

CASE STUDY

THE BIG SQUEEZE



A Case Study in Competitive Pressures

The Strategic Dilemma:

A long-standing industry leader was feeling significant competitive pressures for the first time in years.

They saw high merger and acquisition activity in their broader market that, from the face of it, made little sense. Large service providers were acquiring their third-tier competitors. Then their enterprise sales reps reported new competition from traditionally complimentary service providers that were using these newly acquired companies to expand their offerings. They had new competitors in their largest and most lucrative market segment.

The Engagement and Our Approach:

The Focused Momentum® (FM) team worked closely with the VP of Strategic Management to bring our signature Strategy Summit® approach to their planning process.

Before the first group strategy session, the FM team completed an assessment of their market and prepared a strategic hypothesis for their strategic thinking. During their strategy development sessions, the discussion of the strategic hypothesis and assessment provided context for the recent market changes. This analysis delivered much-needed clarity on what required their attention and, most importantly, what did not.

For example, during the strategy development discussions, the group discovered a key performance measurement was no longer

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 more significant role in the success of their clients, thus securing their ultimate loyalty.

With a direct-to-consumer engagement, they could now compete head-on against niche players trying to use the strength of their

They were also seeing rapidly growing apps leverage their market dominance by engaging a younger demographic with a free or low-cost stripped-down version of their product seemingly weakening their value proposition.

While their business model was fundamentally a wholesaler model, these apps and bundled service programs were creating a significant distraction for their customers. Furthermore, the pace of these changes and their historical position as the industry leader caught them off guard and without a response.

as vital to success given current market realities. A more discussion revealed out of date assumptions in their marketing strategy, leading to an entirely new view of how to manage their business.

These facilitated strategic thinking conversations ultimately resulted in a shift from their operational excellence focus to a brand management mindset in which innovation and customer satisfaction were core brand values. They could now see they needed to strengthen their brand management capabilities to achieve their growth goals and push back on market pressures. They had the largest brand in the market. They now understood they must work proactively to protect and manage this critical asset.

premium brand to grab market share.

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.