

Brand Development Index versus Category Development Index

Another method to determine market potential is what is referred to as BDI vs. CDI. This method requires sales by market by brand, sales by market by the brand's category, and total population estimates. To determine BDI, a market's brand sales percentage is divided by the total population percentage of that market multiplied by 100. To determine CDI, a market's category sales percentage is divided by the total population percentage of that market and multiplied by 100. These numbers over 100 are considered good but comparing the BDI to the CDI provides the most insight.

BDI	CDI	Result
High	High	Good sales potential for brand and category, good for advertising. If BDI and CDI 600+, the market may be maxed out and dollars might be best spent in less developed markets
High	Low	Brand is doing better than category, good for advertising. People don't buy a ton of category, but seem to love your brand
Low	High	Category is doing better than brand. There is potential for growth. People like category but aren't buying your brand. Why? Could be a problem with distribution
Low	Low	Brand and category are low so advertising presents a risk. Could be advertising product in category no one is interested in. (i.e.) air conditioning for people that live in Iceland.)