



Assessment of Pricing Strategies of Reinforcing Agents in Non-tire Rubber Applications

Case Study

Client	A leading specialty chemicals company with a broad portfolio of specialty rubber additives
Industry	Rubber
Products	Reinforcement agents for rubber

Engagement Scope

1 **Mechanical Rubber Goods: Product-application Matrix**

- Which product types in mechanical rubber goods are preferred and what are their application areas?
- What properties are needed for each application?

2 **Market Sizing & Segmentation**

- What is the market size for compounded rubber, globally?
- What is the demand for compounded rubber in various applications?
- What is the loading of reinforcing agent in different rubber compound formulations?
- What is the demand for reinforcing agent in mechanical rubber?

3 **Opportunity Matrix through Criticality Analysis**

- What is the criticality of different reinforcing agents in various mechanical rubber goods across end-use applications?
- For which mechanical rubber application is premium pricing possible?

Context

- The client focused on gaining insights with respect to the premium pricing strategy adopted by key players operating in the commoditized mechanical rubber goods industry.

Key Business Questions

- Should the client focus on the commodity strategy or pursue differentiation or hybrid strategy? Should it aim for the best possible price or invest in innovation or technical products or packaging (service package)?
- What value propositions are automotive and other industries looking at?
- Are there any opportunities for premium pricing? If yes, how profitable are they?
- What is the perspective of leading mechanical rubber goods manufacturing companies, such as Continental, Freudenberg, Trelleborg, and others, on product differentiation?

Research Methodology

Secondary Research

- Conducted exhaustive secondary research to understand the overall market dynamics

Primary Research

- 25+ telephonic interviews conducted with manufacturers, distributors, industry experts, retailers, consumers, etc.

Benefits to Client

- A 'premium pricing' space for niche applications was identified by FutureBridge to help the client enhance its market presence.
- FutureBridge value-add:
 - In the course of evaluation, FutureBridge updated the client's internal market estimates of reinforcing agents; an exercise that went beyond the agreed scope, which was appreciated by the client.
 - FutureBridge provided insights into different rubber formulations that offered a comprehensive overview of types of reinforcement agents used in different mechanical rubber goods.

Sample Analysis

1

Mechanical Rubber Goods: Product-application Matrix



2

Market Sizing & Segmentation



3

Opportunity Matrix through Criticality Analysis



Thank you

North America

55 Madison Ave, Suite 400
Morristown, NJ 07960
USA
T: +1 212 835 1590

Europe

328-334 Graadt van Roggenweg
4th Floor, Utrecht, 3531 AH
Netherlands
T: +31 30 298 2108

United Kingdom

5 Chancery Lane
London EC4A 1BL
United Kingdom
T: +44 207 406 7548

Asia Pacific

Millennium Business Park
Sector 3, Building # 4, Mahape
Navi Mumbai 400 710
India
T: +91 22 6772 5700