result, ScannerFutures came away with a market study 100% customised to the business requirements, whilst placing little demand on the management team's time.

"We commissioned Milner to conduct a proof of market study for a new scanning device.

"They carried out structured interviews with clinicians and experts in the field and combined these primary investigations with additional desk research. They analysed the results and reported back to us on the market opportunity, market size, pricing and competitor offerings.

"We value their strategic thinking highly and the way they combined this with detailed research to give us recommendations on a number of areas including product requirements, technology exploitation options, market positioning and opportunity evaluations.

"We are using Milner's market study as a core component of our discussions with investors and potential partners."

Derek Brinkley

CEO

ScannerFutures