

Business Vocation & Strategy for an Industrial Park

Business Vocation & Strategy:

An essential duo to maximize the success of your business

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The success or failure of a project is often defined before it even begins. Delimiting the Business Vocation is crucial to establish a clear and coherent direction from the outset, providing guidance throughout all stages of the project. But **how can you determine the Vocation of your Business?**

In the current Mexican landscape, industrial development has gained unprecedented relevance, **with industrial spaces becoming one of the main avenues for investment.** Nearshoring has undoubtedly been the protagonist of this accelerated growth, compelling the industrial market in Mexico to face new challenges in the realm of industrial development.

With the arrival of new foreign players and the growth of companies already established in Mexico, the demand for industrial warehouses **has exceeded the current capacity in the country.** This has prompted the development of new spaces for expansion, primarily Industrial Parks.

Undoubtedly, this phenomenon represents an opportunity not only for the country's economic and employment growth, but also for investors seeking to capitalize on the current conditions by developing industrial spaces.

What to know before starting an Industrial Park project?

For the development of these spaces, it is important to be able to answer the questions: **What do I want to offer? How am I going to offer it? And to whom am I going to offer it?** The answer to these crucial questions is known as **the Industrial Park's Vocation.**

In this article, we will explore the essence of Industrial Parks and describe the Delphus Consulting methodology to properly define the Business Vocation that maximizes the potential for impact.

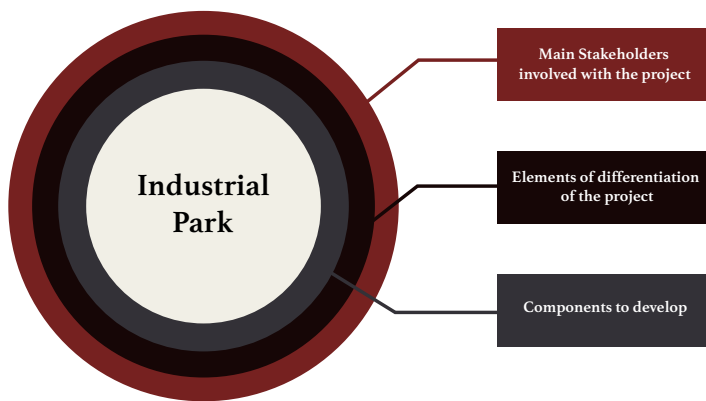
Elements to consider for the development of an Industrial Park

For the development of an Industrial Park, it is important to define its location, economic trends, and potential clients. However, defining the Vocation of an Industrial Park goes beyond determining its physical boundaries or sectors of activity. It is a profound and strategic exercise that will guide the park's destiny and make a difference in its impact.

As mentioned earlier, the Vocation of an Industrial Park must address these three key questions: What? How? And for whom?

Each of these questions are answered by the following **key elements** needed to craft the Vocation of an Industrial Park: Components, Differentiators and Stakeholders.

Vocation Scheme



Components: Addresses the primary sources of income for the park, such as manufacturing facilities, logistics centers, refrigerated warehouses, bonded warehouses, among others.

Differentiators: Identifies competitive advantages of the property to position the park as a better option against the competition and address the specific needs of the park's location. Some examples include a focus on sustainability, security, technological enablers, etc.

Stakeholders: Represents towards the park to whom is targeted, and which entities are affected by it, such as companies in relevant sectors, government entities, the community, transportation providers, etc.





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The Right Direction

With a clear understanding of the Industrial Park Components, Differentiators and Stakeholders, the next step is to declare where the facility is going to. To set the right direction of the venture, it requires critical guidelines to conduct a successful project: **The Developer's Vision and Context Analysis.**

The Developer's Vision

The initial approach to any strategic decision making, involves engaging with the client. In this case, the company seeking to develop an Industrial Park walkthrough a discovery process to **understand its distinct vision.** This declaration serves as a **guideline to set the business approach and scope to pursue.**

This consultative process is achieved by **interviewing** the people involved during the project and by **research and analysis** of various papers, studies and insights of the industrial/real estate sector which helped gain a better understanding of the client's project comprehension.

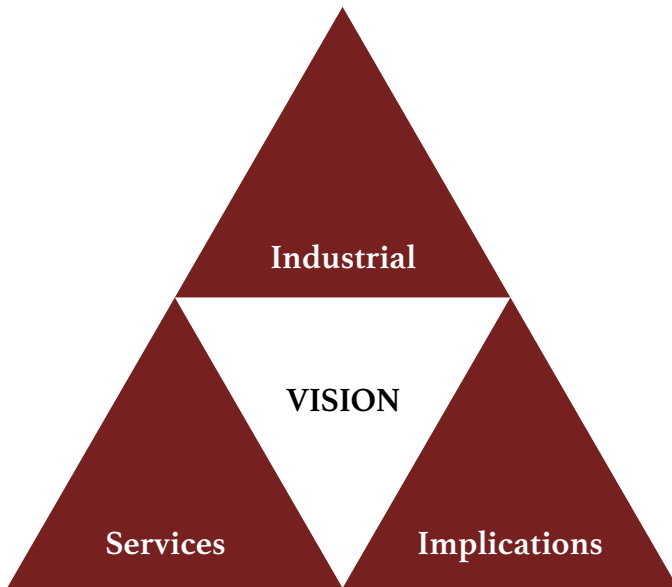
Setting a clear vision lays the groundwork of how the developer wants to get involve and define the facility in the future, whether it's a patrimonial vision, seeks to operate the property or only wants to participate as a developer. Additionally, important factors must be taken into consideration within the declared vision, for example: the allocation of resources for the park components, adjacent businesses related to the park, market insights about the site such as the competition or any other factors that could impact the project.

This guideline works as a "reality check" for The Developer's Vision throughout the project.

Context Analysis

The Context Analysis considers 3 work fronts to ease the process of decision making: Industrial Warehouses, Services and Implications.

Alignment of Vision within the Context Analysis



Industrial Warehouses composed of three parts:

Market Sizing: Involves market segmentation, key players, revenues and growth rates as well as key trends that have influenced the industrial sector.

Market Delimitation: Prioritizes sectors to target based on The Developer's Vision and the potential market to capture.

Value Offer Characterization: Aims to define the critical specifications of the facilities to offer. This involves analyzing the existing value offer of the competition and historical transactions for sale or rent industrial warehouses related in the region.

Services:

Involves the analysis of services that may **enhance or counterbalance specific characteristics for the Value Offer of the park**. Some examples include bonded warehouses for import/export intensive locations like ports and borders, or services that increase the park's attractiveness such as high-tech security components or specialized infrastructure for utilities like a water treatment plant.

Implications:

Examines a broader perspective for the feasibility of the park, considering factors such as demographics of the region, geographical location, and the involvement of key Stakeholders like federal and local governments for service regulations and economic development plans.

What is my Business Vocation?

The definition of the Business Vocation is achieved by harmonizing The Developer's Vision with the Context Analysis within the three elements of the Industrial Park offering: Components, Differentiators and Stakeholders.

Once this is accomplished, the final step is to assess challenges, constraints, and risks to ensure that the project's development can proceed in accordance with the defined Business Vocation.

The course of a business should not be left to chance; therefore, it is important to establish a clear and well-founded strategy that enables companies to plot paths of development with confidence, identify opportunities, and navigate swiftly toward their goals.

If you're interested in learning more about this solution or if it's suitable for your business, at Delphus Consulting we collaborate side by side to achieve the strategy that ensures the success of your business.

In **Delphus Consulting** we help you diagnose, design and implement customized solutions that guarantee a bridge that connects your company's strategy with the necessary execution.