



CASE STUDY

THE BIG SQUEEZE

A Case Study in Competitive Pressures

The Strategic Dilemma:

An industry leader contacted us to bring a fresh approach to their strategic planning. In recent years, their long run as the industry leader was under attack from all sides. Large enterprises were entering their market through acquisitions, and a plethora of niche players was leveraging the web and social media platforms to bring a version of their product to the market eroding their brand. Additionally, their efforts to innovate their core products and marketing approach were hampered by delays. The executive team had a great deal working for them. They had significant brand awareness (roughly 14 % unaided awareness), a global network of very active affiliates leading growth efforts, a track record of excellent customer service and operational excellence. So, why were they falling behind in their growth goals and what was happening in their market?

The Engagement and Our Approach:

Focused Momentum® worked closely with the VP of Strategic Management to bring our signature outside-in strategy development approach to their planning and management process. Over a 9-month comprehensive strategic planning process (a Strategic Summit™ engagement) we assessed their market dynamics using secondary research, interviews with inside business leaders as well as industry experts. In their strategy development sessions, we used the insights gained from this assessment to provide context to the changes in their market and provide clarity to what required their attention and, most importantly, what they didn't.

This planning project resulted in greater clarity that one significant issue in their lagging performance was old thinking. Using our outside-in approach to strategy development, we facilitated planning discussions that revealed out of date assumptions for their marketing strategy. This realization authorized new thinking. To achieve their growth goals and push back on market pressures, they needed to create a direct relationship with the consumer. This addition to their market focus required new competencies in brand management. They had the largest brand in the market, yet they were not set up to proactively manage and protect it.

Results:

Our engagement led to significant investments in building a direct to consumer offering and in engaging their customers more comprehensively. Also, they took steps to improve the use of their products and to take a greater role in the success of their clients, thus securing their ultimate loyalty. With a direct consumer offering, they could now compete head-on with the niche players. With a renewed focus on product development and customer loyalty programs, they worked to secure their leadership position. This new direction defined a way for them to use their strengths and push back against the competitive pressures from large and niche players.

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