Strategies for Long-Term Growth
Fall Semester, 2017

Time: Wednesdays, 2:15 PM – 5:30 PM
Location: Uris 142

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COURSE DESCRIPTION
Strategies for Long-Term Growth focuses on what business managers need to know to create strategies that achieve and renew competitive advantage for products and services. This capstone course will provide the insights and tools required to understand how marketing integrates with other key functions across the enterprise – product development, operations, finance and sales – in developing and executing successful business strategies. The course will also focus on competitive dynamics how to understand, anticipate and effectively respond to competitive threats.

During the semester, we will examine:

- How companies create, capture and renew competitive advantage in the marketplace
- The impact of industry structure on markets and competition
- Sources of value in product/service offerings and how they evolve over time
- The role of technology, operations and distribution in delivering value
- Competitive dynamics -- effective responses to preempt, deter or effectively counter competitive moves
- How to develop products and services that break away from competition
- Putting the pieces together: creating integrated business strategies to win in the marketplace

While the course will build on a theoretical foundation, it is designed to be practical, hands-on, and applied, giving students the opportunity to analyze, plan and execute business strategies drawing on
examples from firms in a variety of industries. Students will gain a deep and practical understanding of business strategy from three mutually reinforcing approaches:

- Interactive presentations on relevant concepts and frameworks
- Case discussions spanning numerous industries
- Guest speakers drawn from senior executive ranks of major corporations.

COURSE OBJECTIVES
The fundamental premise of this course is that firms are successful when they create, capture and renew value over time. Accordingly, the overall objective of the course is to learn how to:

1. Analyze a company’s strategic options given its market and competitive position
2. Develop strategies that deliver renewable competitive advantage, and drive superior financial returns
3. Anticipate and counter competitive responses

The target audience for this course is MBA students planning a career in positions where a holistic, integrated view of business strategy is required, including:

- Consultants
- Product and Marketing Managers
- Entrepreneurs
- Corporate Strategic Planning Managers
- Business Unit General Managers
- Investment Analysts
- VC and PE Professionals

CONNECTION WITH THE CORE
This is a capstone course intended for second-year MBA students that integrates many of the concepts covered in the core curriculum. The course focuses on strategies for new product development that create enormous value by redefining the categories in which companies compete. Case study examples include Coors, Yellow Tail Wine, IKEA, citizenM Hotels, Swatch, Casper, Uber, AB Inbev and Starbucks. As the course title suggests, we will explore the integrated elements of successful strategy encompassing product development, operations, distribution and marketing.

While all lectures will include a brief review of the relevant business concepts, it will be assumed that students already understand the following core course knowledge:

Strategy Formulation
- All concepts covered in this core course

Marketing Strategy
- All concepts covered in this core course

Operations Management
• Scale economics and cost analysis

Corporate Finance
• Cash flow NPV for new product valuation
• Breakeven analysis

Business Analytics
• Sensitivity analysis
• Modeling competitive & cannibalization effects

COURSE MATERIALS

This is a paper-free course. Other than chapters assigned from the companion book for this course, all reading materials will be posted on Canvas. All student assignments should be submitted on Canvas.

COURSE FORMAT
Classes will meet once per week for three hours with two ten-minute breaks. While the sequence of activities may vary somewhat from week-to-week to accommodate the schedule of our guest speakers, generally the first hour of the class will be devoted to topical lectures, the second hour will entail a case discussion, and the final hour will be reserved for commentary from our visiting executives.

Weekly readings will generally include topical articles and a business case.

The class is intended to be highly participatory and students are expected to come prepared to discuss their ideas and defend their positions on business case issues. Since there is often no single right answer to the decisions highlighted in the business cases, our discussion will work best if there is an active debate on options, decisions and expected outcomes. Interactive polling will be used in the classroom to take stock of your views on decision-maker options in the cases and other relevant topics.

Adequate time will be allotted for Q&A with our visiting executives, and I’ve alerted our guest speakers that Columbia MBA students are generally not bashful in asking probing questions.

During the semester, each student will be required to submit a number of short (one page) topical assignments. Teams of 3-4 students will be assigned to write up two business cases during the semester, and a final class assignment. There will be a final take-home online exam to be submitted within one week after our last class.

GUEST SPEAKERS
A number of senior executives will be invited to participate in class discussions this semester. While schedules and availability may change, the likely roster of executive guest speakers includes:

• JB Osborne, CEO, Red Antler
• Brian Kennedy – Brand Manager, Unilever
• Tom Doll, President & COO, Subaru of America
• Mona Patel – CEO, Motivate Design
• Renato Reyes, CMO, Yellow Tail Wines
• Josh Morher – Managing Director, Tusk Ventures
• Noreen Chadha – General Manager, CitizenM Hotels USA
• Philip Krim, CEO, Casper
• Daniel Birnbaum, CEO, Sodastream
• Michael Ward, President, IKEA NA

COURSE GRADING
Grades for this course will be based on the following allocation:

- Short assignments: 10 percent
- Team case writeups: 40 percent
- Team Final Assignment: 10 percent
- Final exam: 30 percent
- Attendance/Participation: 10 percent

Individual assignments are designated Type B^2. Students may discuss course concepts and general ideas concerning assignments, but all submissions and grades will be based on individual effort. Team assignments (case writeups and a final class paper) are Type A, with full collaboration expected within groups.

Short Assignments (individual submissions)
There will be several short (<1 page) assignments associated with the case or topical readings throughout the semester, as described in the syllabus below. Your inputs will often be aggregated and incorporated in the class discussion, so timely submission is essential. Assignments submitted after the due date (9 AM of the morning before class) cannot be accepted for credit. Students who are assigned to a full case writeup on a given week are also required to submit the short assignment (as the topical question may not relate directly to the case).

Case Writeups (2 cases per team)
Each group will be randomly assigned two cases to analyze during the semester. Case writeups should be no more than 4 pages (not counting any supporting exhibits), submitted as a Microsoft Word document posted to Canvas prior to the class discussion on that case. Case writeups are generally intended to:

- Clarify your understanding of the strategic context of the case
- Identify the strategic options and their expected impacts
- Recommend actions: what would you do if you were the protagonist in the case?
- Quantitatively and qualitatively substantiate your recommendation
- Identify key uncertainties and how you might mitigate them in implementing your recommended approach

While these are general learning objectives for all cases, student writeups should address the specific questions listed for each case as noted in the syllabus and on Canvas.

Case writeups will be graded on content (75%) and effectiveness of business writing style (25%).
Content includes the insightfulness, quality of analysis and conclusions, support for conclusions, and the overall logic of the paper. Style includes the clarity and effectiveness of writing that would be expected in a business recap submitted for executive review in a professionally managed business enterprise. All team members may be called on to share the team findings in class, so active collaboration is expected.

**Final Team Assignment**

Prior to the final class, each student team will be asked identify a company that manifests the strategy best practices discussed in this course (other than companies already discussed in readings and class discussions). It is suggested that teams rely on their prior work experience, case studies covered in other CBS classes or companies of mutual interest to identify exemplars that have successfully achieved (or laid the groundwork for) long-term profitable growth. Student teams need not conduct exhaustive research to complete this assignment, but rather should rely on publicly available information from company sources and the business press. For the chosen company, prepare a 5-minute presentation in ≤5 Powerpoint slides that describes:

- Key elements of the company's corporate vision, mission and/or core ideology
- Examples of how the company has executed continuous innovation, meaningful differentiation and strategic alignment to achieve and renew competitive advantage
- Evidence of strong and enduring brand equity and market leadership
- Metrics demonstrating above-market business and financial performance

Be prepared to share your findings in class, as a number of submissions will be chosen for class presentation.

**Final Exam**

There will be a final exam at the end of the semester based on the course curriculum. To provide flexibility for your end-of-term scheduling, the exam will be administered as a take-home initiative after the last class, but before final exam week.

The intent of the exam is to give students an opportunity to demonstrate a broad understanding of key course concepts, rather than recalling isolated facts or formulae. Questions will be disproportionately drawn from topics reviewed during in-class lectures and discussion, placing a premium on your active engagement in the classroom learning environment. Additional details on what to expect will be provided in class at least one week prior to the exam.

**Attendance and Participation/Preparedness**

Attendance is required for all classes, as we will always explore concepts that go beyond assigned reading materials. If for any reason, you find you cannot attend a class, you should advise the TA by email/text message in advance of class. Students who provide prior notice of their need to miss a class are expected to view the missed lecture video before the next class session. Lecture videos should be posted to Canvas within 24 hours of each class. For each absence without prior notification, students will be penalized ½ grade (e.g. HP to HP-). Students who miss two or more classes without prior notification may be subject to a failing grade.

Active participation in class is a major contributor to the success of this course, since we learn most
effectively through class dialogue. You are expected to read all required articles and cases before class, to thoughtfully respond to the suggested questions and to participate actively in class discussions. Participation will involve summarizing case study situations, explaining selected analyses, applying the case issues to your personal business experience, asking insightful questions, tying frameworks together, recommending and defending a proposed solution—in other words, whatever helps the class effectively explore the drivers of successful business strategy. While each student will only be required to submit two case writeups during the semester, the instructor will expect all students to be prepared to contribute to the case discussions through the course of the semester. Weekly preparation is essential.

My classroom is a safe and respectful learning environment. No student will be penalized for incorrect answers, as learning from differing perspectives and from each other is essential to understanding the issues and concepts covered in class. While it may be difficult to involve everyone as frequently as desired, students who proactively make frequent, insightful contributions will be recognized in the final grade assigned for the course.

In addition to in-class participation, students are encouraged and welcome to meet with the professor outside of class to discuss ideas, to clarify topics presented in class or to relate course topics to the students’ work or career aspirations. For scheduling convenience, please email the instructor to set a mutually convenient meeting time.
COURSE SCHEDULE
The schedule for the course is outlined below. It may be necessary to swap some sessions to adapt to class interests or to accommodate calendar conflicts of our executive guest speakers. Please check Canvas weekly as assignments and schedules may change through the course of the semester and certain readings will only be available though postings on Canvas.

The reading and written assignments provide a foundation and a context for class discussion and thus are to be completed before the class for which they are scheduled.

SESSION 1: Course Introduction
Sept. 6 Business Strategy Fundamentals

Topics
Course orientation and overview
The growth imperative: importance and challenges of sustained enterprise growth
Value creation and bases of competitive advantage
Why some brands stand out
If you’re in a dogfight, become a cat!

Reading
1. Course syllabus

Activities
Prior to class, post a survey response in Canvas, which responds to the following two questions:
1. Identify one of your most favorite brands - presumably a company whose products or services have been particularly well suited to your needs, and that you would recommend without hesitation to family or friends.
2. In a couple of sentences, indicate why you are so satisfied with and loyal to your chosen company/brand. Why is this product/service/brand particularly meaningful to you?

In class, be prepared to discuss:
• Why is growth important to corporate enterprises?
• Why is sustained profitable growth so difficult to achieve?
• Based on Porter’s “5 forces”, are companies in structurally challenged industries destined to earn low returns?

SESSION 2: Competitive Dynamics
Sept. 13 Coors Case

Topics:
Strategy Diagnostics
Competitive Dynamics
Coors Case

Activities: *Prior to class*, per the Collis and Rukstad article, post to Canvas your articulation of Coors’ strategy *prior to 1975* (i.e., before Coors’ decision to expand towards national distribution) *in 35 words or less*. Note that the case does not provide guidance on Coors’ financial targets (i.e., strategy objective). Craft your statement of Coors’ strategy in terms of the two *other* critical elements of an effective strategy described by Collis & Rukstad.

*In class*, be prepared to discuss your answers to the following questions regarding the Coors case:
1. Was Coors successful in the early- to mid-1970’s and if so, what evidence and specific metrics substantiate your understanding of Coors’ market and competitive position?
2. How would you articulate Coors’ consumer value proposition and basis of competitive advantage in the years leading up to 1977?
3. In 1985 has their business performance changed? How so, and what specific metrics prove your point?
4. How would you explain Coors’ change in performance? Did the market change? Did competitors change their strategy? Did Coors shift their strategy?
5. In 1985, Coors committed to opening a new plant in Virginia. Was this a good idea – why or why not?
6. In retrospect, what if anything might Coors have done over the period covered in the case to sustain a stronger market and competitive position?

**SESSION 3:** Strategic Clarity & Alignment

**Sept. 20 Lego Turnaround Case**

**Topics**
- Assessing market and competitive conditions
- Strategy diagnostics
- Identifying root causes of declining performance
- Turnaround strategy
- Organizational alignment to implement successful strategy

**Reading**

1. LEGO *Harvard Business School Case 9-613-004*  
   July, 2012
2.

**Activities:** *Prior to class*, respond to the polling questions on Canvas re what you would recommend as Lego’s best strategic options, if your were Jørgen Knudstorp.

*Prior to class*, teams assigned to write up the Lego case should answer all questions below in four pages or less, not counting accompanying exhibits.
*In class*, all students should be prepared to discuss their answers to the following questions regarding the Lego case:

1. What led the LEGO Group to the edge of bankruptcy by 2004? Focus on the management moves during "the growth period that wasn't" (1993-98) and "the fix that wasn't" (1999-2004)

2. Why did Knudstorp's turnaround strategy work? Be specific in identifying which actions were the most and least effective.

3. Should LEGO launch the new line of board games?

SESSION 4: Responding to Market Shifts  
Sept. 27  
Mountain Man Beer Case

**Topics:**  
Brand equity  
Product positioning  
Breakeven & NPV Analysis

**Reading:**  
3. Mountain Man Beer Financials -- 5% cannibalization scenario  
4. Mountain Man Beer Financials – 20% cannibalization scenario

**Activities:**  
*Prior to class*, using facts from the case, the accompanying pro forma financials provided on Canvas and your own best judgment estimates, post to Canvas your answers to questions 4-6 below.

*Prior to class*, teams assigned to write up the Mountain Man case should also answer all questions below in four pages or less, not counting accompanying exhibits.

*Note that there are two spreadsheets posted to Canvas reflecting two key assumptions used to evaluate Mountain Man’s strategic options: 1) Light beer launched with 5% cannibalization; 2) Light beer launched with 20% cannibalization*

*In class*, all students should be prepared to discuss answers to the following questions:

1. What has made MMBC successful in the past? What distinguishes the brand from competitors in terms of product, customers, distribution, marketing approach and cachet?

2. What has caused the decline in MMBC’s operating results in spite of its strong brand? Based on case facts, develop a simple “do-nothing” pro forma (2005-2010) which projects Revenue, Contribution Profit, Fixed Expenses and Operating Profit

3. What are the pros and cons of introducing a Mountain Man light beer?
4. The case suggests that in order to get approval to launch a Light Beer, MMBC would have to break even within 2 years by more than covering the costs associated with launch advertising, incremental SG&A and lost MMB sales due to cannibalization. Based strictly on the pro formas shown in the accompanying spreadsheets, should MMBC launch a light beer product?

5. Are MMBC’s stated criteria for their “go/no-go” decision appropriate? If not, what would be more appropriate criteria and why?

6. Which factors are most important in determining 5 year NPV’s for a light beer launch? Which factors can/should MMBC try to change to improve NPV? Substantiate your answer to this question (i.e. how can you analytically demonstrate which factors are most important?)

7. How might Mountain Man mitigate some of the risks of launching a light beer? (for example launch under the MMBC brand or a separate brand?)

8. Are there other strategic options for growth that Chris should evaluate?

9. Based on your answers to the questions above, should MMBC introduce a light beer?

SESSION 5: Product Positioning
Oct. 4 Clean Edge Razor: Splitting Hairs in Product Positioning

Topics
Product positioning
New product launches and cannibalization effects
Clean Edge Razor Case

Reading
3. Clean Edge pro forma financials, posted to Canvas

Activities
Prior to class, review the pro forma forecasts of Paramount’s financial performance over the first two years of the Clean Edge launch either as a mainstream or niche product shown on tab TN B. All data used in the pro forma are in Exhibits shown on other tabs of the spreadsheet (which also display all case Exhibits) or from the case text. Post answers to questions #5 and #6 below on the link as indicated in Canvas.

Prior to class, teams assigned to the Clean Edge case writeup should also answer all the questions below in a four-page Word Document attachment along with any substantiating exhibits displaying your analyses.

In class, all students should be prepared to discuss answers to the following questions regarding the Clean Edge case:

1. Assess Paramount’s competitive position. What are the strategic life cycle challenges for Paramount’s current products as well as for Clean Edge?
2. What are the salient behavioral differences between key segments in the nondisposable razor market?

3. The case is surprisingly silent on what they mean by a “Niche” or “Mainstream” launch strategy. Clarify your assumptions on how these two approaches would differ with respect to:
   - Total advertising and promotion budget
   - Types of customers targeted
   - Advertising and promotion channels used
   - Retail channels sold through
   - Any other distinguishing characteristics

4. Why is Al Rosenberg so opposed to a mainstream market launch for Clean Edge? Is he being rational, obstinate or both?

5. Are the pro forma analyses as specified appropriate to guide Paramount’s decision-making process? If not, identify three specific modifications to make the analysis to more appropriately support a recommendation on proper positioning?

6. Would you recommend launching Clean Edge as a Niche or Mainstream product? Substantiate your recommendation using data and assumptions from the case.

7. Based on your recommendation, what are the implications for branding and marketing budgets for Clean Edge?

SESSION 6: Positioning Products and Services
Oct. 11 IKEA

Topics: Weaknesses with conventional product positioning paradigms
Distinctive positioning strategies
Cannibalization fears
IKEA Case


Activities: Prior to class, post to Canvas your answer to the following question on one page or less: if you were Mike Ward (President of IKEA US), what would be your two highest priorities to drive profitable growth in IKEA’s US market over the next five years? Also, indicate what element(s) of IKEA’s current strategy you would definitely NOT change. For each suggestion, explain your reasoning.

Prior to class, teams assigned to the IKEA case writeup should also answer all the questions below in a four-page Word document not counting accompanying exhibits.
**In class,** all students should be prepared to discuss answers to the following questions regarding the IKEA case:

1. How would you characterize IKEA’s value proposition?
2. What accounts for the historical success of IKEA? Express in terms of the strategy concepts discussed earlier this semester.
3. What are some of the downsides of shopping at IKEA? How does IKEA’s appeal vary by customer segment?
4. The case identifies 7 strategic options intended to improve IKEA’s US profits and growth. Which three of these options do you think appears to have the most potential in effectively addressing key shortcomings in IKEA’s current value proposition without compromising the brand’s core values? Explain your reasoning.
5. Which of these options would you likely NOT recommend and why?
6. What do you see as the major operational, marketing and management challenges in creating a world-class ecommerce capability for IKEA?
7. The seventh strategic option is unique in addressing IKEA’s HR policies, rather than product or market strategies. For this option, briefly answer the following questions:
   - Under what circumstances could this option be expected to help accelerate profitable growth in the United States?
   - What are the downside risks?
   - What uncertainties would require investigation and what additional information would you need to know in order to judge the value of this option?

**SESSION 7: Jobs to be Done/Sodastream case**

**Oct. 25**  
**Sodastream: Turning around a 100 year company**

**Topics:**
- Jobs-to-be-done driven product differentiation and positioning
- Design thinking
- Sodastream case

**Guest Speaker:** Mona Patel – CEO and Founder, Motivate Design

**Reading:**
2. Sodastream: Transforming a 100 Year-Old Company Into a ‘Stylish Rebel’, Columbia CaseWorks
3. *Short article on Sodastream’s recent challenges in the US market*
4. *Video interview with Sodastream CEO* on company’s strategic pivot in 2014

**Activities:**

*Prior to class* post to Canvas a brief description (<1 page) of a product or service from your experience that succeeded in the marketplace by identifying and fulfilling a “job consumers wanted to get done” better than competitive alternatives:
- What is the product?
- What job was it designed to perform?
- How/why did it succeed relative to competition?

This should not be one of the examples given in the “Marketing Malpractice” article assigned for this week.
**Prior to class,** teams assigned to the Sodastream case writeup should also answer all the questions below in a four-page Word document not counting accompanying exhibits.

**In class,** all students should be prepared to discuss your answers to the following questions regarding the Sodastream case:

1. SodaStream languished in the marketplace for >100 years under seven different corporate owners before achieving extremely rapid global growth under the leadership of Daniel Birnbaum. How would you explain their initial success after entering the US market?
2. What were the key elements of SodaStream’s strategy? How did all the key elements reinforce each other to create a strong consumer and partner value proposition and strong business model? Map the key elements, similar to the analysis used earlier to define Coors’ strategy in the early 1970s.
3. What do you consider to be the most significant basis of competitive advantage and why?
4. Sodastream hit the wall in the US market after 2013. Why and what should they have done differently?
5. Sodastream announced a fundamental shift in their strategic priorities in 2014. Do you think the new strategy will be successful? What else would you recommend the company consider doing?

**SESSION 8:** Blue and Red Ocean Businesses  
Nov. 1  
Yellow Tail Case

**Topics:**  
Blue Ocean strategy concepts  
Yellow Tail wine case

**Reading:**  
2. Creating a Blue Ocean in the US Wine Industry With Yellow Tail Wines, Columbia CaseWorks  
3. Yellow Tail’s Blue Ocean Has Turned Red!

**Activities:**  
**Prior to class,** submit your answers on Canvas regarding how Yellow Tail might find its next Blue Ocean

**Prior to class,** teams assigned to the Yellow Tail case writeup should also answer all the questions below in a four-page Word document not counting accompanying exhibits. Teams should be prepared to present their recommendations for Yellow Tail’s best blue ocean opportunities in a 3-5 minute presentation in class. Towards that end, each team should also prepare a ~3 page Powerpoint presentation to support your recommendation.
**In class**, all students should be prepared to discuss answers to the short assignment and the following questions regarding the Yellow Tail case:

1. What characteristics of the US wine industry historically rendered it a “red ocean”?
2. In what ways did Casella/W.J. Deutsch exploit “blue ocean” strategic opportunities in launching its Yellow Tail wines?
3. What factors did Yellow Tail Eliminate, Reduce, Raise and Create in positioning Yellow Tail wine? What did its strategy canvas look like relative to competitors?
4. What were the enabling elements of Yellow Tail’s strategy, which contributed to its remarkable success?
5. In the last few years, a number of adverse factors have turned Yellow Tail’s blue ocean to red. Combining your team’s individual submissions in the short assignment, and applying the principles of Blue Ocean Strategy, how might Casella Wines/W.J. Deutsch best respond in capturing their next “blue ocean” market opportunity? Can “lightning strike twice” for either of these partners?

**SESSION 9: Developing New Products and Services**

**Nov. 8 Uber**

**Topics:**
Product market strategies  
Segmentation  
Personalization  
Community based marketing  
Uber case  
Guest Speaker: Josh Mohrer, General Manager, Uber NYC

**Reading:**

**Activities:**
*Prior to class*, click here to submit your answers to the short assignment on the Uber case to Canvas

*Prior to class*, teams assigned to the Uber case writeup should also answer all the questions below in a four-page Word document not counting accompanying exhibits.

**In class**, all students should be prepared to discuss answers to the following questions regarding the Uber case:

1. Is the shared-ride market ultimately a winner-take-all business? Why or why not?
2. Uber has become enormously popular among consumers in a very short period of time. How has the company accomplished this?
3. Many Uber riders are fiercely loyal. How would you explain this, compared for example to loyalty to companies like Delta Airlines, Tide laundry detergent and Citibank? Are there different
types of consumer loyalty?
4. How well does Uber treat its drivers? From a driver’s standpoint, is it better in economic or other terms to drive for Uber or for a taxi/limo service?
5. Uber is notoriously aggressive in its business tactics, frequently launching into new markets without getting regulatory approvals or wooing political leaders. As a consequence, the company has become a lightning rod for criticism. Is Uber being reckless or cunning?
6. What are the pros and cons of Uber’s surge pricing policy? Are there risks of the policy to Uber? Given these risks, should Uber modify its policy?
7. How robust is Uber’s operating model? Where are the weak links in its business model? Is Uber vulnerable? In what ways?
8. Uber has become the fastest company to achieve a >$50 billion valuation. How bullish are you that Uber’s sky-high valuation is justified? What are Uber’s biggest risks and opportunities over the coming five years?

SESSION 10: Disruptive Products and Services
Nov. 15 Xiameter Case

Topics: Disruptive Technologies
Predicting the next great disruptive technology
Big Bang Disruption
Strategy in B2B industries
Guest speaker: Noreen Chadha, General Manager, citizen M Hotels, US

Reading:
1. Watch the disruptive technology lecture video and answer the questions after modules 4 and 7
2. Xiameter: The Past and Future of a Disruptive Innovation, IMD Case

Activities: Prior to class, watch the lecture video and case, and answer online questions regarding content

Prior to class, teams assigned to the Xiameter case writeup should also answer all questions below in a four-page Word document not counting accompanying exhibits.

In class, all students should be prepared to discuss your answers to the following questions regarding the Xiameter case:

1. What factors, internal or external, were responsible for Dow Corning’s poor performance between 1995 and 2001 as shown in case Exhibit 3?
2. What did the new segmentation reveal about customers beyond that which the company knew already? In what ways was the “needs-based segmentation” scheme an improvement over the previous and traditional end-user segmentation?
3. What were the keys to DC’s initial success in launching Xiameter? Consider both key elements of the strategy itself as well as how it was executed
4. Given Xiameter’s performance to date, and recent changes in the competitive environment, is the moment ripe to make changes in the business model? More specifically:
   - Is a price seeker-focused “Dare to compare” value proposition still valid or, should Xiameter drop its low-price positioning and compete on other benefits including product quality, simplicity, reliability, etc.?
   - Should Xiameter “let the customers decide” by expanding its limited range of products to include all other Dow Corning silicones and, possibly, complementary non-silicone compounds from third parties?

5. What advice do you have for Ron Fillmore going forward?

SESSION 11: Leadership Traits for Sustained Growth
Nov. 29       Casper Case

Topics: Leadership traits for driving continuous growth
        Corporate entrepreneurship
        Casper case
        Guest Speaker: Philip Krim, CEO, Casper

Reading:

Activities: Prior to class, based on the Canvas case, answer the questions posted on Canvas

Prior to class, teams assigned to the Casper case writeup should also answer all questions below in a four-page Word document not counting accompanying exhibits.

In class, all students should be prepared to discuss your answers to the following questions regarding the Casper case:

1. What characteristics of the mattress business rendered the industry vulnerable to disruption?
2. There are reportedly more than 60 competitors now operating as “bed-in-a-box” category. What are the distinguishing elements of Casper’s strategy?
3. Is Casper’s early lead in this space defensible? Can they continue to outperform competition from Leesa, Tuft & Needle, Purple and others?
4. Casper has been expanding its business scope and reach by expanding their product line to other sleep products (sheets, pillows), venturing into physical retailing, and going global (Canada, Germany, UK). One could either argue they are outmaneuvering competition or overextending their capabilities, too fast/too soon. Which of the business extensions would you judge to be highest priority? Would you pursue all three aggressively?
5. What are the key risks Casper faces, and what might you do to mitigate these risks?

SESSION 12: Connecting the Dots
Dec. 6 Review of Key Course Concepts

Topics: Strategic imperatives for long-term growth
The role of luck in business and life
Personal entrepreneurial strengths
Team presentations


Activities: Prior to class, watch the Tony Tjan TED talk first, then go to http://www.hspj.com and take the entrepreneurial aptitude test. Submit on Canvas the results of your entrepreneurial profile, i.e. the percentage ratings you scored on each of the four elements of personal entrepreneurship: Heart, Smarts, Guts & Luck.

Prior to class, each student team should identify a company that manifests the strategy best practices discussed in this course (other than companies already discussed in readings and class discussions). It is suggested that teams rely on their prior work experience or case studies covered in other CBS classes to identify exemplars of companies that have successfully achieved relatively long-term profitable growth. Student teams need not conduct exhaustive research to complete this assignment, but rather rely on publicly available information from company sources and the business press. For the chosen company, prepare a 5 minute presentation in ≤5 Powerpoint slides that describes:

- Key elements of the company’s corporate vision, mission and/or core ideology
- Examples of how the company has executed continuous innovation, meaningful differentiation and strategic alignment to achieve and renew competitive advantage
- Evidence of strong and enduring brand equity and market leadership
- Metrics demonstrating above-market business and financial performance

While each team should be prepared to give a presentation in class, time constraints prevent all teams from being chosen. The instructor will choose a ~8 teams to present, chosen to represent a range of industries and key success factors.