
CASE STUDY: Growth Strategy Consulting

CHALLENGES

- Fortune 500 technology company had core business of manufacturing and selling printers and peripheral devices; one of its core products was multi-functional printers (i.e., printers that can also copy, scan, and fax)
- Company's growth in multi-functional printer business had slowed
- Client historically viewed competitors as only other multi-functional printer providers
- Did not consider manufacturers and sellers of digital copiers (i.e., evolution of a copier so that it can also print, scan, and fax) to be competitors

OBJECTIVES

- Understand why growth in a core product, multi-functional printers, had slowed
- Recommend strategy of how to grow faster

ANALYSIS

- Market definition analysis – determined whether multi-functional printers and digital copiers were in the same customer market (i.e., are they substitutes for each other?)
 - Conducted focus groups of buyers to identify how they viewed multi-functional printers and digital copiers
 - Assessed capabilities of and cost differences between multi-functional printers and digital copiers
 - Researched how buyers made purchasing decisions for multi-functional printers and digital copiers
- Growth analysis – estimated historical growth of multi-functional printers and digital copiers based on data from disparate sources

RECOMMENDATIONS

- Client should change the way it defines the market for multi-functional printers; it should include digital copiers because they are substitutes (e.g., customers view multi-functional printers and digital copiers as offering similar capabilities)
- Client needs to defend against incursion of digital copiers into demand for multi-functional printers (digital copiers have been stealing market share from client's multi-functional printers)
 - Focus in marketing on advantages that multi-functional printers have over digital copiers (e.g., better printing output due to superior printing technology)
 - Invest more into multi-functional printer R&D to make the product more attractive to customers

RESULTS

- Client changed the way that it defined the market (included both multi-functional printers and digital copiers in the same market)
- Client reallocated millions of dollars to further invest in multi-functional printers