

ENTREPRENEURSHIP & INVESTMENT SYMPOSIUM (E6)
Attracting Private Investment (2)

Author: Mr. Paul Guthrie
Bryce Space and Technology, United States, paul.guthrie@taurigroup.com

CHINA'S SPACE MARKETS THROUGH A NEW LENS

Abstract

Understanding how space is being used in each economic sector is a critical step for an accurate look at current market conditions and future trends within space markets. The approach of this paper will be to take a disciplined look at all segments of the Chinese economy, and then investigate how space products and services are being used in China in each. As the grounding for understanding China's complex market dynamics, this paper uses a set of market categories developed by The Tauri Group that define the industrial sector in which space products and services are used. These sectors are exhaustive across the economy, and include categories such as lifestyle media, healthcare and biotechnology, governance and the public good, and energy and Earth resources. (They can also be mapped to the North American Industry Classification System (NAICS) codes.) This approach will offer an alternative look at growth in China that better accounts for the country's often unique market and demographic factors. China's 1.3 billion citizens, with rising incomes and increasing global awareness, comprise an attractive potential growth market. However, satellite services in China are notoriously difficult to understand, due to limited public information, pervasive public sector participation, and varying demographic trends throughout the country. The paper will include available quantitative details on important segments of the Chinese satellite market (such as GPS and direct-to-home television), and characterize important underlying factors driving growth in those segments over the next 5 to 10 years. The paper will also briefly address the commercial impacts of government investment in the domestic space industry. The output of this paper will be insight into promising areas for investment, areas of market saturation, and the potential for foreign entities to capture market share.