Kick starting Emerson Motors
Client: Emerson Electricals

Emerson Electricals is a multi billion dollar Fortune 500 company based in USA. It manufactures a wide variety of products, including a complete line of general and special purpose electric motors under multiple brand such as US Motors (for appliances) and Leroy Somer (for industrial motors) etc.

Challenge

Its local arm Emerson Electric Co was looking at launching its globally successful Leroy Somer industrial motor brand in the Indian market. Vertebrand was brought on board to develop a made-to-measure entry strategy based on a comprehensive research study- our forte.

Solution:

Using Market Map, our standardized and sophisticated research tool, we were able to gain a complete understanding of the market for a specific product category. Choosing a consulting approach over a typical questionnaire based research, we studied the two sides of the market- Supply (key players and channels) and Demand (end-customer influencers like consultants and EPC contractors). Semi structured interviews with 80 individuals on the Demand side revealed qualitative information on brand and product preference, key price points, usage patterns, acceptance of technology changes and awareness about Leroy Somer, among others. On the supply side, depth interviews were conducted. Key players were profiled in terms of business structure, ownership, plants, capacity, performance etc. These discussions also gave us a good idea of industry standards and regulations, sales split by products, price bands, markets and industry sectors. We tapped the trade and distribution channels for information on brand preferences, stocking patterns of the different products, current trade practices in
Client: Emerson Electricals

Emerson Electricals is a multi-billion dollar Fortune 500 company based in USA. It manufactures a wide variety of products, including a complete line of general and special purpose electric motors under multiple brands such as US Motors (for appliances) and Leroy Somer (for industrial motors) etc.

Challenge

Its local arm Emerson Electric Co was looking at launching its globally successful Leroy Somer industrial motor brand in the Indian market. Vertebrand was brought on board to develop a made-to-measure entry strategy based on a comprehensive research study - our forte.

Solution:

Using Market Map, our standardized and sophisticated research tool, we were able to gain a complete understanding of the market for a specific product category. Choosing a consulting approach over a typical questionnaire based research, we studied the two sides of the market - Supply (key players and channels) and Demand (end-customer influencers like consultants and EPC contractors).

Semi-structured interviews with 80 individuals on the Demand side revealed qualitative information on brand and product preference, key price points, usage patterns, acceptance of technology changes and awareness about Leroy Somer, among others. On the supply side, depth interviews were conducted. Key players were profiled in terms of business structure, ownership, plants, capacity, performance etc. These discussions also gave us a good idea of industry standards and regulations, sales split by products, price bands, markets and industry sectors.

We tapped the trade and distribution channels for information on brand preferences, stocking patterns of the different products, current trade practices in terms of order booking, delivery, commissions, distribution systems, pricing, profitability and trade satisfaction with each of the major brands.

Our research indicated that while there was a demand for energy efficient motors, its higher price point discouraged purchase. Due to its faster delivery time, customers settled for standard motors even if they actually required a customized one. The customers were not brand conscious and buying was decided based in previous experience with the product and discounts - a major factor in the decision making process.

Based on our analysis of all the information and a 5 year market projection that we developed, we recommended that Leroy Somer collaborate with a company that already had a manufacturing facility and focus on end-user industries which require special purpose motors. In the next stage, it could target the replacement potential in these industries and slowly expand to other industries. Quick delivery and energy efficiency would be the key takeaways of brand communication through industrial journals and technical seminars. A premium sophisticated brand positioning driven by a network of exclusively trained distributors offering a service advantage would set the brand apart from the plethora of options in the market.