

Case Study #1: Manufacturer-Sponsored Distributor Image Survey

One heavy equipment manufacturer knew that in order to remain successful in tough economic times it had to touch with the needs, perceptions, and general buying practices of the end-user. However, it lacked important required information about these buying practices and the general effectiveness of the manufacturer's and distributor's marketing program. In order to accomplish this, the manufacturer wanted to conduct an analysis of these issues to determine the effectiveness of its existing marketing and distribution systems.

FMI's response was three-fold. First, it developed the support of the distributor to conduct the analysis and then developed an action plan to improve current levels of performance. Next, surveys of contractors, materials providers and other end-users were conducted to determine the image of the manufacturer and distributor and to develop buying factors. Finally, a target marketing plan was developed with distributor management to capitalize on new opportunities.

The heavy equipment manufacturer gained the following benefits:

- Distributor management received a definitive look at real customer needs and their image in the market.
- The manufacturer identified key buying practices and could better focus marketing and sales resources.
- This target marketing process enabled the distributor's sales force to focus on providing the right message to the right customers.
- Sales and marketing effectiveness was improved through new focus developed from the survey and sales action planning.

Case Study #2: Market Evaluation

A major steel manufacturing firm was interested in a market survey focused on a particular sector of its overall market. The firm was aware of its current market share and was dissatisfied with current performance. The primary goal of the survey was to better focus the company's marketing and sales efforts to gain greater share in this industry segment.

FMI accomplished this goal through a market survey concentrating on the following issues:

- Industry Trends
- Competitive Analysis
- Buying Practices.

The national survey involved approximately 300 written responses and a detailed analysis of the findings. In addition, telephone and personal interviews were used to verify results.

The final product allowed the client to look at this niche market from a number of comparative results. These included:

- Customer vs. Non-Customer
- Response by Contractors
- Response by Erectors
- Response by Specifiers.

FMI met with the client's management to review the findings. The client gained the following abilities:

- To determine various market indicators with respect to the competition including customer satisfaction, support, quality, etc.
- To accurately determine what the customer really wants
- To focus future support efforts to better meet customer needs
- To identify trends in product preference and product applications
- To identify other potential services deemed appropriate by the customer.

Case Study #3: Market Evaluation to Determine Viability of Equipment Purchase

An international construction aggregate producer was evaluating a major fixed asset addition to expand in a new market. The company needed updated market information for the relevant geographical areas serviced by the aggregate. FMI provided an aggregate forecast based on the market data to assist in its evaluation of the viability of the potential purchase.

FMI focused on the historical, current, and future use of construction aggregate products in territories served quarry. FMI forecasted residential, non-residential, and road and highway construction to assess the future m potential.

FMI concentrated on identifying and clarifying the following areas:

- The outlook for construction in the markets under consideration, including residential, non-residential & highway building
- The impact on demand for the firm's products
- The factors that will affect the price/demand for construction aggregate over the next three years
- The factors impacting federal, state, and local use of aggregate, i.e., funding, large projects, etc.
- The status of federal, state, and local highway and road expenditures.

In summary, FMI forecasted the possible construction aggregate production taking all relevant factors into ac aggregate manufacturer gained the following benefits:

- A more accurate assessment of market potential to determine whether the equipment purchase was a investment over the short, medium, and long-term
- A complete market assessment for the region surrounding the company
- A market?driven recommendation on whether to proceed with the capital expenditure.

Case Study #4: Market Performance Indicator (MPI) System

A large construction industry materials manufacturer experienced difficulty in market planning due to an inabi accurately forecast, by territory, its particular industry niche. It sought an effective sales forecasting system th help plan for the upcoming year and would give it a better indication of individual sales performance based or potential. FMI's Market Performance Indicator (MPI) was implemented and used in this situation.

The MPI is a rating of sales and marketing effectiveness, on an apples-to-apples basis, for each territory acrc country. With this information, the client company's management could effectively evaluate sales performanc determine the best opportunities for gaining additional business.

FMI construction forecasts were developed from a combination of several forecasting models. Empirical stud that a combination of forecasts derived from different information sets are, on average, more accurate than fc developed from individual information sets. FMI's combination forecasts used the following methods:

- Econometric forecasts
- Time series projections
- Primary market research interviews
- Leading indicators.

The client gained the following benefits:

- A system to forecast projected sales performance from a bottom-up basis was developed.
- An effective sales management tool resulted from the MPI implementation.
- The ability to focus direct marketing and sales activities on individual market potential was developed.
- An ongoing system to evaluate sales performance at the territory level was created.

Case Study #5: Primary Market Research

A large property and casualty insurance company was actively involved in increasing its presence in selectec of the construction industry. It was interested in learning more about the decision-making process of construc contractors as it relates to buying property and casualty insurance. FMI conducted an extensive national buyi study of targeted contractor groups.

The buying practices study used FMI's contractor database to survey the U.S. construction industry. The sury in the following response levels:

- 400 Written Responses
- 60 Telephone Interviews
- 30 Personal Interviews.

The responses were broken down by contractor types, nine geographical regions, and three size breakdowns interpreted the findings and provided observations and recommendations as to how the information could be for strategic marketing purposes. The client has become a leading provider of property and casualty insurance industry.

The insurance company learned the following about its target markets:

- What contractors really expect from a property and casualty insurance carrier
- The ranking of specific factors considered important by contractors in the selection of an insurance agent
- How a contractor goes about choosing an agent
- Trends affecting the contractor's purchase of insurance products
- The perceived value of risk management services provided.

Case Study #6: Regional Market Evaluation

An international construction materials manufacturer was interested in evaluating various markets in which or divisions operated. This market had decreased significantly over the past few years, and the manufacturer wanted in better understanding where it had gone. The manufacturer wanted to answer the following questions:

- Whether the falling construction markets were the sole cause of volume and profitability losses or what factors were involved
- Whether historical performance figures for the division's region could accurately predict sales volumes next three years
- Whether the drop in construction volume could be attributed to a drop in demand or a drop in financing
- Whether the basic market for the division's primary product had changed
- Whether the competitors of the division, both inside and outside their market, were undergoing the same pressures, how they were dealing with those pressures and how they viewed the future.

FMI concentrated on three separate issues in this survey with differing information-gathering and analytical approaches for each. These issues included:

- Construction Market Sensitivity: FMI analyzed correlations between the division's sales in defined historical markets by specific industry niche FMI then forecasted the division's sales for the next three years.
- Market Structure Evaluation: FMI conducted a study of the division's specific market as well as other markets to determine what difficulties other producers were facing.
- Divisional Image Survey: FMI conducted a series of telephone interviews of past and existing customers to determine the perception of the manufacturer in a number of areas.

The manufacturer gained the following benefits:

- An immediate outlook for the short and medium-term for the division's sales and profitability
- An assessment of future trends for the division's product lines
- An accurate assessment of customer opinions and attitudes with regard to the division's products and