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WHAT IS COMPETITIVE ASSESSMENT?

There is no question that the business environment we face is extremely tough. "Doing what we used to do" is not enough to succeed in these demanding times. Companies must be proactive in their approach in order to improve competitiveness. Simply reacting to moves by competitors will not be sufficient to retain current market position.

Managers serious about lifting the performance of their company are asking...

- What are our competitors up to? What are their strategies?
- What do our customers really think of our products and services?
- How good is our sales force? How good could it be?
- What opportunities exist to expand our product range and customer base?
- How does our performance compare with the industry?

Competitive Assessment is a business tool developed to answer these questions and develop a plan of action to improve performance. This enables Management to strengthen the competitiveness of their business, so ensuring that ongoing improvements in profitability can be achieved.



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WHY DO A COMPETITIVE ASSESSMENT?

The result of a Competitive Assessment is improved profitability.

The focus is on developing a prioritised action plan to achieve these improvements. Unlike traditional market research, a Competitive Assessment interprets research findings to develop the action plan.

A Competitive Assessment provides an independent view of your business and an objective perspective - something that an internal review can never produce.

The Competitive Assessment process is made up of six modules, each of which addresses a different area.

1. Market Analysis

Identifies new markets and opportunities

This module evaluates the size and segmentation of the market. We review the structure of the industry and the way it services the different segments of the market. It also highlights the major factors affecting market growth and development.

2 Major Competitors



Helps you develop strategies to win the race

Detailed information regarding size, ownership, structure and management teams of your major competitors is provided. We look at the methodology employed by your competitors to differentiate themselves in the marketplace and provide an understanding of their business activities and their market shares. This module answers the question: What is the source of their competitive advantage?

3 Customer Identification and Evaluation

So you do business with the right people in the right way

We identify the major customers critical to your business and provide an understanding of their buying characteristics. This module identifies the motivation for purchase and why the customer buys from particular suppliers and not others.

Key decision makers who will influence the supplier relationships are determined. An insight into the backgrounds and personalities of key individuals within the customer organisation can be useful for your sales team. Information provided in the form of a confidential personality portrait.

4 Company Performance

Ensures you outdo the competition in your customers' eyes



We research the performance of your company:

. Compared with the needs of your customers. The value gap analysis tool can be used for this purpose. This technique compares the customers' needs with what is being provided. It highlights areas that need attention because the product or service being offered is not meeting customer expectations. Strategies can then be put in place to address these shortfalls.

. Compared with your competitors in absolute terms for the purposes of "benchmarking". Establishing a benchmark allows performance in the future to be monitored against a standard set by the competition.

5 Sales Force Comparison

Make sure your sales force is number one in the industry

The competitors' sales team, personnel and structures are compared with yours. Changes to improve the effectiveness of your sales force are identified. Feedback from major customers on your sales team's performance versus the key competitors is provided.

Sales force development resulting from this analysis will address these questions:

. Is your sales team **Call Reluctant?**



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- . Do you have a contingency plan for your sales team?

- . Have you prioritised training to bottom line results?

- . Do you need a profile for quick start recruitment?

6 Product Review

Assists you to provide the right products, at the right time and the right price

This report compares the products offered by major competitors with yours and identifies areas where new products can be developed after simple product viability investigation. Where relevant, we compare the merchandising presentation used by each competitor.

Pricing opportunities are identified and competitive trading terms are examined.

A competitive spreadsheet is developed which summarises the product information and highlights strategies that can be employed to improve product competitiveness.

WHAT IS THE PRIORITISED ACTION PLAN?

Competitive Assessment identifies opportunities and strategies for the development of solutions. The action plan contains strategies that have the commitment of management and



are designed to:

- . Expand your existing customer base
- . Exploit new product and market opportunities
- . Improve existing customer relationships
- . Lift sales force performance

The implementation of these strategies strengthens your competitive advantage and results in improved profitability of your business.

Within the action plan, prioritised tasks can be allocated to your senior management team and completion dates assigned. This ensures that you gain maximum benefit from the findings and that your organisation makes a quantum leap. Assistance with ongoing implementation is available if required.

FIVE CASE STUDIES

Case Study One

A multinational manufacturer of engineering consumables was locked into a declining



traditional market and wanted to increase its market share to augment sales revenue.

A Competitive Assessment identified two new potential market sectors for its existing products. After formal analysis of the two markets, it was discovered that only one of the markets was viable for the client, and a detailed action plan to obtain a significant share of this new \$7 million market was developed.

Case Study Two

A multinational manufacturer and importer of industrial equipment had lost market share to the point where the company needed to make some major changes to restore profitability to the business.

A review of the company's competition, its customer service levels, and the needs of the market resulted in major restructuring of the business, the closure of regional offices, the reduction of sales force and the setting up of nationally centralised stockholding, technical service, and telemarketing operation. These changes resulted in improved customer service to levels equal to, or better than, the competition, and productivity improvements to match those of their best competitors. This led to a projected profit improvement of nearly \$1.5 million.

Case Study Three

An Australian manufacturer, an industry leader in a market worth \$320 million, had embarked on an ambitious expansion program. Although regarded as Number One in terms of product quality, service, delivery reliability, technical support and product innovation, the company



could not obtain the sales growth required to fill its new expanded capacity.

A Competitive Assessment of the business confirmed the industry leadership to the point where most customers were prepared to pay a premium to buy from the company. However, the feedback from the market and our testing of sales personnel showed that while the sales force was superb at giving customer service, it was very weak in terms of its ability to sell to, and win, new customers, and form healthy business relationships with key customers.

An action plan was developed to overcome this problem which resulted in changes to the management of the sales force, improvement in relationships with key customers, and a focusing on growth of strategies which have unlocked the sales potential of this company.

Case Study Four

An Australian hardware importer and distributor has experienced static sales for a period of three years despite having growth intentions.

A Competitive Assessment revealed selling methodology and regional sales management weaknesses, and a lack of knowledge of key target customers.

A detailed report and action plan on how to deal with these customers resulted in a significant increase in sales turnover for the company at a time when the market as a whole was suffering from a reduction in volumes.



Case Study Five

A consumer durable importer who had been market leader in its sectors had been suffering a decline in market share for some years.

Our Competitive Assessment discovered that the market share was under attack from two competitors. Their competitive advantage was found to be due to alternative structuring of their product range and selling methodologies to suit the different sectors of the market, while the client was trying to service the total market with a single product range and sales approach.

Consequentially, restructuring the product range and sales activity re-established the client company as leader in its market.

WHY LAUNCH ENGINEERING?

Launch Engineering's Competitive Assessment is an embellished version of an already proven approach with a successful track record. An LE Competitive Assessment offers you the commitment of the key executives of our firm, contributing directly to the performance and profitability of your organisation.

Our network of senior, experienced business experts, as well as our academic presence, gives us the capacity to apply art AND science for national and international customers.

Our object is not to produce a voluminous report that will simply gather dust, but to work with you to develop an action plan that will provide value for money and a significant return on



your investment in the project.

When Launch Engineering completes a Competitive Assessment for you, we guarantee not to undertake a Competitive Assessment project for a competitor in your product sector for two years. This guarantee of exclusivity protects the competitive advantage gained as a result of the project and ensures that you get maximum benefit from the project.

Launch Engineering has an experienced team that has carried out a plethora of market research projects in a wide variety of industries.

We know that a Competitive Assessment gives excellent value for money. Typical projects identify sales and commercial opportunities or cost savings worth millions of dollars.

Launch Engineering's network provides us with the resources to select a project team with the right skills and industry experience for your Competitive Assessment. This reduces the "learning curve", enables faster completion of the project and therefore results in a lower cost.

For more information on Competitive Assessment, please call Leigh Cowan 0411 656666.

RANGE OF SERVICES

Launch Engineering provides comprehensive services in the following areas:



Executive Management Consulting

LE's executives have been executive and non-executive Directors of hundreds of companies and their contributions are available in appropriate situations. Our experience is vast, and approach focuses on achieving consistent performance, as well as identifying the right variables to meet to meet your needs.

Our competence stems from our consultants who are selected for excellence in practical experience and achievement in their respective areas of expertise. Our approach focuses on results, is highly pragmatic and we can support our recommendations with cost effective implementation.

Your Launch Engineering consultant would have expertise in your particular industry sector or professional discipline, giving depth and detailed knowledge to our contributions.

New Product Project Management

Subject to specific or non-specific parameters, LE can be relied upon to gather data, identify opportunities, develop initial and consequent concepts, validate and substantiate commercial realities, and bring a product to market... not just in physical terms but wholly catering for the marketing promotion, brand adoption and extended life cycle of the product, service or brand.

Promotions Management

This innovative service allows you to better manage the synergies and optimum return on



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investment from blending and coordinating advertising, sales promotions, trade marketing, public relations and personal selling. The combination scientific and artful manipulation of these activities, performed simultaneously can be very time, cost and profit effective, producing outstanding results in accelerated time frames.

Management Contracting

This service provides high calibre executives on short/long term non-permanent basis across all disciplines to solve problems and take advantage of opportunities.

Sales Development

Our approach is targeted to address the issues most affecting sales growth and profitability through the use of diagnostic tools to identify "Call Reluctance". We then tailor solutions to sales skills, systems and people.

Training & Development

LE has access to a Training and Development team that specialises in training needs analysis, evaluation of impact of training programs and development of training plans and courses.

For more information on any of our services, please contact us:



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Specialising in New Product Development & Launch

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