

Battleist

Advanced Drift Tracking

Market analysis, forecasting
contact :michael@battleist.com

Purpose:

This document is intended to give an in-depth understanding of the market in which the Battleist "Drift-Bit" product is intended (ie- pro and pro-am drifters), Moreover, an analysis based on those values to forecast potential sales volume.

This document is written for high level reading. Depth, further explanation, and evidence to support values given in this document can be requested by contacting it's author. The values described in this document are given with the utmost integrity, and with the basis that they can be supported at any time. The data within this document is current as of Aug 2018.

Exact figures in the drifting market are hard to determine and as such, raw values described in this document are approximate, with a 10-20% variance, being on the conservative side. The values shown should be considered on "the lower end", with the real value approx 5-20% higher.

The Drifting customer & market:

This document's data is based on an analysis of 4 different drifting organisation types throughout the world. This was done to identify size, and quality of the market. Each Drifting organisation having a different quality of customer. The DriftBit product is aimed at drivers who wish to improve driving through telemetry analysis. A Drifting organisation is defined as an organisation which hosts drifting events, aimed at competition to rank it's body of drivers. These organisations generally have between 80 to 300 active drivers. Organisations selected in this body of data have held events in 2018 to qualify them being as active.

4 types of Drifting organisations were researched across the world:

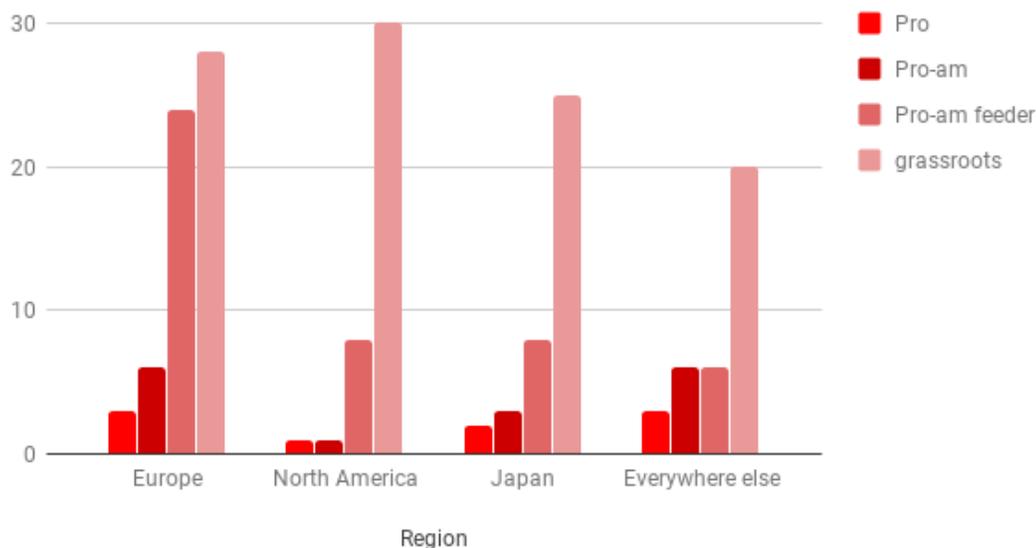
Pro : The highest competition level available within the region. Drivers with high level cars and teams. 100% of these drivers are applicable customers. Example: Formula Drift (USA), D1GP (Japan), Drift AllStars (EU)

Pro-Am: The second highest level of competition. These drivers are looking to graduate into the “Pro” level. Placing well within this competition is usually a requirement to get into the higher level. 100% of these drivers are applicable customers. Example: Formula Drift Pro2 (USA), D1GP Street Legal (Japan) EEDC (EU)

Pro-am feeder: These organisations are a third highest, feeding drivers into the pro-am competitions. Placing well is a requirement to gain entry into the Pro-am organisation. 80% of these drivers are applicable customers. Example: British Drift Championship (EU), LoneStar Drift (USA)

Grassroots: Entry level drifting organisations. These drivers are learning skills and participating in the sport more so for the fun of the sport. Once skills and confidence are gathered, they start wanting to desire to improve through mechanical advantage, and competitive environments. 50% of these drivers are applicable customers. Example: Victorian Drift Club (AUS)

Drifting Organisations by region & definition



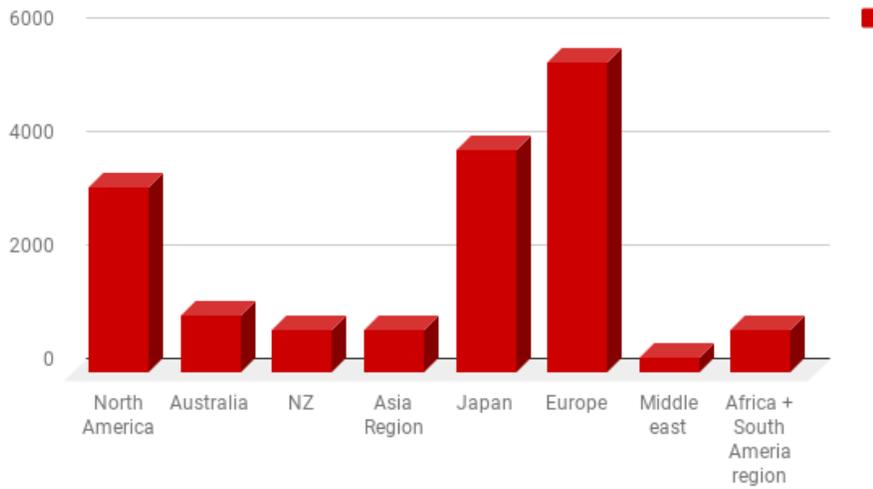
Global listings of Drifting facilities.

This gives an overview of density of Drifting facilities throughout the world. An evaluation: Drifting organisation frequency is highly correlated to the amount of drifting facilities available.

Data provided by driftspots.com

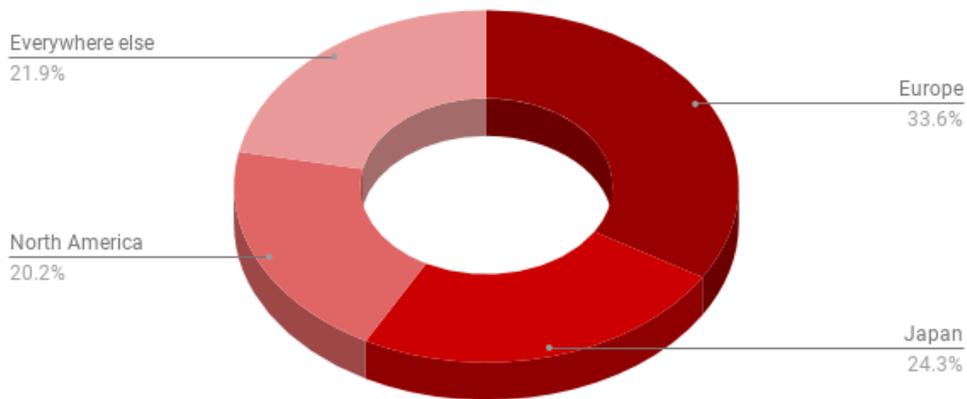


Suitable drift drivers per country



The 4 major regions - Europe, Japan, North America, and a collection of the remainders. Europe being the largest, containing the largest set of high, and mid level competitions. Further depth and insight of the market can be requested from the author.

Drifting market spread



Raw Values:

Region	Suitable Drifters ▼	Total
Europe	5460	
Japan	3940	
North America	3280	16228
Australia	1020	
Africa + South America region	756	
NZ	746	
Asia Region	746	
Middle east	280	

The estimated total of suitable drift drivers ~ 16,300 globally.

RRP for the proposed product is between \$1000 to \$2000. If we extrapolate values based on a median value (\$1500), then we can determine the total current market size at :

**Total addressable market (TAM)2018:
\$1500 x 16300 = \$24,450,000 (AUD)**

*Drifting is said to be the “Fastest growing motorsport” with expected growth around 15% per year.