



CASE STUDY:

Market entry

How to enter the European market?

The Complication

One of our clients is a leading brand in construction materials in the United States. As the US market is mature and no real growth can be accomplished in this market, our client decided to enter the European market with their US product assortment. But as Europe is quite different from the US in terms of competition, growth rates, marketing and sales, our client did not know how and where to start.

Our client needed insights in the market size, regulations, competition, growth rates, profitability, distribution channels, and with what specific products to enter the EU market. They also requested information about how to effectively align the 4 Ps - product, price, place and promotion – to market circumstances and customer requirements, to ensure that their products hit the ground running when they reached the European market.

The Solution

We needed to utilise multiple research methodologies to answer this broad question, as we needed insights from different angles.

The research process was structured as follows



Desk research to map the market dynamics, the competition, the channel dynamics, the value propositions and the path to purchase. Information came partly from our own multiclient studies.



Initial interviews with either ex-employees, trade associations, wholesalers, or other people who have extensive knowledge of the market our client is active in, to find out potential growth rates, unit economics of the players on the market, etc..



Online interviews with consumers that used the products in the past 12 months to identify their customer journey and pain points, distribution channels, and segments.



Telephone interviews with construction professionals that used the products in the past 12 months to identify their customer journey and pain points, distribution channels, and segments.

The Insight

Our client used the research to realise that going from a US market straight into other territories would require a great deal of work on local customs. Next to this, we showed that the EU market is a very consolidated market, which makes an entry more difficult than entering a fragmented market. We thus provided a specific strategy for their market entry.

Our report helped our client understand who to target, with what messages, where to place their assortment, and how to engage with prospective buyers at the early stages of the buying process to influence them.