

**ECONOMIC MODELING AND SMART DATA ANALYTICS
IDENTIFIES MARKET SHARE DRIVERS AND VALUES WHITESPACE**

*2-week engagement · Refined investment thesis and laid groundwork for post-close success
· Created significant value with big data under tight timeline*

SYNOPSIS

A mid-market PE firm was conducting due diligence on a national broadband provider. The portfolio support team retained Horizon to help them provide the firm's investment committee with insights into potential drivers of the company's penetration in existing markets and predictors of success in whitespace markets across the country. Final insights were needed within a timeframe of two weeks, with multiple check-ins and potential pivots along the way.

SOLUTION

Horizon conducted detailed quantitative analyses that leveraged a combination of proprietary data provided by our client and publicly available data on telecom markets obtained through subscriptions and federal government sources (including one database with >100 million rows).

Our team was able to classify hundreds of data features into interpretable categories suitable for economic modeling. We then developed a regression model, a matching model, and a valuation model for whitespace potential.

VALUE

The regression model ranked dozens of features based on their importance in driving market share, including the presence of specific competitors, allowing the PE team to validate and in some cases push back on aspects of the investment thesis. The matching model identified whitespace markets that shared key features of the company's most successful current markets and informed a financial model valuing the company's potential in whitespace markets.

Horizon iterated with the PE team in response to numerous follow-up questions during this short engagement, helping the team provide stronger support to the firm's investment committee and transition more quickly to execution and value creation post-close.