



# LUMERIC™ Project Summaries

**Project Type:**

Competitive Strategy / Market Entry

**Sector:** Metals / Industrial

**Company Size:** \$2B+;  
\$100M business unit

**Company Position:**  
Market Challenger

**Client Level:**  
President - Divisional

**The Critical Decision:**


How should client position a new, steel alloy grade for launch in the US?

**The Answer:**

Client should position the new grade in an emerging gap in the market that would value mid-range product performance at a lower price point.

**The Discussion:**

The client, a global manufacturer of metals and alloys, had developed a new, higher performing product designed for use in tooling applications related to high strength steel and intended to launch it at a premium price point over established products that were more suited for use with mild steels.

Through a series of in-depth qualitative interviews with prospective customers, Lumeric determined that user were turning away from tooling products they had used for years on mild steel because performance was marginally acceptable with high strength steel. These customers were unhappy with the product alternatives they were forced to turn to as prices were often ten times higher than they were used to paying. The client used a different technology on their new product which provided 80% of the benefit of these other new products from competitors but could be sold, very profitably at a price point only 2 1/2 times higher than the products traditionally used on mild steel. Interview results suggested that prospective customers would shift a large share of their purchases toward a new product offering these benefits and Lumeric recommended the client position it accordingly. 

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