

MARKET ANALYSIS OF THE CONSTRUCTION INDUSTRY IN MALAYSIA



Ipsos Business Consulting

Client: Global leader in building materials
Industry: Construction
Solution: Go-to-Market

Introduction

A global leader in building materials, the client wanted to understand the domestic market size for building materials, the key opportunities that it should tap, and most importantly how it should position its building materials within the Malaysian market. The client also wanted to understand the key competitors and their strengths within the domestic market. Ipsos Business Consulting, using both primary and secondary research, identified the domestic market size for building materials and developed a customized channel strategy and a targeted segmentation strategy to cater to the different building materials.

About the Client

The building material manufacturer is a listed company on the Paris stock exchange, operating in 61 countries, with a diverse range of clients from various different verticals.

Business Issue

The key challenges for the client were its declining market share in Malaysia and the emergence of new players within a short period of time. To address the situation immediately, the client needed to understand the strengths and weaknesses of the new players and to develop a targeted approach for each of its product offerings for clients from different verticals.

Ipsos Business Consulting Solution

Ipsos Business Consulting used multiple approaches to understand each component within the study. The approaches are highlighted below:

- ✓ A market sizing calculation model was designed using secondary and primary information which was supplemented by practical assumptions. The market sizing was also split into segments which provided the client with a quantifiable total and addressable market size by segment
- ✓ An analysis of the percentage share of each material within each segment was also conducted to understand the level of usage of cement, concrete, aggregates, and substitute materials
- ✓ An assessment of customer awareness, consideration, and action was done to help the client prioritize short-term and long term marketing and sales activities by sub-segment and by material
- ✓ To understand the competitors within each segment, various methods including mystery shopping and primary interviews were used to help the client formulate a robust product and brand positioning strategy. During these processes, Ipsos Business Consulting also assisted the client in adopting best practices for their go-to-market strategies
- ✓ Lastly the insights gathered from the earlier segments enabled Ipsos to help the client:
 - To prioritize resources for the segment(s) with the highest impact on the bottom line
 - To maximise return on sales and marketing investment
 - To enable efficient use of resources to address the “right” segments within the Malaysian market

Results

Ipsos business consulting provided the client with an understanding of the Malaysian domestic building materials market through a comprehensive market sizing exercise, in-depth competitor analysis, and a targeted segment approach. The client has recently adopted the proposed strategies to expand their customer base within their targeted segments.