

### Question #3.

- Based on Exhibit B, what is Rojam's current market share in North America and Europe?
- Overall?
- What would Rojam's market share of North America and Europe need to be in 5 years to maintain the current global market share in 2014? (assume the other Rojam regions maintain projected revenue growth)

Region	Size (\$B)	Growth (5 year CAGR)	Rojam revenues (\$B)	Size in 2014 (\$B)	Rojam revenues 2014 (\$B)
North America	\$200	1%	\$80	\$210	\$84
South America	\$40	10%	\$3	\$64	\$5
Europe	\$100	2%	\$60	\$110	\$66
Middle East	\$20	7%	N/A	\$28	N/A
Africa	\$5	10%	N/A	\$8	N/A
Asia	\$60	14%	\$5	\$116	\$10
Russia	\$25	12%	N/A	\$44	N/A
Total	\$450		\$148	\$581	\$164

### Answer:

- A. Roughly 45% (\$140B/\$300B)
- B. Roughly 33% (\$148B/\$450B)
- C. Roughly 55%

To figure out the answer to C, you need to look at the question closely. It asks for the "current global market share", which is 33%. To maintain that in 2014, you'd need ~\$193B in 2014 global revenues. Their projected 2014 global revenues are \$164, which is a \$30B gap. The question assumes that the other regions maintain their projected revenue growth, so you'd have to make up that gap in North America and Europe only.

Increasing North America and Europe revenues by \$30B combined would lead to total 2014 revenues of \$180B (\$84 + \$66 + \$30). \$180B divided by \$320B (total 2014 market size of North America and Europe) gives you ~55%.

**Question #4.** Based on this answer, what are the implications for Rojam Media?

### Answer:

Clearly, they need to focus on international growth markets as they have reached market saturation in North America and Europe.

A strong answer would tie in the prior conclusions from Question #2b (eg, a