



# Eliminating Strategic Confusion Through Data-Science Infusion

---

During the brand strategy phase, BrandExtract conducts deep research based on qualitative assessments and analytics to reexamine every facet of a company. Rather than relying only on conversations with stakeholders to provide insight into where and how the brand can thrive, BrandExtract also utilizes a data-science advisory to cultivate in-depth quantitative data. Learn how data-science impacted a mid-sized pipeline company's strategic areas of focus.

Vikas Mittal, Bo Bothe and Jonathan Fisher

## BrandExtract°

For small to mid-size companies, strategic branding is a critical component of the strategy formulation and execution process. Rather than exclusively using a qualitative approach for the assessment phase of the branding process, BrandExtract working with its data-science advisory uses state-of-the-art statistical methodologies to ascertain how different branding constructs are associated with each other. Supplementing intuition, our approach statistically determines how each aspect affects the other. We evaluate the associations by analyzing results from customer surveys, customer-behavior metrics, and business-outcome metrics.

### About "PIPELINE CO."

PIPELINE CO. is a mid-sized service provider in the pipeline industry. As one of the largest specialty contracting and engineering companies in the U.S., PIPELINE CO. has an extensive company-owned fleet, fabrication facilities and full EPC capabilities.

Originally, the branding focus of PIPELINE CO. was centered around customer service and profitability, with major initiatives unfolding around safety and sales-force responsiveness. BrandExtract conducted a series of in-depth interviews to understand the mindset of PIPELINE CO's executives, middle and frontline employees, customers, and suppliers. We supplemented this with an analysis of key industry competitors. This initial assessment showed:

- Top management and the sales team were concerned about the bidding process used by PIPELINE CO. when approaching clients. However, there was no consensus on what elements of the bidding process were relatively more important for clients.
- The COO and chief sales officer had implemented a companywide program focused on safety. Within PIPELINE CO. safety was promoted as a cultural value, a norm, and a key differentiator with customers. Despite this strong belief, no data existed to measure the relative importance of safety to the brand promise.
- Management recognized that on-site staff and crew were key elements of the value proposition for their pipeline customers. However, it was not clear how customers perceived on-site staff and crew in terms of PIPELINE CO's brand promise.

### About BrandExtract

BrandExtract differentiates ourselves for using data-science to develop insights that inform strategic decisions. This approach significantly augments and enhances the traditional approach of relying solely on qualitative assessments for strategy development. Strategic planning is seen as the process of setting a company's mission, vision, and values in a way that helps the company to satisfy and retain customers, develop a forward-looking budget, and set strategic/execution priorities.

- > **Positioning** – The brand assessment helps a company identify its positioning based on factors that differentiate it from competitors among the target customers. It identifies key elements around which the company will develop its communication and content strategy.
- > **Strategy** – Strategic planning is the process of identifying key strategic areas that drive customer satisfaction and loyalty in a manner that is consistent with a company's mission, vision, and values. This process also identifies key execution priorities that should be executed in the short/medium/long term.
- > **Execution** – Execution entails setting a forward looking budget that allocates resources to the key set of execution priorities that should be implemented. Additionally, execution includes developing processes and platforms to improve the efficacy of existing priorities, integrating new priorities, and ensuring they reinforce each other.

## Data Science to the Rescue: Integrated Approach

We used a rigorous, theory-based, and quantitative approach to develop a brand positioning map for the organization. The four stage approach systematically maps the voice of the customer on strategic areas. For PIPELINE CO., we measured five strategic areas:

- Communication
- Project execution
- Safety
- Employees
- Billing

Among these areas, project execution and billing emerged as the two most important strategic areas relevant to brand promise. Management realized it had been focused on safety at the expense of project execution and billing.

**Our model showed that focusing on these strategic areas and execution attributes would improve customer recommendations and retention. The bottom line impact: over \$30 million in revenue over one year.**

Within billing and project execution our data-analytic model showed management should focus on three specific execution attributes:

- Maintains productive pace
- Meets performance specifications/requirements
- Quality of equipment

By embracing data-science and rigorous statistical analysis, PIPELINE CO. obtained specific, quantifiable insights to prioritize its strategic initiatives. PIPELINE CO. is an example of a company that didn't limit itself by viewing branding as a communication exercise, but took this opportunity to transform and grow its brand.

Unlike many of our competitors, BrandExtract utilized our data-science advisory to examine every aspect of PIPELINE CO. The initial strategic focus of PIPELINE CO. was customer service and profitability, with major initiatives for safety and sales-force responsiveness. The quantitative strategic model revealed PIPELINE CO. needed to shift their emphasis to project execution and billing.

### STAGE 1

**Measure Strategic Areas and Execution Attributes:** We use in-depth interviews with customers, employees, and top management to identify key strategic areas and execution attributes associated with the area. The proprietary methodology ensures accurate measurement and benchmarking. The strategic areas assessed included communication, project execution, safety, employees and billing.

### STAGE 2

**Multivariate Statistical Modeling:** BrandExtract collaborated with our data-science advisory team that used a multivariate statistical approach to quantitatively assign specific weights to each strategic area and the execution attributes associated with each area. It also provides a capabilities benchmark on performance metrics such as overall satisfaction, repurchase, recommendation, and positive word-of-mouth.

### STAGE 3

**Financial modeling:** Using key metrics on sales, competitive intensity, and customer retention from satisfaction, the multivariate statistical model can provide guidance about the revenue impact of making improvements in strategic areas.

### STAGE 4

**Strategic prioritization and operational execution:** Strategic prioritization along with execution attributes provide a roadmap for management change. Because it's rooted in data science, and not qualitative hunches, this approach also provides the basis for continuous tracking and monitoring using KPIs.

*Explore how BrandExtract is implementing a data-science method to examine every aspect of their clients by contacting our Chairman Jonathan Fisher at [jfisher@brandextract.com](mailto:jfisher@brandextract.com).*

*For further reading about the aspects of data-science:*

- *Managing customer value in business to business markets*
- *Assessing the service profit chain*
- *Implementing a customer relationship strategy*



BrandExtract°

7026 Old Katy Road, Suite 210  
Houston, Texas 77024  
TEL 713-942-7959  
[www.brandextract.com](http://www.brandextract.com)