

CHALLENGE

Fortune 500 Water Treatment Provider Secures Competitiveness and Increases Annual Operating Income by 23%

A Fortune 500 water treatment service provider eliminates a crippling pricing gap — the root cause of losing 50% of their top accounts over two years — through deep win/loss analysis, targeted product reformulation, aggressive rationalization, and a new product launch incubation process.

SECTOR

Water Treatment
Services

KEY ISSUE

Pricing &
Competitiveness Gap

SCALE

Fortune 500
· Global

RESULT

+23%
Operating Income

CHALLENGE

What was happening

The company had lost 50% of their top industrial water treatment accounts over two years and continued losing bids where competitors were undercutting them by 20–35% on annual cost-to-treat. Core products cost more than the competition's prices. The team was bidding the most robust approach for every application, negotiating manpower reductions in the field — and still couldn't compete. Loss analysis, conducted by the bidding team, concluded: 'They just didn't want the best' and 'We got beat on price.' Growth stagnated, profitability eroded, and hiring and training halted.

INTERVENTION

What we did

Developed and implemented a new loss analysis process revealing multi-level stakeholder gaps, overdosing patterns, and product-fit mismatches that the existing team had never surfaced. Guided innovation product reformulation to maintain IP, differentiation, and performance while reducing product cost by 70%. Conducted full product line rationalization — eliminating redundant products and raw materials — and trained the Industry Technical Consultant and Product Applications teams. Developed a new product launch incubation process to drive NPI credibility and growth targets.

RESULTS

OPERATING INCOME GROWTH

+23% OI

Equivalent to 35–70 new headcount · YoY

No further account losses on price

✓ Achieved

Product cost reduction

70% on 3 core products

Gross margin expansion

+70% GM · Margin maintained 45%+

Credibility Index (NPI)

~15% → 85–115%

Vitality Index (New Product Sales)

<5% → 20%

Major wins

Largest refinery contract in company history · Won 20+ yr held account · 3 new corporate accounts

TRANSFERABILITY

"It doesn't matter if you're a large multi-national or a small regional company — the principle is the same. Listen to the customer, aggressively develop products and services to meet their needs, focus your product line and your people. Your shareholders and stakeholders will be happier, you'll have extra working capital to fund growth, and your customers will love the added support. We can help you deliver all of it."