

Commercial Skills for Chemists: Market Research

ShinyTeeth Case Study

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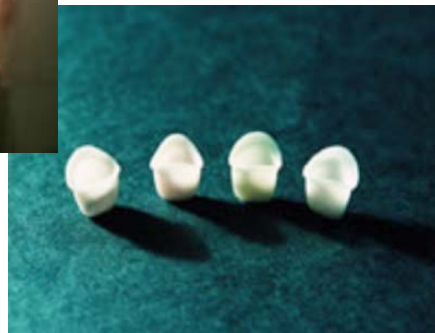
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Marketing Case Study - Shiny Teeth Ltd



Play the slideshow with sound on to hear the commentary!



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Shiny Teeth Ltd



- Two inventors have devised a novel way of making all-ceramic replacement teeth
- Most replacement teeth have metal cores; all-ceramic ones are expensive and time consuming to make and not approved by the NHS
- Ceramic cores have several advantages over metal cores, including durability, colour and non-toxicity
- The inventors have combined automated furnaces, CAD/CAM, and materials science into an 'instrument set' that transforms the making of teeth from a craft into a potentially large scale process
- We have been asked to estimate the market for their instrument set and advise on their business model



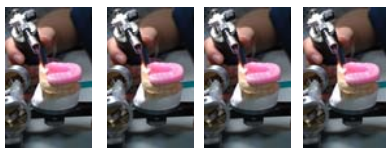
The Market



- 3000 dental laboratories
- produce 2m teeth in the UK every year for 25000 dentists
- 30% (600k) of teeth are produced for private patients and are usually ceramic
- Each 'Shiny Teeth' instrument set can make 30,000 teeth per year
- So, the inventors believe that the potential market for their machine in the UK is $600k/30k = 20$ sets. Are they correct?



Distribution of Customer Size



- There are 2000+ small labs making 50-200 teeth pa
- Dental labs sell teeth to dentists for about £50 each
- There are around 600 big labs making over 1000 ceramic teeth pa





Facts and Figures



- 1 skilled dental technician can make 200 teeth per year by current methods
- 1 dental technician can make 5-6000 teeth per year with 'Shiny Teeth' instrument set
- 1 technician's salary is £15,000 to £25,000
- Shiny Teeth Instrument set costs £15,000
- Instrument set needs annual servicing, consumes highly pure raw materials (silica)
- It takes an accountant about 2 hours (at about £100/hour) to prepare, check, print, post, and record an invoice



Questions for Shiny Teeth



- Do we set up our own dental lab?
- Or do we sell instruments to dental labs?
- Or are there other ways of 'doing business'?
- *The way to start this problem is to consider how many customers (dental labs) would benefit from buying a 'ShinyTeeth' instrument set?*

