**Purpose:**

The purpose of this market analysis is to research the reach of **CUSTOM FENCE COMPANY** and determine:

1. Who the top competitors are
2. What the demographics are in the target area
3. Determine how to create marketing initiatives to scale
4. Discover customer buying trends
5. Explore the growth rate of the industry and the pace at which it is growing to gain a pulse
6. Form a marketing and messaging strategy that best supports industry trends
7. Investigate strategic partnership initiatives that can drive growth

**Resources:**

In performing market research, we focused our research on 3 major sources:

1. Global Newswire
2. World Population Review
3. Competitive Analysis

**Top Competitors:**

Based on our research, we found there are 4 closest direct competitors:

1. Hill Fence Company
2. Katy Fence Repair
3. Katy Fence Company
4. Maverick Fence of Katy

**Executive Summary:**

Knowing the competitive landscape in the target area helps us accomplish quality lead generation in 3 ways:

1. Find a target segment that may not be reached: By finding a market gap, we’re able to give **CUSTOM FENCE COMPANY** fencing a white canvas to build upon with their brand
2. Sidestep what areas of the market competitors may be saturated: Through keywords, search terms, and market trends, we can find areas of the market that are too saturated and cut lead generation costs
3. Position **CUSTOM FENCE COMPANY** in a way that drives sales uniquely: By finding a what space in the market, **CUSTOM FENCE COMPANY** can focus on driving sales with minimal pivots

**Demographics and Key Growth Metrics:**

When performing demographic research, we observed the growth of Katy Texas (and surrounding areas), the education and income level, the highest demographic population, and ultimately seek to answer the question “why is Katy Texas growing so much?”

**Katy Texas Growth:**

Based on our research, Katy Texas is growing at a rate of 3.44% annually with a total population (as of 2020) of 21,894.

In looking at the education level and average income level of the population of Katy, we found that the average household income is $110,000 and the median home value is $208,000.

In relation to physical demographics, Katy Texas the median age for the general population is 40 years with a slight majority of the population being male. Interestingly, while the population skews mainly male, the household ownership type market skews mainly female! The homeowner market in Katy, Texas is majority Female at 88.5%, Married at 83.8%, Non-Family at 64.9% and Male at 62.4%

**Executive Summary:**

When examining the demographics and key growth metrics of Katy, Texas, we can create marketing initiatives to focus on what the customers in this area respond to in terms of messaging, creatives, and targeting/interests. For example, we know that a majority of the market is married and 40 years old. We also know that a majority of this segment has children. We can use this data to create advertising campaigns that speak to building a fence to protect your family (see **consumer habits**).

**Industry CAGR and Segmentations:**

The Market CAGR of fence contracting is 6% over the course of 2021-2026. This tell our team that over the course of 5 years, we expect the fence contractor industry to grow 6% every year. Here are some of the driving factors of this growth:

**End-use by demand in order:**

When examining the fence contractor industry, the highest demanded types of fencing are:

* Metal: $17.50 - $55.00/Linear Feet
* Wood: $28/Linear Feet
* Vinyl: $15-$30/Linear Feet

In terms of service, most customers prefer a contractor to install the fence for them, however, the largest sales distribution channel is through retail.

This shows us that customers are more likely to purchase a fence through a retail setting (seeing the fence, touching the fence, etc.) than they are online.

**Executive Summary:**

With a market expected to grow, post covid, the industry still leans on the retail sales distribution angle. While not necessary, driving more sales could be as simple as partnering with a custom home builder, spec home build (see **Customer Habits** and **Strategic Partnerships**), or even having a retail center on site. Considering the scope of work the **CUSTOM FENCE COMPANY** does, the most strategic market approach would be to develop a partnership and use their productivity strategy to sidestep competition by offering less fence build time.

From a partnership angle, we suggest a fulfillment partnership with spec home builders by offering less fence build time. The reason for this is two-fold:

* Spec home builds are the fastest growing home building market in the US
	+ Couple this with the fact that fencing increases a home's value by a fraction of retail cost (ex: a $10,000 fence will likely yield a minimum of $6,000 increase in home value)
	+ Knowing this makes the sales process to spec home builders and owners faster
* Their home build process is predictable.
	+ Knowing their build process, how long it takes for them to build, how many homes within a community they will be building, etc. Will give you stronger legs to stand on with partnerships

**Consumer Habits:**

After performing research in critical areas, our team found that the most common reasons for installing a fence are:

* + Privacy
	+ Security
	+ Texas only: Required to have a fence if you have a pool installed
	+ Rising spec home builds
	+ Rising agricultural costs and need to protect animals

**Executive Summary:**

When studying the consumer habits of fence purchasers, we then use this data to better message, strategize, and execute marketing initiatives.