



CASE STUDY : LOST CUSTOMER ANALYSIS

“Line of Sight provided research and insight that identified important market potential for a specific part our business. Within 12 months, this part of our business increased dramatically. In addition to their professional approach, Steve and his team are a pleasure to work with.”

CEO

Environmental Services Industry

Situation:

A national, mid-sized manufacturer in the environmental services industry had built its 40-year reputation by providing top quality products and services to consumers through its independent distributor network. A key to success had been its technical support, education and marketing support as a value-added service. When the VP of Marketing contacted Line of Sight Group (LoSG), however, the company was experiencing declining customer loyalty. Customers had begun ‘cherry-picking’ products from a variety of competitive suppliers to gain lower prices. The VP was asking these questions:

- Why are customers leaving us?
- Do they really understand all of the value we provide to them?
- Where do they place the most value on what we do for them?
- How do we stack up/compare to the competition?
- Where are we strong and where are competitors vulnerable?
- Where should we focus our sales and communication efforts?
- How should we change our value added services for customers?

Solution:

LoSG executed an analysis to help the VP of Marketing answer the above questions. It integrated customer feedback to understand how its value proposition was resonating in the market and how it compared to the competition. The client quickly learned that its technical education and marketing support were not as highly valued as in the past. Customers had become more sophisticated, had easier access to alternative technical support, and its marketing support lacked clear outcomes. The availability of high-quality customer service, however, was still very important.



Benefit:

Knowing that the company clearly needed to refocus, the VP of Marketing initiated a deeper assessment of its value-added services around the prospect of significantly changing its VAS approach. He also took steps to more closely tie its technical education with its customer service in a way that more closely related to how customers were using the company's products. The value-added marketing services were discontinued and replaced with a loyalty program that rewarded distributors for longevity and breadth of products ordered.

