



## Market Research Intelligence Routines

Strategy is the intersection of a desired future state and the action(s) designed to achieve the particular goal.

Strategy relies on wisdom, management science, effective forecasting and planning, i.e. “being able to see around the corner” and the efficient marshalling of resources.

How a company grows is a matter of both strategy and tactical execution, but certainly an effective strategy reduces risk, ensures more efficient use of capital and resources, and promises greater rewards. Strategy will rarely be successful without testing and validation.

**Ephor’s Market Research Intelligence (MRI) delivers strategy validation.** And our approach concludes with insourcing the market research intelligence programs so that they become institutionalized internally to our client companies.

### Results of MRI Routines

Add significant value to your strategy and create revenue and marketing assets along the way.

Results Created by MRI	Measures
Profitability Improvements	<ul style="list-style-type: none"> <li>✓ Pricing Intelligence</li> <li>✓ Margins by Buyer, Segment, Portfolio</li> <li>✓ Effective and Utilization Rates</li> <li>✓ Satisfaction &amp; Retention</li> <li>✓ Client NLTV and Client Lifecycle</li> <li>✓ Unit Economics</li> <li>✓ Customer Acquisition Model</li> <li>✓ Benchmarks</li> </ul>
Market Validated Expansion Strategy for new product/solution or geography/market	<ul style="list-style-type: none"> <li>✓ Demand Price Curve</li> <li>✓ Client Utility Curves</li> <li>✓ Sales Revenue Model</li> <li>✓ Channel Partner Model</li> <li>✓ Location specific knowledge: Competition pricing, Partners, early adopters</li> </ul>

Traditional sales planning relies on the fact that “new clients will resemble the old clients”, and while this approach has merit it leaves out the **significant** potential of expansion and the risk of change.

Benefits of Market Research Intelligence:

- ☑ Test new products and solutions economically efficiently
- ☑ Test pricing: map price demand curves
- ☑ Test messaging by buyer type: what resonates and causes the decision to act
- ☑ Validate near-term early adopters and/or market potential (#, \$) by market segment (knowledge on where to focus resources)
- ☑ Assess brand rank, promise, attributes to better understand your obstacles

At its heart, MRI helps executives to avoid “*Trial and Error* Management.”

Assets created by MRI include:

- Ongoing system and infrastructure for Intelligence.
- Pipeline of opportunities, nurtured prospects, and partners.
- Database Integrity; leverage your greatest asset!
- Marketing Optimization: ensure your marketing and sales dollars are maximized and will help optimize campaigns to maximize response, profit, and client net lifetime value.





Ephor's *Market Research Intelligence* is designed to validate your strategy through a research based program which simultaneously gathers real-world data, scores responses into probability segments and provides the information via valuable, publishable industry research reports which can be used for additional promotional and opportunity generation efforts.

The *revenue* benefits of *Market Research Intelligence* include:

- **Systematically profile your target market** in order to identify those companies that match your qualification criteria and rank them as "A", "B" or "C" leads.
- Produces **assets** for continual use in its ongoing efforts (pipeline of prospects, promotional materials).
- Better understand **what drives your buyer** segments including their demographic, psychographic, buyergraphic, and infographics profiles.
- Determine what price are they willing to pay?
- Determine what needs/priorities are being unmet?

### *Are you satisfied with your strategy?*

- *Do you desire a predictable, forecastable steady stream of clients?*
- *Are you predictably and consistently developing next months and next quarters pipeline?*

Intelligence demands for today's businesses:

- Win Loss Analysis
- SWOT
- Pricing Intelligence
- Price-to-Value Perception: Utility Mapping & Measurement
- Mystery Shopping
- Market Intelligence
- Competitive Intelligence
- Buyer Preferences, Demands, Trends, Drivers
- Buyer Budgets, Priorities
- Brand Equities, Brand Awareness
- Benchmarks

***Don't you wish the above intelligence was regularly, routinely updated for your firm on an ongoing basis?***

For \$3,000 per month plus \$100 per completed Intelligence Survey your organization will be in the know, ahead of the curve and the competition.





## Market Research Intelligence Routines Sequence of Events

Market Research Intelligence (MRI) consists on the following stages:

- I. **Pre-Launch** is for strategy, research, market and competitive intelligence gathering, profiling and planning.
- II. The **Launch Stage** is for testing, measurement, and refinement to validate the strategy: customer acquisition model is scalable and economically efficient, profitability.
- III. The ongoing program called **Auto Pilot** will be driven from the results we obtain working with you in the Launch Stage. One of our core beliefs is that we utilize an insouricng approach, meaning we handle all the tactical execution, but setup your team to be able to re-run the surveys on a quarterly or annual basis. This is the state of predictable, repeatable campaign performance.

<u>STAGE:</u>	<u>PreLaunch</u>	<u>Launch</u>	<u>AutoPilot</u>
<b>FOCUS:</b>	Strategy Planning	Testing, Measurement, Refinement	Execution
<b>ACTIVITIES:</b>	<ul style="list-style-type: none"> <li>▪ Competitive Evaluation</li> <li>▪ Concept Testing</li> <li>▪ Define strategy including Milestones, Assumptions and Tasks (MAT)</li> <li>▪ Feasibility Assessment</li> <li>▪ Grade Assets &amp; Capabilities (current versus desired future state)</li> <li>▪ Product Forecasting</li> <li>▪ Segmentation</li> <li>▪ Validate response models</li> </ul>	<ul style="list-style-type: none"> <li>▪ Revenue Portfolio Testing &amp; Forecasting</li> <li>▪ Revenue/Profit models</li> <li>▪ Retention/Loyalty/Persistency models</li> <li>▪ Lifetime value models</li> <li>▪ Prototyping</li> <li>▪ Usability Engineering</li> <li>▪ Q&amp;A &amp; Testing</li> <li>▪ Concept Refinement</li> <li>▪ Performance Tuning</li> <li>▪ Documentation</li> <li>▪ Commercialization &amp; Deployment</li> </ul>	<ul style="list-style-type: none"> <li>▪ Implementation of Intelligence Routines</li> <li>▪ Repeat surveys: Customer, Brand, Prospect, Partner, Channel</li> <li>▪ Benchmarking</li> <li>▪ Sales Support, Training</li> <li>▪ Customer Lifecycle Management</li> <li>▪ MAPPING</li> <li>▪ Portfolio Mix Management</li> </ul>
<b>ASSETS:</b>	Messaging, Model (Revenue and Profitability), Surveys, & Campaigns	Pipeline of opportunities, prospects, partners	Intelligence Routines Brand Surveys Campaign Templates Promotional Materials
<b>OUTCOMES:</b>	Intelligence Mapping, Infrastructure, & System	Validated Strategy	↑ Loyalty ↑ NLTV ↑ Brand Awareness

For many companies, information is their greatest asset. We turn data into intelligence and assets using an array of advanced tools and tactics to exploit the strategic profit potential of your assets. The result is reinvigorated response rates, heightened customer loyalty, and predictable revenue and profits.

### *Why Ephor' Market Research Intelligence?*

Ephor Group's approach is pragmatic, guaranteed, and performance-oriented. Ephor serves agencies, software and technology, consultancies, and outsourcing providers and has led and invested in some of the most successful businesses in the Americas.





## Implementing Intelligence Routines

The key benefit of intelligence is real-time pathways (connections) with online communities, analysts, competitors, strategic partners, and potential and current clients. The only way to stay ahead of the competition is to gather as much significant and prioritized information (“intelligence”) as possible.

In particular, you need to know:

### *What keeps people up at night?*

*The answer: minimize operational risks and the unknown.*

Your strategic objectives can only be attained to their full potential by employing ongoing Intelligence Routines which will help you:

1. **Compete** and secure your market position
2. **Grow** sales and clients
3. **Enforce** business integrity by managing risks
4. **Advance** your core business capabilities
5. **Satisfy** escalating client expectations
6. **Leverage** today's most advanced analytics
7. **Act** upon intelligence to drive accountability, teamwork, and performance

Managing risks creates sustainable business value. Moreover, intelligence should be used to create scenario modeling and predictive analytics such as a predictive score for each buyer segment, customer or other organizational element.

With intelligence tied to modeling and predictive analytics, the business learns from its cumulative experiences and can take action to apply what's been learned.

### **Intelligence Routines, a Magic Bullet for Executives.**

Question: *How do I plan for tomorrow?*

Answer. **Create Intelligence Routines.**

How to plan for tomorrow is a really good question. And one we should all ask more regularly. Technology, regulations, and client demographics constantly change the marketplace and your company must adapt and thrive or perish.

At a round table dinner discussion recently, the table leader asked:

### *“What is the biggest challenge facing executives these days?”*

Responses ranged from your typical: cash management, to inventory control, to human capital decisions, to tax and regulatory issues, to sales.

What is missing from the business community today is the understanding and appreciation of Intelligence.

Way too much of “*well that's the way we have always done it*” and legacy management thinking is corrupting profits.

If you are doing things at your company because that's the way you always did it, I would suggest you take the time to determine if it's still the best way to address the task.

*Intelligence* requires a commitment to evolving your business, people, processes and systems.





## Beating the Odds When You Expand

*Did you know that expansion is costly and resource heavy?*

- 85% of expansion plans fail to achieve ROI within the first few years.
- 2/3 of expansion plans are abandoned within six months.

**Effective managers** aren't cowboys; they **are methodical managers of risk**. At every turn prudent managers reduce risk before making any significant investment or action.

- For example, presale new products or to new markets to ensure cash flow profitability.
- Tackle the right risks first such as confirming Demand and Product mix before spending any dollars on marketing or operations.

When risks are removed, value is increased. Not all risks need to be removed, simply the most uncertain coupled with the most costly. All plans are partly right and partly wrong; experimentation and intelligence is the pathway to success. The amount risked should be limited to the cost of the prototype and initial design. Effective management is all about constantly identifying risks and finding creative ways to mitigate them.

### Two paths of expansion:

#### 1. Risky Path:

- Spending dollars creating promotional materials without testing messaging and pricing on beta or trial clients.
- Hiring sales personnel without validating the market needs and creating a pipeline.
- Implementing "on the ground" operational oversight in the form of branch managers without established clients and partners.

#### 2. Intelligence Path:

- Implement cross functional team using existing current resources to validate the market need, create beta clients and partners.
- Leverage Intelligence from beta or prototype clients and partners for "on the ground" needs including, but not limited to user feedback on sales, service, distribution. Also, confirm the size (#,\$) of the demand by customer segment and product mix.
- Achieve the 3 R's: Recurring Revenues, Raving Fans, and Repeatable Routines before formally expanding with "feet on the street" in new markets.

