



INDUSTRY **CONSTRUCTION & BASIC MATERIALS**  
 SUBJECT **PRICING**  
 METHOD **J&M'S PRICING APPROACH**

## CLEAR PRICING CONCEPT PAYS OFF – EUROPE-WIDE



*“The approach from J&M was to listen and encourage us to take our own decisions and decide our own targets. They were not imposing or pushing “unreachable” targets, as many other consulting firms that I have come across. The overall best thing about the project was the fact that it gave us all the opportunity to look at our own activity with totally new eyes and allowing us to spend time on issues that may not be prioritized due to the hassle of the day-to-day business.”*

**Taina Ekström, Marketing Director Sweden, Saint-Gobain Isover**

Thanks to a new pricing concept tailored specifically to its needs as a construction product producer, Saint-Gobain Isover is now able to tackle in a more efficient and proactive way the pricing issues and opportunities in a very unstable environment especially linked to cost accelerated inflation at local, regional and international levels.

To continue its record of success in the construction product industry and to cope up with cost and price challenges, Saint-Gobain Isover decided to take action. Instead of merely applying usual tools and recipes, it began developing its own proactive pricing strategy and fine-tuning it to the own market position, as well as to distinct local market characteristics – such as the general technical and legal conditions of specific countries. These primarily included Denmark, Finland, France, Great Britain, Poland, Russia, Spain, Sweden, and Turkey.

### Concept custom-fit to the construction materials industry

Saint-Gobain Isover based its approach on a systematic and practical J&M pricing model with 48 levers. J&M recommended this approach consisting of three phases:

- Analysis & Benchmarking
- Conception
- Implementation

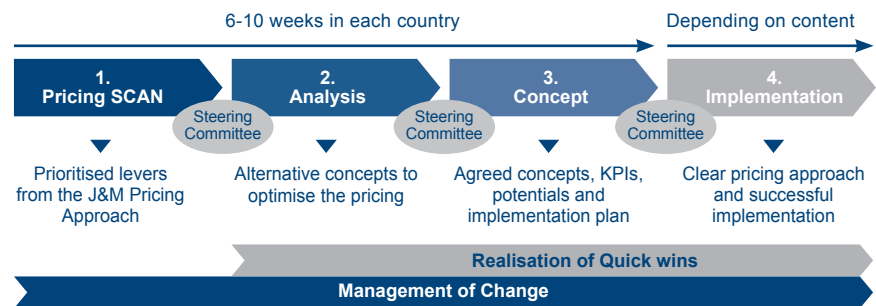
The project team conducted focus interviews with Saint-Gobain employees, analyzed sales orders, customers, products, items, order size, and other key criteria for the individual countries. After this week-long phase, around 10 pricing levers were selected per country to serve as the basis of new, tailored pricing concepts for each country. At their core was a handbook developed centrally with the headquarters. The measures derived from this manual were then broken down to suit the individual countries' specific requirements and implemented at the local level. In the process, a collection of best-practice examples from each country was also incorporated into the concepts.



### About Saint-Gobain Isover

- World Leader in Insulation Solutions
- 9 500 employees, in 40 countries
- 50 consolidated companies & 12 licensees
- A strong international brand Isover and some regional leading brands
- 84 industrial sites in 32 countries

## Implementing a Systematic Price Management in the Countries



### Best requirements for international projects

“In projects with this much international character, talking the languages and understanding the cultures and market specifics of the countries is always key. When you have experienced consultants like J&M who are experienced in management of change and the unique local characteristics, you can complete projects much faster, make the local organizations more open to collaborating with other countries, and more quickly adopt the best practices of other companies and industries,” says J&M partner Dr. Nikolas Beutin, describing the Saint-Gobain project’s recipe for success. “Besides, for this project it was decisive that we could bring in our industry know-how in the building & construction industry.”

Eamon McDonnell, Managing Director, Saint-Gobain Isover UK says “I personally and the team were very satisfied with the outcomes of this project and the manner in which the

team went about their work. The medium term (18 months) benefits are already substantial and in addition the process of implementation of the work packages will create a platform and momentum towards a much more professional and customer orientated value selling approach.”

Taina Ekström, Marketing Director Sweden, adds: “The tools were well developed, practical and useful, not just during the project phase but also for the future. The approach from J&M was to listen and encourage us to take our own decisions and decide our own targets. They were not imposing or pushing “unreachable” targets, as many other consulting firms that I have come across. The overall best thing about the project was the fact that it gave us all the opportunity to look at our own activity with totally new eyes and allowing us to spend time on issues that may not be prioritized due to the hassle of the day-to-day business.”

## J&M CREATED VALUE

- New concept tailored to business needs
- Improved results
- A uniform pan-European approach
- Improved efficiency