



Coffee
Break

Transformation of a Business Model.

Writer

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Photos & Illustrations

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Preface

A global company specializing in property facades and energy efficient windows and doors executed the most emblematic projects in Brazil, but the company had not returned a profit from its Brazil office since 2001 and had recognized that a strong brand and quality product were not enough to succeed in the current market. The company's headquarters in Europe was considering closing the Brazil office. However, it also recognized that Brazil is an emerging market with a large social middle class and an average age of 29 years, making this a potentially lucrative location if a successful turnaround could be executed. The

business model is not matching to the local requirements. To survive, the model would have to be adapted, which would seem to be contrary to the European standard. Is that feasible?

A decision was taken to consult iManagementBrazil Ltda., to appoint an interim CEO acting as restructuring manager as well. The objective was to rethink the entire value chain and market structure with a view to assessing feasibility for growth and developing a solid business model. It was quickly identified that, although the company had a strong brand and good products there was room for improvement in other areas, namely reliability, delivery performance, accessibility, technical services, customer service, product portfolio and partnerships.

The interim CEO identified a clear necessity to have different approaches to the three real estate markets: corporate buildings, high-rise residential towers and homeowners. It was also noted that the USA, India and Australia had similar market structures and this gave Brazil another purpose as a lab for testing new market

approaches that could be applied across all these jurisdictions.

The project involved working closely with the staff in Brazil to develop a comprehensive business plan and to identify value propositions, customer segments, partner relationships and potential revenue streams. The turnaround project looked in depth at the engineering and technical field service, sales department and fabricator structure as well as supply chain and marketing.

The company is now known for its local client oriented engineering, technical field service, supply chain and project management. It has a clear geographical focus, good purchasing power and a reliable fabricator network.

The restructuring led to a move from outdated offices that were not representative of a forward-thinking modern business. The company's new Brazil office is modern and better reflects the brand and its market. (F.P.N.)

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