



# Scenario Planning

“Look forward, look back” and attune strategy to changing market trends








**Client:** Leading Commercial Construction Vendor

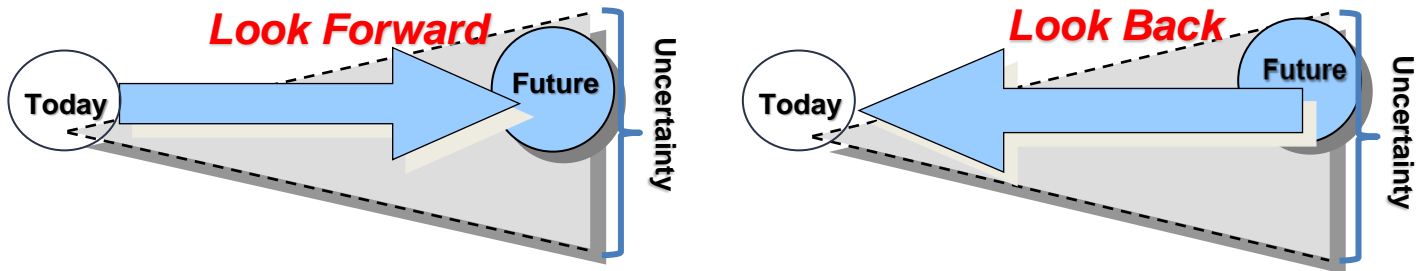
**Objective:** Better resource allocation and key account support

The pandemic changed the entire structure and behavior of our clients’ markets. Key customer decisions were increasingly driven by the need to manage business risk. Their views were also greatly influenced by uncertainty related to market demand, product availability and lead times, public health policies, rising inflation and higher cost of materials, as well as emerging global conflicts. All players were concerned with when the market would return to “normal” and what that new state-of-affairs might look like. Finally, what impact would all this have on supplier/customer relationships?

**Approach:** Multivariate analysis

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 Develop the key questions that could determine future market evolution
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 Create an expansive list of contributing factors
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 Sensitivity assessment for each key factor (what will be “win/lose” in determining the future state)
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 Develop the range of potential future scenarios
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 Develop the strategies/tactics that intercept each of these future scenarios (assess similarities/differences)

# “Look Forward, Look Back”



**Lynn Cullotta** used a “look forward, look back” logic stream to align ongoing strategies, tactics and investments to an expected future state. The process consisted of a series of internal work sessions to document goals & objectives and the internal perspective regarding market direction. Over 60 factors that could influence market evolution were identified. Primary and secondary research was completed to assess each of the 60+ variables—how each was likely to change and with what impact. Four likely “future market states” were developed. Internal work sessions outlined what strategies would meet goals within each of these future states. Finally, an assessment of “what’s the same/what’s different” across these strategies yielded the critical variables our client would have to manage going forward to minimize risk associated with market change.

## Result: Leveraged Market Change to Increased Share and Profit Margins

The client set priorities to help distance itself from competition. These priorities included investments—to address the “win/lose” capabilities needed to manage market evolution, market segment and customers—to align to the ones that represented lowest risk/greatest opportunity as the future market state evolved, and partnerships—with the right vendors & channel partners to assure the most stable supply chain in the face of market evolution forces.



LEARN MORE.

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