# d-local

# New Market Entry Assessment

#### **PROJECT GOAL**

- Develop a strategy framework for new market entry for dLocal in their future expansion effort
- Framework will be used as a uniformed decision-making tool allowing dLocal to know the status of each potential market across different criteria

#### **RESEARCH METHODOLOGY**

#### **INTERVIEWS**

> Call and on-site interviews with stakeholders across different business units

➤ Collected comprehensive list of factors to be taken into the overall model

DATA ANALYSIS

➤ Analyzed different

metrics using Looker.

➤ Validated model through

Revenue

**Potential** 

quantitative analysis and

Compounded with

generated insights

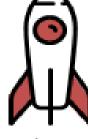
survey's results

### **SURVEY**

- ➤ Built survey to assess different criteria relevance to the model and shared across key stakeholders
- > Obtained information on prioritized items and established framework

#### **ONLINE RESEARCH**

- ➤ Used external resources and benchmarks to build assessment tool and test the Egyptian market
- ➤ Identified pain-points and next-steps



# **Market Potential**

Assesses the market potential by estimating the Total Addressable Market (TAM) for the country; the numbers account for the competition in the market

The higher the TAM and fewer the competition, the better the market



# Merchants

> Focuses on the possibility of luring existing merchants into the new market, also assessing the possibility to lock-in merchants

> We also account for minimum caps promised in the proposed market



- Serve as the critical piece in deciding revenue potential in a new market
- We look at currency volatility and potential payment options of a particular market to predict margins for a market



Feasibility

> We look into the ease of setting up local entity, KYC compliances needed and

stability of a country to assess the hurdles. We also look at the ease of extracting funds from a country to evaluate the opportunities



### **Partners**

Evaluates local processors and technical infrastructure in a specific country, by assessing the transaction time averages and redundant processor networks for better reliability and and bargaining power



## **NEXT STEPS**

- Allocate responsibilities for different aspects of the model
- Analyze the metrics of each potential market and tackle the problematic categories first
- Set a single team that would own the tool. Such team should constantly update the tool according to the market's and company's needs.

## **TEAM**



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