



Benchmarking and Research Services

CORE SERVICES OVERVIEW

The Solomon Coyle team is actively engaged in studying the office furniture industry with a strong focus on distribution. Our research consultants collect and analyze information, creating high-value knowledge that enables our clients to address strategic issues, make better decisions and improve organizational performance.

As the leading provider of high-value office furniture dealer-focused research, Solomon Coyle works with several manufacturers and dealer groups to produce our industry-standard benchmarking studies. Core industry research projects include:

Financial Benchmarking and Analysis	Compensation and Practices	Market Outlook	State of the Industry	Future of the Dealer
ANNUAL	ANNUAL	QUARTERLY	QUARTERLY	ONGOING
Provides dealers with comparative data to track performance and improve operations	Provides dealers with comprehensive and up-to-date compensation, benefits, practices and expense information	Forward-looking trending report that measures sales activity by providing a direct comparison between sales, bookings and key industry sectors to help dealers identify vertical market opportunity gaps	In-depth economic and industry performance overview to help dealers and manufacturers better understand the competitive landscape	Strategic long-term analysis that helps dealers plan in an uncertain environment, including developing adaptable business models

CUSTOM SERVICES OVERVIEW

In addition to our core benchmarking and research initiatives, Solomon Coyle offers clients the option to commission proprietary, custom research.

Clients who use Solomon Coyle’s Custom Research Services enjoy the same high-quality, thorough and unbiased reporting that we are known for in our core research studies. Since custom research initiatives are based upon a client’s specific needs, our client can harness Solomon Coyle research capabilities and resources to answer unique questions. Such questions typically relate to safeguarding, growing or strategically guiding the direction of the client’s business.

Financial Benchmarking and Analysis

Solomon Coyle's annual financial benchmarking tool is designed to provide

participating dealers with up-to-date comparative data to track performance and improve operations. Our benchmarking reports go far beyond traditional dealer financial reports to include unique Solomon Coyle analysis as well as detailed individual reporting with historical trending. Our benchmarking methodology is unique in that we:

- Focus on performance worthy of benchmarking: compare to the "Top 5" instead of "Average" performance to help drive operational goals
- Emphasize key measurements: the Solomon Coyle Key Performance Indicators target those areas offering the biggest opportunity for improving profitability

- Include Solomon Coyle-only industry measurements to provide true comparative analysis and new ways to view company performance
- Provide comparison to the Solomon Coyle Index (SCI) of all aligned dealers to provide additional comparative data
- Highlight trending data to help dealers take a longer-term view of performance with less emphasis on recent economic conditions
- Utilize ratios based on operating profit for more accurate side-by-side comparisons
- Provide greater analysis and expanded breakout detail enabling a "deep dive" into the data

Participating dealers receive an individual report for their dealership, an aligned manufacturer report, and the Solomon Coyle Index (SCI) Operational Performance and Financial Benchmark Reports.

Compensation and Practices

A competitive compensation plan is critical to attracting, retaining and

driving great performance in a dealer's staff. Solomon Coyle launched the Compensation and Practices Survey Results and Analysis Report to provide aligned dealers with an industry-specific source for compensation, benefits, sales policies and practices.

This report is the most comprehensive and up-to-date source of industry salary information available. It includes information on 37 typical dealer positions in Sales, Sales Management, Design, Office & Administration, Project Management, Customer Service, and Operations/Warehouse, Delivery and Installation. The report contains:

- Industry breakouts for key dealer positions divided by region, company size, revenue and tenure / years of experience, and when possible, market-specific data

- Salary reports showing base pay, variable pay, and total compensation
- Compensation strategies
- Commission and bonus plan summaries and expense practices
- Demographic and compensation trending data
- Sales plan types and policies
- Selected sales plan detail

Using the report, dealers can benchmark compensation, policies and benefit policies in a variety of ways and gain a clear understanding of what similar companies are doing. Dealers can use the data to make informed decisions around pay and build a compensation strategy that drives performance.

Market Outlook

The Solomon Coyle Market Outlook, produced quarterly, is a forward-looking report that measures dealer sales activity by providing a direct comparison between sales, bookings and key industry sectors. The report helps dealers identify vertical market opportunity gaps and strengthens sales forecasting skills. Market Outlook measures are based on bookings of the dealer, the peer group and/or manufacturer affiliation, and the Solomon Coyle Index (SCI).

The Solomon Coyle Market Outlook measures include:

- Compare sales to bookings to backlog
- Quarterly bookings expectation versus actual bookings

- Annual current-year bookings expectation versus last year actual bookings
- Margin and core expenses as a percent of total sales
- Six-month bookings expectation versus actual for the six-month period
- Profitability expectation for the current fiscal year versus last fiscal year

The Market Outlook also identifies trends in sources of new business based on NAICS (North American Industry Classification System) industry sectors including Corporate, Educational, Financial, Government, Health Care, Hospitality, Technology, Telecom and Other. Market Outlook data appears in our State of the Industry quarterly update.

State of the Industry

Solomon Coyle's State of the Industry research is designed to help dealers and manufacturers better understand the competitive landscape. This in-depth economic and industry performance overview looks at the challenges and opportunities the contract office furniture industry faces as well as how these issues impact overall performance.

State of the Industry research provides insights into the current economy, reviews leading macro and industry indicators; compares manufacturer shipment data, market share and public comments; and includes an analysis of how economic factors and industry indicators will impact future sales. Solomon Coyle Market Outlook data is also included to provide a dealer performance snapshot.

Dealer of the Future

The office furniture industry is positioned at a crossroads, which presents a number of challenges as well as opportunities for growth for dealers who can "seize the moment." This ongoing Solomon Coyle research initiative focuses on the future of the contract furniture dealer and how dealers can successfully adjust to the internal and external pressures.

Dealer of the Future research includes studying dealer services and product offerings, partner and client relationships, and responses to changing buying patterns. Solomon Coyle also tracks and explores current and future dealer business model alternatives. The Dealer of the Future research builds on data gathered from other Solomon Coyle research initiatives as well as our ongoing work with aligned dealers and manufacturers.

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Industry Trends	Competitive Climate	Market Segmentation
Market Potential	Satisfaction and Attitudes	Needs and Preferences
Distribution Channels	Value Chain	Competitive Profiling
Customers and Channels	Voice of Customer	

Solomon Coyle's exclusive focus on office furniture industry distribution and daily access to a sizable universe of dealers gives us a perspective and understanding that we apply to all stages of the research project—from helping our client clarify the study objectives to writing the report, presenting the results and partnering with the client's team to identify the implications for their company.

Our team of industry experts is experienced in quantitative and qualitative methods, multiple data-collection modes, advanced statistical techniques, and report creation that include a keen understanding of client goals, an easy-to-read summary and action-ready recommendations.

Examples of custom research projects include dealer satisfaction surveys for major manufacturers, an in-depth industry-wide dealer business system survey, dealership financial and staffing reviews, client needs assessment survey for a leading software provider, and market data and planning research projects for dealers and manufacturers.

We understand that our success in collaborating with clients must be based on trust and confidentiality. We take this very seriously. Information either shared by clients or collected on behalf of clients is held in strict confidence.

Some example deliverables of our custom research services are described on the next page.

For more information or to discuss a potential project, please contact
David Solomon at 703-574-9100 or dsolomon@solomoncoyle.com

Dealer Manufacturer Satisfaction Survey

Solomon Coyle conducted a Dealer Manufacturer Satisfaction Survey for a major manufacturer that was designed to identify and prioritize opportunities to improve the interaction between dealers and the manufacturer.

The survey was developed to measure primary manufacturer objectives as well as how the dealers utilized and valued existing manufacturer resources. It also included a detailed analysis of the business process (how a dealership interacts with the manufacturer).

Solomon Coyle worked with the manufacturer to evaluate all of the touch points between the manufacturer and the dealer and develop the survey instrument. The survey measured both importance and expectations in key categories determined by the manufacturer and a working committee consisting of representatives from the manufacturer and selected dealers. The survey also provided a mechanism for dealer comments throughout, providing the manufacturer with additional feedback.

Dealer Business System Survey

The Dealer Business Systems Requirements Survey and Analysis Report identified key opportunity areas for software developers and the manufacturers to address the shortcomings that exist in dealer tools and work together to create systems that do a better job of sharing information.

The survey was designed to give dealers a voice with their primary software providers and manufacturers and collect meaningful data that can be used to help develop better industry software. Dealers were asked to evaluate the current state of their business system technology and rank the importance of 487 features in nine functional areas.

The report was based on a survey developed by Solomon Coyle and the Office Furniture Dealer Technology Task Force, an independent working group composed of dealers representing major office furniture manufacturer affiliations. All survey data was compiled, tabulated and analyzed by Solomon Coyle. Members of the Solomon Coyle served as volunteer leaders and Solomon Coyle was one of the sponsors of this initiative.

Software Client Needs Assessment

Solomon Coyle developed a Client Needs Assessment Survey for a leading industry software provider. The survey measured customer satisfaction and gathered input on how clients utilize and value existing products and services.

The project included qualitative research consisting of in-depth telephone interviews of selected clients.

The research findings provided a systematic approach for the company to focus efforts to enhance the quality of the client experience, future product development and support services.