

**UGOJI LENIN UGOJI**

GROUP MANAGING DIRECTOR/CEO, C&I  
LEASING PLC

14 NOVEMBER, 2024

# Playing in a Specialized Market and Industry:

Key Ingredients and Success Factors.

# What is a Specialized Market?

A specialized market is a specific segment of a larger market that caters to a particular group of consumers with unique needs or preferences. It refers to a niche offering within a broader industry and seeks to provide business solutions for specific problems associated with that Market.

## Key Characteristics of a Specialized Market:

### Unique Needs:

Consumers in this market have specific requirements that mainstream products or services do not meet.

### Unique Set of Skills:

The mastery of a specialized skill set is the key to unlocking the potential of a niche market.

### Limited Competition:

Fewer businesses compete directly for the same customer base.

### Higher Profit Margins:

Due to specialized offerings and less competition, businesses can often charge premium prices.

### Strong Brand Loyalty:

Customers in specialized markets tend to trust brands that understand their needs.

For this presentation, we will try to provide an adequate understanding of the key drivers and success factors that would help a Company thrive in a specialized market of its choosing and within the context of Equipment Leasing.



# Examples of Specialized Markets:

---

## MARINE INDUSTRY:

**Maritime Security:** Services related to protecting ships and ports from piracy, terrorism, and other threats.

•**Offshore Supply Vessels (OSVs):** These vessels support offshore oil and gas operations, providing supplies, personnel, and equipment to rigs and platforms.

---

## MEDICAL INDUSTRY:

**Geriatric care:** Healthcare services specifically designed for elderly individuals.

•**Pediatric care:** Healthcare services for children.

•**Mental health services:** Services for individuals with mental health conditions.

---

## TECHNOLOGY INDUSTRY:

**Cybersecurity software:** Software solutions designed to protect computer systems from cyber threats.

•**Artificial intelligence:** AI-powered tools and services for various industries, such as healthcare, finance, and marketing.

---

## SPORTS, FITNESS & LIFESTYLE INDUSTRY:

**High-Performance Sports Equipment:** Meeting the needs of athletes and fitness enthusiasts.

**Vegan and Vegetarian Food:** Serving plant-based diets and lifestyles.

**Luxury Goods:** Focusing on collectors and retro clothing and accessories enthusiasts.

---

By understanding the specific needs and preferences of a specialized market, businesses can tailor their products, services and marketing strategies to effectively reach and serve this target audience.

# Success Factors

## •Niche Market Selection:

- Identify a profitable niche with high growth potential.
- Assess market size, competition and barriers to entry.

## •Strong Branding and Marketing:

- Develop a strong brand identity.
- Effective marketing strategies to reach the target audience.
- Leverage digital marketing and social media.

## •Robust Operations:

- Efficient and cost-effective operations.
- Strong supply chain management.
- Quality control and assurance.

## •Financial Management:

- Sound financial planning and budgeting.
- Effective cash flow management.
- Access to capital and funding for asset acquisition.



# Companies that have created a specialized market segment in Nigeria and Globally

There are several successful companies that have carved out specialized niches in the market. Here are a few examples:

- Interswitch
- Andela
- Orijin
- Olam
- Apple (An anomaly as the brand has evolved into a mass market brand)
- Netflix
- Nike

There are many other companies that have found success by focusing on specific niches and providing unique solutions to their target customers.







# PLAYING IN A SPECIALIZED MARKET: LEASING AS A POWERFUL TOOL

Leasing can be a powerful tool for businesses operating in specialized markets. It offers several advantages that can help businesses in these niches to thrive:

## Benefits of Leasing for Specialized Markets:

- **Preserving Capital:** Leasing allows businesses to conserve capital for other strategic initiatives, such as research and development, marketing, or expansion.
- **Access To The Latest Technology:** Rapid technological advancements are common in specialized markets. Leasing enables businesses to access the latest equipment without the upfront costs of purchase.
- **Flexibility:** Leasing offers flexible terms, allowing businesses to adapt to changing market conditions and adjust their equipment needs accordingly.
- **Risk Mitigation:** Leasing transfers the risk of obsolescence and residual value to the lessor, reducing financial risk for the lessee.



Nigeria's oil and gas industry is a cornerstone of its economy, contributing significantly to government revenue and driving economic growth. This sector presents a vast market with numerous opportunities for businesses, both domestically and internationally.

An indigenous Leasing company that has over the years, custom made several solutions to ingeniously support businesses that operate in this specialized market is C&I leasing Plc.

# C&I Leasing's strategic positioning and performance in the Marine Market



your preferred  
business partner

C&I Leasing has made significant contributions to the marine sector in Nigeria through its marine division, C&I Marine. Some are:

## 1. Offshore and Onshore Support Services:

C&I Marine provides a range of onshore and offshore support services to the oil and gas industry, including:

- Berthing and escort services
- Mooring support
- Line and hose handling
- Pollution Control
- Floating and self-elevating platforms





© Glenn Kasner  
MarineTraffic.com



Additional Marine Support services offered by C&I Leasing to promote Oil and Gas operations in Nigeria are:

#### **Vessel Ownership and Charter:**

- C&I Leasing owns and charters vessels for various marine operations, including:
  - Terminal tugs
  - Patrol vessels
  - Fast support intervention vessels

#### **Local Content and Economic Empowerment:**

- By operating in Nigeria and employing Nigerian personnel, C&I Marine contributes to the development of local capacity and economic empowerment.

#### **Infrastructure Development:**

- C&I Leasing's involvement in marine infrastructure projects, such as port development and terminal operations, contributes to the overall development of Nigeria's maritime sector.

By providing essential marine services, owning and chartering vessels, and contributing to local content and infrastructure development, C&I Leasing has played a vital role in supporting the growth and development of the marine sector in Nigeria.

# OTHER CONTRIBUTIONS OF LEASING TO SPECIALIZED MARKETS IN NIGERIA

## Technology Sector:

- **IT and Software:** Leasing has helped businesses acquire cutting-edge IT hardware and software, such as servers, storage systems, and specialized software licenses.
- **Telecommunications:** Leasing has enabled telecommunications companies to acquire and deploy advanced network infrastructure, including fiber optic cables, base stations and switching equipment.

**IHS Towers** is a prominent example. They own and operate telecommunications towers and other infrastructure that telecommunication companies can lease.

## Healthcare Sector:

**Medical Equipment:** Leasing has facilitated the acquisition of advanced medical equipment like MRI machines, CT scanners, and specialized surgical tools, enhancing healthcare services through the provision of various financial solutions which are utilized by healthcare providers to acquire.

Leasing companies like FCMB Leasing and UBA Leasing offer these types of finance lease solutions.

# Key Ingredients for Success

## 1. Deep Domain Expertise:

- In-depth knowledge of the industry and target market
- Understanding of customer needs and pain points

## 2. Strong Customer Focus:

- Building strong relationships with customers
- Providing exceptional customer service
- Tailoring products and services to specific needs.

## 3. Innovation and Differentiation:

- Continuously innovating and improving offerings
- Developing unique value propositions
- Staying ahead of the competition.



# CHALLENGES AND RISKS



In Navigating the Challenges of Specialization, one is most likely to be faced with some of the following:

## **Market Volatility:**

1. Economic downturn can impact niche markets more severely.
2. Changing consumer preferences can shift demand.

## **Competition:**

1. New entrants can erode market share.
2. Price wars can reduce profit margins.

## **Regulatory Hurdles:**

1. Industry-specific regulations can be complex and costly to comply with.
2. Changes in regulations can impact business operations.

## **Talent Acquisition and Retention:**

1. Difficulty in finding and retaining skilled professionals in niche markets.
2. High turnover rates can disrupt business continuity.

A very common bottleneck is that the specialized nature and large scale of infrastructure assets can make them challenging to sell on the open market.



# How can ELAN drive innovation and growth in specialized Leasing in Nigeria?



ELAN can support and encourage more leasing companies to play in specialized markets in Nigeria through several strategies:

## **Advocacy and Policy:**

- **Lobbying for Favorable Policies:** Advocate for policies that encourage leasing, such as tax incentives and regulatory reforms.
- **Educating Policymakers:** Raise awareness about the benefits of leasing and its potential to drive economic growth.

## **Capacity Building and Training:**

- **Training Programs:** Organize workshops and training programs to equip leasing professionals with the knowledge and skills to understand and serve specialized markets.
- **Knowledge Sharing:** Facilitate knowledge sharing among leasing companies and industry experts to foster innovation and best practices.

## Networking and Partnerships:

- **Industry Events:** Organize conferences, seminars, and networking events to connect leasing companies with potential clients and partners in specialized markets.
- **Partnerships with Industry Associations:** Collaborate with industry associations to identify opportunities and challenges in specific sectors.

## Financial Support and Incentives:

- **Advocating for Financial Support:** Lobby for government support and incentives to encourage investment in leasing.
- **Facilitating Access to Funding:** Help leasing companies access funding sources to support their expansion into specialized markets.

By implementing these strategies, ELAN can play a crucial role in promoting the growth of the leasing industry in Nigeria and enabling leasing companies to tap into the potential of specialized markets





A quick review on Key Ingredients for success when playing in a specialized industry



Q&A



THANKYOU

