

think M.

tackle the downturn...



...we have the right team to support your business

Build sound strategy now to achieve success through the downturn.

Now is the time to reach new customers, develop winning products and services, and be unique.

think M. have a proven track record of helping clients, large and small, succeed in any climate through robust intelligence, effective marketing strategy and delivery.

Call us on 0845 838 7372, or visit www.think-M.co.uk to find out how we can help you achieve success today... and tomorrow

ACHIEVING THE IMPOSSIBLE – GROWTH IN THE CONSTRUCTION SECTOR



Is anybody still claiming its business as usual... surely at some level we have all been affected by the growing recession? I'm sure many of you have been invited to talks about preparing for tough times, hoarding capital and survival tactics.

Polarised markets are now apparent in diverse sectors as demand and supply shift to economy or luxury. Clear winners are emerging already with certain economy retailers boasting of higher revenues and increasing spend on TV advertising; we've also seen buoyant sales of DIY products and even energy saving light bulb sales are rising.

In my mind's eye this is, at this stage as much to do with good fortune as it is good strategic planning, but this will not be the case over the coming months. If you have a clear strategy for success in the recession, are fortunate enough to be liquid and have a strong financial position, you could potentially fair much better than your rivals.

One of our clients, Engineered Offsite Systems (EOS) is a UK based manufacturer of light gauge steel frame solutions for the European construction industry. Like most in the sector, the collapse of the property market has had a significant impact on their forward outlook.

The company however pride themselves on creative thinking and are involved in a number of leading edge initiatives in the construction industry. While the underlying demand for their solutions looks healthy in the long term, the management team recognised their market is likely to further consolidate and competitive pressures will reduce prices in the coming quarters.

EOS identified that the deepening recession is prompting more of us to take holidays in our own country. Bookings for UK breaks next year are up, and the economic downturn is the "biggest opportunity to sell Britain ever", according to major UK tour operators. While the price of overseas holidays is set to increase by around 10% next year, UK breaks are likely to go up by only 3%.

Secondly, a range of factors are increasing interest in second homes in the luxury end of the market. Drivers

range from land owners seeking to maximise estate revenues in the current climate, to wealthier 'Baby Boomers' wanting to release investment from pensions into 'lifestyle investments'. Research identified that discerning customers were seeking contemporary luxury designs, a very different proposition from log cabins traditionally sold in this sector.

Stacy Hall, Director of Communications & Tourism at One North East said:

"Tourism is a major part of the region's economy worth nearly £4bn and employing more than 60,000 people. In the last five years there has been a 30% increase in tourism revenue and the number of overnight visitors has risen by 12% since 2003 from eight to nine million."

"One North East's continued investment in tourism is particularly important in the year ahead when it is predicted even more people will be opting for a holiday in the UK, given the current economic climate and the exchange rates."

EOS along with expert partners, has established a new company specifically to exploit the opportunity. The new business, Modu, creates contemporary high specification retreats, specified by reputable designers, built in a factory and assembled on site to very high standards. The enterprise has already attracted investment and is taking early orders.

As well as providing a new channel for its products, EOS has demonstrated the value of strategic marketing and research in defining the way forward. Sometimes it can be hard to change direction, but in these times it's vital to identify a product or service mix that will see your business emerge from this difficult period strengthened.

"We looked around us...our national markets and competition. We felt it was better to create new market space and move up the value chain, rather than simply consolidate and wait for market conditions to worsen."

"Our luxury second homes are specified to a very high standard and are offered in grand locations of great natural

beauty. They provide a business retreat, a contemporary family escape from the city and a sound tax efficient investment for both buyers and land estate owners." Michael O'Connell Chairman of EOS

If you look around yourself there are likely to be new opportunities, especially for those well-positioned, with strong decisive management, vision and access to some capital.

Sometimes it can be challenging to see which business is worth fighting to stay in; and what to drop. At think M. we are firm advocates of positive action and support our clients in looking at their businesses, their markets, and focussing on growth.

"We are here to help forward thinking business who decide to consider opportunities raised by the changing market conditions. Many of our clients are taking the time to reconsider their business mix and marketing strategy now. We help in gathering intelligence and investigating new opportunities, helping our clients to better meet customers' needs, diversify into new markets or create new products. As a result our own business, and our consulting team continues to grow significantly." Graeme Jordan, Research Manager at think M.

There is plenty of financial assistance available for those seeking professional strategic marketing support in the North at present. If you would like to discuss your business, and how we can help, please feel free to contact us on 0191 211 1957.

Article by Joanna Curry, Senior marketing executive, think M.

think M. is a specialist strategic marketing and research agency based in the North East. The company has a growing team of marketing, research and intelligence specialists who support strategic marketing planning, channel development and the introduction of new products and services. Clients range from multinationals to regional enterprise.

If you would like to find out more, or to discuss how we can help, please call think M. on 0845 838 7372.