**Marketing Channel Strategy: An Omni-Channel Approach, 9th edition**

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October 2019

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## Chapter 1: The Omni-Channel Ecosystem

#### [**1-800-Flowers.com: Collaborating with Suppliers**](https://hbsp.harvard.edu/product/W17132-PDF-ENG?Ntt=omni-channel&itemFindingMethod=Search)

Jayashankar M. Swaminathan

**Pub Date:**Apr 4, 2017

**Product #:**W17132-PDF-ENG

**Discipline:**Operations Management

**Length:**10 p

[1-800-Flowers.com](http://1-800-flowers.com/) was a market leader in the floral gift industry, offering solutions for everyday gift needs as well as for special occasions. The U.S. company's mission was to "deliver smiles" to its customers by designing and delivering innovative and valuable gifts. [1-800-Flowers.com](http://1-800-flowers.com/) had a very good brand in terms of floral distribution. However, the online market for flower and gift sales was changing rapidly, presenting new opportunities for efficiencies and market expansion. In March 2012, the company's chief executive officer was faced with a pressing decision. How could [1-800-Flowers.com](http://1-800-flowers.com/) gain competitive advantage through collaborations with the extended supply chain?

Jayashankar Swaminathan is affiliated with University of North Carolina.

#### [**Iuiga's Conundrum: 'Clicks' Only or 'Bricks' Too**](https://hbsp.harvard.edu/product/SMU521-PDF-ENG?Ntt=omni-channel&itemFindingMethod=Search)

Kapil Tuli; Sandeep R. Chandukala; Sheetal Mittal

**Pub Date:**Apr 3, 2019

**Product #:**SMU521-PDF-ENG

**Discipline:**Marketing

**Length:**16 p

Set in 2018, the case describes how Zang Hao, the CEO and co-founder of Iuiga, a Singapore based e-commerce start-up, eschewed the conventional e-retailing model by acquiring complete control over its value chain including ownership of the items retailed through the adoption of original design manufacturer (ODM) business model and marketing of its brand in addition to storage, logistics, and distribution. Under the ODM model, Iuiga contracts the manufacturers of large global brands known for their superior quality to manufacture the same products for Iuiga, and then proceeds to retail it directly under its own brand name at much lower, and transparent, prices on its online platform. By targeting quality-conscious customers with a range of products in the home and living category, Iuiga's sales grew fivefold within the first eight months of its launch. However, soon after, the sales growth began to plateau. One of the key reasons identified for the slowdown was the limited market reach of the brand due to its presence only on the online medium. With e-commerce penetration in Singapore at only 5 percent, the majority of the consumer market lacked awareness of the Iuiga brand and the value it offered. This led the company to consider creating an omni-channel presence by opening a pop-up store to drive face-to-face customer engagement and boost Iuiga's brand building efforts. However, this raised many concerns. Would Iuiga's current team be able to manage both the online portal and the pop-up store? With the omni-channel platform entailing unavoidable additional expenses such as rental, people, services and integration costs, would it undermine the strength of Iuiga's core business model? Also, the brick & mortar space was an unchartered territory for its management team, with no prior experience to bank upon. Most importantly, would Iuiga be able to convert the offline footfall to online traffic?

#### [**Brand W: Strategizing for Omni-Channel Retail**](https://hbsp.harvard.edu/product/W18432-PDF-ENG?Ntt=channel+relationships&itemFindingMethod=Search)

Jones Mathew; Banasree Dey; Sandeep Puri

**Pub Date:**Jul 16, 2018

**Product #:**W18432-PDF-ENG

**Discipline:**Marketing

**Length:**13 p

TCNS Clothing Company Limited (TCNS), the owner of women's fusion-wear brands W, Weve, Aurelia, and Wishful, had built up a strong retail brand presence in India since its founding in 2002. By 2017, its product innovation, proactive customer need fulfillment, and extensive retail reach had enabled it to grow into a ₹11.5 billion company. The W brand had been building its online presence, but this was still contributing only single-digit shares to sales. Faced with issues of declining loyalty and increasing expectations of digitally influenced consumers, retailers in India were moving toward omni-channel strategies. In early 2018, this seemed to have become an imperative for W as well. Was it now time for W to pursue an omni-channel retail strategy to offer its customers an unbeatable experience? An infusion of funds from two major investors had given the company significant financial muscle to pursue aggressive marketing. Yet, the challenges of going omni-channel were considerable. How should W proceed?

## Chapter 2: Channel Basics

#### [**Memaksa Steel**](https://hbsp.harvard.edu/product/SMU480-PDF-ENG?Ntt=channel+undergraduate&itemFindingMethod=Search)

Philip Zerrillo

**Pub Date:**Feb 28, 2019

**Product #:**SMU480-PDF-ENG

**Discipline:**Entrepreneurship

**Length:**2 p

Memaksa Steel, an Indonesian steel products manufacturer, has recently developed a new finishing process that reduces the wear time on steel by 60% for products that are subjected to intense abrasion during use. The marketing department believes this innovation should be applied to steel saw blades for use in Indonesia's lumber mills. Saw blades manufactured using this new finishing process would sell for 35% more than the older blades, but would drastically increase the cutting time before needing replacement. Santi der Majoido, the CEO, must examine the channel structure and decide whether or not to launch the new product.

#### [**Audio Advice: From Retail to E-Tail**](https://hbsp.harvard.edu/product/W17403-PDF-ENG?Ntt=channel+undergraduate&itemFindingMethod=Search)

Michael A. Stanko

**Pub Date:**Jun 29, 2017

**Product #:**W17403-PDF-ENG

**Discipline:**Marketing

Length: 11 p

Audio Advice was a brick-and-mortar audio specialty retailer with two stores in North Carolina. Traditionally, audiophile components were only sold through specialty stores. However, this practice was shifting, with a growing portion of sales occurring online. Audio Advice wanted to capture a portion of this growing channel, so started online as an Amazon Marketplace seller. Though this channel resulted in quick revenue growth without a great deal of initial investment, it was not suitable long term. Audio Advice's management had a bigger vision. In planning their transition to their own e-commerce site, Audio Advice needed to consider branding: should they extend their existing brand, use a sub-brand, or develop a new one? How would each option affect in-store sales, Audio Advice's reputation, and the willingness of audiophile brands to allow online sales of their products?

Michael A. Stanko is affiliated with North Carolina State University

#### [**Books on the Books: Can a Change in Channel Strategy Promote Sales for an Antiquarian Bookseller?**](https://hbsp.harvard.edu/product/NA0565-PDF-ENG?Ntt=channel+undergraduate&itemFindingMethod=Search)

Colleen M. Sharen; Mark Feltham

**Pub Date:**Jan 1, 2019

**Product #:**NA0565-PDF-ENG

**Discipline:**Strategy

**Length:**14 p

Pat Chan and Nicky Caxton, a married couple and co-owners of Chan & Caxton Booksellers, faced a difficult decision. Seven months before, they had changed their channel strategy, moving from their home-based business to a shared retail space to increase revenue and decrease lower-margin consignment sales. This new strategy was not generating the expected increase in sales; however, the space offered them both low cost and flexibility to deliver special events for their customers. Were these problems merely growing pains, or were they evidence that the bricks-and-mortar retail channel wasn't working out? Pat and Nicky thus found themselves pondering several options: staying in their current location, moving their business back to their apartment, renting an office space, or finding a stand-alone retail space in a better location. Each option had different potential implications for their business model, channel strategy, and their family life. This case is appropriate for upper-year undergraduate and graduate business courses or workshops in small business, small-business development, entrepreneurship, or family business. It explores the ongoing issues of managing and adjusting when a strategy fails in a context of small business and constrained resources. We use the business model canvas (Osterwalder & Pigneur, 2010) and the Diamond-E framework (Crossan, Rouse, Rowe, & Maurer, 2016)to illustrate the interrelationship between the industry environment, management preferences, and business model alternatives. As such, the case explores the role of management preference in a small family business.

## Chapter 3: Channel Power

#### [**MedNet.com Confronts 'Click-Through' Competition**](https://hbsp.harvard.edu/product/2066-PDF-ENG?Ntt=%22channel+power%22&itemFindingMethod=Search)

Allegra Young

**Pub Date:**Apr 20, 2007

**Product #:**2066-PDF-ENG

**Discipline:**Marketing

**Length:**12 p

In January 2007, "[MedNet.com](http://mednet.com/)" is a leading website that provides science-based health information free of charge to online visitors. MedNet communicates with traditional web journalism, interactive software, and social media tools such as blogs, video reports and virtual reality tours. The site operates conservatively within the government-regulated health information market. MedNet's business model relies on advertising sales, primarily to pharmaceutical companies. MedNet competes for advertising dollars with large search engines, category specific sites, and clinical trial sites. In 2007, large search engines charge for "results," or "click throughs." Other sites, such as online newspapers, charge for impressions. Advertising campaigns depend on numerous variables (an efficient audience size, audience frame of mind, willingness to complete a transaction, etc.) In the face of fierce advertising competition, MedNet is forced to defend key elements of its business model vis-a-vis a large search engine. However, in defending the advertising value MedNet delivers, MedNet executives may be building the case for why niche sites may be a better investment for the advertiser's budget.

## Chapter 4: Channel Relationships

#### [**Hengdeli: The Art of Coexistence**](https://hbsp.harvard.edu/product/512058-PDF-ENG?Ntt=channel+relationships&itemFindingMethod=Search)

Rohit Deshpande; Nancy Hua Dai

**Pub Date:**Jan 9, 2012

**Product #:**512058-PDF-ENG

**Discipline:**Marketing

**Length:**17 p

To maximize their effectiveness, color cases should be printed in color.

In October 2011, Zhang Yuping, founder and chairman of Hengdeli, the largest Swiss watch retailer in the world, wondered how to work more closely with its key suppliers-Swatch Group, Richemont Group, LVMH Group, and Rolex Group-to maintain strong growth in the Greater China region. Specifically, how could Hengdeli manage the relationship with these suppliers to ensure getting more supply in a market where demand outgrew supply? How could Hengdeli balance the needs of these competing suppliers without being overreliant on one or two suppliers? How could it continue to expand its retail network to enhance its value and position? How could Hengdeli rationalize the portfolio management to maximize the return in the long-term?

#### [**Benati Sun Care**](https://hbsp.harvard.edu/product/IES599-PDF-ENG?Ntt=channel+relationships&itemFindingMethod=Search)

Inigo Gallo; José A. Segarra

**Pub Date:**Oct 6, 2014

**Product #:**IES599-PDF-ENG

**Discipline:**Marketing

**Length:**16 p

In 2013, Benati's Sun Care Division was debating whether to respond to the promotions that two of its main competitors were holding during the key summer months. In spite of the fact that these promotions (now in their third consecutive summer) have not caused much harm to Benati's market share so far, the company has recently detected some worrying signs in its relationship with the channel (pharmacies) as well as within its own salesforce. Will these promotions finally affect sales and market share? Should Benati also run promotions? If not, what should the company do to reduce the anxiety in the channel?

## Chapter 5: Channel Conflict

#### [**Eco7: Launching a New Motor Oil**](https://hbsp.harvard.edu/product/916507-PDF-ENG?Ntt=channel+relationships&itemFindingMethod=Search)

John A. Quelch; Sunru Yong

**Pub Date:**Sep 15, 2015

**Product #:**916507-PDF-ENG

**Discipline:**Marketing

**Length:**11 p

Aaron Jonnerson, vice president of marketing at the automotive division of Avellin, must make marketing mix decisions for the launch of Eco7, a new environmentally-friendly motor oil. The company's performance has been mediocre, shareholder pressure is increasing, and expectations are high for Eco7. However, Jonnerson faces significant challenges in ensuring a successful launch. The market for passenger car motor oil (PCMO) is mature and consumers are price-sensitive. Furthermore, the independent oil change outlets that are Avellin's core customers have declined relative to other channels. Jonnerson must design the best pricing strategy to ensure a successful launch. The Eco7 case asks students to examine consumer behavior and channel conflict and factor them into a product launch. The launch comes at a time when the company may need to adapt to changes in a market that is increasingly commoditized and in which the relative importance of different distribution channels is changing. Students are asked to make recommendations on pricing and distribution and to consider which trade-offs the company should make.

#### [**Hunley, Inc.: Casting for Growth**](https://hbsp.harvard.edu/product/919501-PDF-ENG?Ntt=channel+undergraduate&itemFindingMethod=Search)

John A. Quelch; James T. Kindley

**Pub Date:**Sep 20, 2018

**Product #:**919501-PDF-ENG

**Discipline:**Marketing

**Length:**12 p

Hunley, Inc. manufactures rods for the niche sport of fly fishing. It specializes in freshwater rods that are perceived as "middle-market" products, targeted at "avid" fly fishers, In the face of declining revenue and a decreasing price per unit sold, the company's president is considering several growth options, including introducing a rod made from state-of-the-art materials (moving up-market) and expanding distribution into Walmart (down-market). Hunley's president must decide whether either option is feasible and if so, what kind of marketing plan is necessary for each to succeed. If neither option is chosen, he must determine what other ways Hunley might grow. This is a rich marketing mix case that requires students to develop a qualitative and quantitative plan for Hunley's product line under two very different growth options. The discussion can illuminate numerous marketing issues that an instructor might want to emphasize, including: brand extension, product and company market position, positioning statements, market segmentation, introductory marketing programs, new product launches, channel conflict, sales force management of a strategic shift, among others. This case is suitable for an introductory marketing course for undergraduate or MBA students. It can also be used in a section on positioning and increasing consumers' willingness-to-pay within a strategy course. Further, the challenges facing Hunley are relevant to many courses in executive education.

#### [**CDK Digital Marketing: Addressing Channel Conflict with Data Analytics**](https://hbsp.harvard.edu/product/KEL894-PDF-ENG?Ntt=channel+relationships&itemFindingMethod=Search)

Florian Zettelmeyer; Greg Merkley

**Pub Date:**Oct 22, 2014

**Product #:**KEL894-PDF-ENG

**Discipline:**Marketing

**Length:**11 p

Four years into a five-year contract with General Motors to be the exclusive website vendor to its U.S. network of more than 4,000 dealers, CDK Digital faced a crucial contract renewal at the end of 2012. The case follows Melissa McCann, director of strategic marketing, and Chris Reed, CMO, as they prepared for a critical meeting in July 2011: a presentation to the customer relationship management (CRM) subcommittee of the Chevrolet dealer council. Although GM dealers, like all auto dealers in the United States, were independent franchisees, GM saw the renewal of CDK Digital's exclusive contract as a collaborative decision between dealers and GM. According to Ed Vogt, GM's executive in charge of the renewal, if the dealer councils said no, the contract would not be renewed. This case challenges students to use CDK's big data and analytics capabilities to address the inherent conflict between dealers and manufacturers: when marketing to potential customers, manufacturers wanted consistency across dealer websites to maximize sales of their targeted brands, while dealers wanted flexibility to sell what they had in inventory.

## Chapter 6: Retailing Structures and Strategies

#### [Home Plus: Riding the Korean Retailing Rollercoaster](https://cb.hbsp.harvard.edu/cbmp/product/W13140-PDF-ENG)

Youngwoo Lee; Martin Hemmert

Publication Date: Apr 19, 2013, Revision Date: Apr 23, 2013

Details

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| Discipline | Strategy |
| Source | Ivey Publishing |
| Product # | W13140-PDF-ENG |
| Length | 12 p |
| Format | PDF |
| Also Available in | [English Hardcopy Black & White](https://cb.hbsp.harvard.edu/cbmp/product/W13140-HCB-ENG) |

In the late 1990s, multinational retailing giant Tesco selected a joint venture with the Samsung Group as its market entry strategy into South Korea and created a new brand, Homeplus. Subsequently, the management of Homeplus implemented various policies aimed at localizing the business while also introducing business practices from Tesco's british headquarters. It invested in growth and diversification through large discount stores offering an "all in one spot" shopping experience, small-sized super-supermarkets, private brands and online shopping. At the same time, the Korean retailing industry had become much more dynamic as competition intensified between various types of market players, including strong competitors affiliated with local business groups. Homeplus needs to rethink its position in a highly challenging market environment.

Authors Youngwoo Lee and Martin Hemmert are affiliated with Korea University.

#### [Benetton Group S.p.A., 2012](https://cb.hbsp.harvard.edu/cbmp/product/713513-PDF-ENG)

John R. Wells; Galen Danskin

Publication Date: May 29, 2013, Revision Date: Mar 05, 2014

Details

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| Discipline | Strategy |
| Source | Harvard Business School |
| Product # | 713513-PDF-ENG |
| Length | 21 p |
| Format | PDF |
| Also Available in | [English Hardcopy Black & White](https://cb.hbsp.harvard.edu/cbmp/product/713513-HCB-ENG) |

"On May 31, 2012, after 36 years on the Milan Stock Exchange, Benetton was officially delisted and taken private by Edizione, the Benetton family's holding company. Since 2000, Benetton shareholders had seen its market value fall from $4.3 billion to $720 million at the end of 2011. At $2.6 billion, Benetton's sales in 2011 were virtually the same as they were in 2000, but Inditex from Spain, Hennes & Mauritz (H&M) from Sweden and Fast Retailing from Japan had all grown several times larger over the same period. What happened to this global retail giant?<br> Under the direction of four different CEOs since 2000, Benetton had attempted to move from being an Italian supplier of knitwear with licensed small retailers throughout the world to a vertically integrated global player by tightening management over its supply chain and rolling out directly operated superstores. These moves helped Benetton gain more control over its operations, but they also ate into its profitability. In 2012, Benetton found itself competing with fashion giants who could respond faster to market trends and deliver comparable clothes at half the cost. With Benetton under private ownership, would Harvard Business School graduate Alessandro Benetton be able to make the changes required to return the company to its former strength?"

#### [Benetton Group S.p.A., 2000](https://cb.hbsp.harvard.edu/cbmp/product/713510-PDF-ENG)

John R. Wells; Galen Danskin

Publication Date: May 29, 2013, Revision Date: Mar 05, 2014

Details

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| --- | --- |
| Discipline | Strategy |
| Source | Harvard Business School |
| Product # | 713510-PDF-ENG |
| Length | 24 p |
| Format | PDF |
| Also Available in | [English Hardcopy Black & White](https://cb.hbsp.harvard.edu/cbmp/product/713510-HCB-ENG) |

"In 2000, Benetton was one of the leading mass fashion competitors in the world with approximately $1.9 billion in sales across 5,500 stores in 120 countries. But the company's fortunes seemed to be on the wane. Operating profits had fallen 9% from the prior year to $299 million. Having almost matched global leader, Gap Inc.'s revenues in 1985, Benetton was now only one seventh of Gap's size. Moreover, Hennes & Mauritz (H&M) of Sweden had passed Benetton in 1996 and now claimed more than double the sales of Benetton. Inditex of Spain and Fast Retailing of Japan had also passed Benetton in revenues by 2000. To make things worse, Inditex and H&M had announced in 2000 that they intended to enter Italy, Benetton's heartland.<br> Chairman and co-founder Luciano Benetton was determined to fight back and toward this end had just launched a major new retail strategy to expand the size of Benetton's current stores, invest in large superstores and build greater control of the supply chain. The company also had high hopes for its new drive into sports equipment and apparel. Would this be enough to halt the rise of its mass fashion competitors?"

#### [Gap, Inc., 2012](https://cb.hbsp.harvard.edu/cbmp/product/713511-PDF-ENG)

John R. Wells; Galen Danskin

Publication Date: May 29, 2013, Revision Date: Mar 05, 2014

Details

|  |  |
| --- | --- |
| Discipline | Strategy |
| Source | Harvard Business School |
| Product # | 713511-PDF-ENG |
| Length | 30 p |
| Format | PDF |
| Also Available in | [English Hardcopy Black & White](https://cb.hbsp.harvard.edu/cbmp/product/713511-HCB-ENG)[Chinese PDF](https://cb.hbsp.harvard.edu/cbmp/product/715C07-PDF-CHI)[Chinese Hardcopy Black & White](https://cb.hbsp.harvard.edu/cbmp/product/715C07-HCB-CHI) |

"Between 2000 and 2012, Gap, Inc. (Gap) ceded its world leadership position in specialty fashion retailing to Inditex of Spain and H&M of Sweden. These two companies, each less than a quarter of Gap's size in 2000, were now setting the pace in the global mass fashion market, and Gap appeared to be falling ever further behind. In the intervening twelve years, three CEOs had struggled to turn around the fading brand. While several temporary profit boosts appeared to herald a recovery, a sustained rally remained elusive.<br> Mickey Drexler, Gap's CEO since 1983, who had been responsible for Gap's rise to global prominence, was fired in 2002 after two years of double digit, same-store sales declines and a 75% drop in the stock price. His successor, Paul Pressler, appeared to have engineered a remarkable recovery, but was fired in 2007 after disappointing sales and another slump in profits. His replacement, Glenn Murphy, fresh from a successful turnaround at a Canadian drug-store chain, promised tighter price controls, lower administrative costs, and a leaner, more aggressive Gap, but sales continued to decline over his tenure. After four years of troubles, Murphy brought in former J. Crew President, Tracy Gardner, to consult with the Gap brand and Murphy began a bold program to close one fifth of Gap's North American store base. In 2012, sales had lifted 8%, same-store sales were strongly positive for all of Gap's domestic sub-brands, and the company's share price had lifted nearly 50% from the prior year. After 12 years of poor performance, had Glenn Murphy finally discovered the answers to Gap's problems?"

#### [7-Eleven Indonesia Innovating in Emerging Markets](https://hbsp.harvard.edu/product/W15407-PDF-ENG?Ntt=store+location&itemFindingMethod=Search)

Marleen Dieleman; Ishtiaq Mahmood; Peter Darmawan

Pub Date: Sep 15, 2015

Source: Ivey Publishing

Product #: W15407-PDF-ENG

Discipline: General Management

Length: 13 p

The global convenience store brand 7-Eleven entered Indonesia in 2009, with local player PT Modern International as the master franchisor. To differentiate the stores from other convenience stores and to cater to emerging market customers in Indonesia, the CEO combined the idea of a restaurant and a convenience store in his new 7-Eleven outlets. The 7-Eleven stores provided an affordable and convenient location for youth to hang out and have a quick bite to eat. They also offered wireless Internet and a range of services and products like fresh food and beverages. The case requires students to outline the innovative elements that explain 7-Eleven's success in Indonesia, reflect on its scalability and sustainability, and also to advise the CEO on further strategies to strengthen 7-Eleven in Indonesia.

Learning Objective

The purpose of this case is to show how companies that learn to offer combinations of products, business systems and stakeholder innovations can succeed in emerging markets. It also offers an opportunity to introduce strategy tools like the strategy canvas and the value curve. This case is suited for MBA students or undergraduate students in courses on innovation, emerging markets or business operations in Asia.

#### [**Marquee: Reinventing the Business of Nightlife**](https://hbsp.harvard.edu/product/515702-HTM-ENG?Ntt=%22channel+power%22&itemFindingMethod=Search)

Anita Elberse

**Pub Date:**Sep 3, 2014

**Product #:**515702-HTM-ENG

**Discipline:**Marketing

**Duration:**30 minutes

In January 2013, nightlife impresarios Jason Strauss and Noah Tepperberg are celebrating the re-opening of their famed New York City-based nightclub Marquee. While most clubs are over within their first one and a half years, Strauss and Tepperberg managed to keep Marquee one of NYC's hottest clubs for almost nine years. Meanwhile, they significantly expanded their portfolio of clubs in New York City, Las Vegas, and abroad. Now, after a costly renovation of Marquee New York City, would their investment pay off? Was it a wise idea to model the revamped club after its namesake in Las Vegas that had become North America's highest-grossing club by focusing on electronic dance music and featuring a high-profile DJ every night? Could Strauss and Tepperberg make the seemingly risky economics-which involved placing large bets on superstar DJs-work in a very different market?

## Chapter 7: Wholesaling Structures and Strategies

#### [Costco Wholesale Corporation: Market Expansion and Global Strategy](https://hbsp.harvard.edu/product/W19041-PDF-ENG?Ntt=retail&itemFindingMethod=Search)

Chansoo Park; Vipin Viswanathan; Raadhika Gopinath; Sara Parveen; Mary Furey

Pub Date: Feb 21, 2019

Source: Ivey Publishing

Product #: W19041-PDF-ENG

Discipline: Strategy

Length: 15 p

In 2015, Costco Wholesale Corporation (Costco) was ranked as one of the world's largest global retailers based on sales revenue, second only to Walmart Inc. It had successfully expanded into eight international markets: Canada, Japan, South Korea, Spain, Mexico, Taiwan, Australia, and the United Kingdom, managing to grow despite the turbulent economic conditions prevalent in these countries. Costco challenged stereotypes and employed unconventional business strategies to position itself as a leading transnational retailer. Costco's business model was crucial to the company's financial success and expansion over the years. Key company success factors included its membership-based operating model, its focus on low-cost efficiencies, the perceived quality and value of the Kirkland Signature brand, and its philosophy of rewarding human capital. However, as Costco made plans to expand its operations, it faced challenges due to intensified competition in the global retail industry and policies and regulations in local markets that restricted big box retailers. In this context of uncertain international markets, which markets should it enter next? What was the best entry method for each individual market?

#### [**Natureview Farm**](https://hbsp.harvard.edu/product/2073-PDF-ENG?Ntt=wholesale+marketing&itemFindingMethod=Search)

Karen Martinsen Fleming

**Pub Date:**Jun 7, 2007

**Product #:**2073-PDF-ENG

**Discipline:**Marketing

**Length:**12 p

When students have the English-language PDF of this Brief Case in a coursepack, they will also have the option to purchase an audio version.

Explores channel management issues in the U.S. food industry. Natureview Farm, a Vermont-based producer of organic yogurt with $13 million in revenues, is the leading national yogurt brand (24% market share) sold into natural foods stores. It has achieved this through its special yogurt manufacturing process and through cultivating personal relationships with dairy buyers in the natural foods channel. Set in 2000, when the company faces financial pressure to grow revenues to $20 million by the end of 2001 due to a planned exit by its venture capital investors. The immediate decision point that the protagonist, Natureview's vice president of marketing, faces is whether to achieve this revenue growth by expanding into the supermarket channel.

## Chapter 8: Franchising Structures and Strategies

#### [Carpenter Tan Handicrafts Co., Ltd.: Franchisee Satisfaction](https://hbsp.harvard.edu/product/W18390-PDF-ENG?Ntt=retail&itemFindingMethod=Search)

Yibo Lyu; Shaojie Han; Wei Liu; Jingqin Su; Qi Zhang

Pub Date: Jun 29, 2018

Source: Ivey Publishing

Product #: W18390-PDF-ENG

Discipline: Entrepreneurship

Length: 8 p

A businesswoman owned two franchised stores of Carpenter Tan Handicrafts Co., Ltd. (Carpenter Tan) in Panjin City, China. Carpenter Tan was a leader in the wooden crafts industry. When the first franchised store was set up in 2012, she was excited by and satisfied with Carpenter Tan's franchise model. However, after her second franchised store was set up in 2014, she felt that this franchise model was restricting her development and autonomy. In 2016, Carpenter Tan suggested that the businesswoman open a third franchised store in Panjin, where the wooden crafts market was close to saturation. The businesswoman, who had become dissatisfied with Carpenter Tan's franchise model, faced a tough choice about whether she should set up the third franchised store.

#### [My Kind of Cakes: An Expansion Dilemma](https://hbsp.harvard.edu/product/W17253-PDF-ENG?Ntt=loyalty+program&itemFindingMethod=Search)

Shalini Kalia; Sandeep Puri

Pub Date: Apr 28, 2017

Source: Ivey Publishing

Product #: W17253-PDF-ENG

Discipline: International Business

Length: 9 p

My Kind of Cakes (MKOC), a cake boutique in Ghaziabad, India, had carved a niche for itself with its unique bakery products, quality food, and excellent service, all offered at a reasonable price. Within five years of opening, the business had flourished, growing in worth from 7.2 million in 2012 to 19.5 million in 2016. In January 2017, the owner of the cake shop pondered his strategies for achieving his target revenue of 50 million by 2020. He wondered if he should expand geographically and open franchises in nearby towns or if he should increase his product range. Should he build a digital platform to increase awareness of his brand or launch a loyalty program to strengthen MKOC's customer relationships? If so, how should he build such a program? Since he had also been asked to photograph special occasions such as baby showers, he wondered whether he should add theme photography to MKOC's offerings.

#### [**McDonald's Corporation**](https://hbsp.harvard.edu/product/MH0050-PDF-ENG?Ntt=franchising+strategy&itemFindingMethod=Search)

Frank T. Rothaermel; John Kim

**Pub Date:**Sep 28, 2017

**Product #:**MH0050-PDF-ENG

**Discipline:**Strategy

**Length:**23 p

The case is written from the perspective of McDonald's CEO Steve Easterbrook. Easterbrook assumed office in March 2015, and the case highlights the company's recent and dramatic decline in performance amidst increasing competition. In addition, the case details Easterbrook's strategic initiatives in an attempted turnaround of McDonald's' fortunes. With some $25 billion in sales (in 2017) and some 45,000 restaurants globally (thereof 27,000 in the U.S.), McDonald's remains the largest quick-service restaurant (QSR) chain. At the same time, McDonald's has been struggling on several fronts in recent years. Attempting to be "everything for everybody," McDonald's fell victim to being "stuck-in-middle," without a clear strategic position. With such a large global installed base of restaurants and franchisees, any changes coming from the McDonald's headquarters require significant leadership, investment, and potential risk.

#### [**Cold Stone Creamery**](https://hbsp.harvard.edu/product/W11832-PDF-ENG?Ntt=franchising+strategy&itemFindingMethod=Search)

Sayan Chatterjee; Christopher Masotti

**Pub Date:**Sep 27, 2011

**Product #:**W11832-PDF-ENG

**Discipline:**General Management

**Length:**9 p

This case describes how Cold Stone Creamery created the business model of the premium customized ice cream experience. The case allows the instructor to develop the details of the key factors that have allowed Cold Stone Creamery to deliver the values that its customers desire.

## Chapter 9: Channels and International Markets

#### [**d.light Design: Marketing Channel Strategies in India**](https://hbsp.harvard.edu/product/KEL876-PDF-ENG?Ntt=channels+international&itemFindingMethod=Search)

Anne Coughlan; Benjamin Neuwirth

**Pub Date:**Jan 21, 2015

**Product #:**KEL876-PDF-ENG

**Discipline:**Marketing

**Length:**17 p

This case looks at a new start-up company, d.light Design, as it was seeking to go to market in India with its solar-powered LED lamps in 2009. Sam Goldman, founder and chief customer officer of d.light, was in New Delhi, India; his business-school friend and co-founder Ned Tozun was in China, the site of the company's manufacturing plant. One of the key decisions Goldman and Tozun needed to make was whether d.light should focus on just one distribution channel in India, or multiple channels. The startup had limited capital, so it needed to get the distribution question right to generate revenue quickly. The case thus combines an entrepreneurial problem with an emerging-market, or bottom-of-the-pyramid, channel design challenge. This case does not focus on product design or manufacturing challenges but rather on questions of: The constraints d.light faced in creating an aligned distribution channel. These constraints can have legal, environmental, and/or managerial foundations; Demand-side misalignments in the channel structure that will occur if d.light chooses one or another of the considered channels in the case, namely, (a) the RE (rural entrepreneur) channel, (b) the village retailer channel, or (c) the centralized shops channel; What mix of channels―or what single channel―d.light should focus on in the Indian market; The financial return possible based on d.light's current cost structure and overhead expenditures in India.

#### [**Colfax Corporation: Designing a Middle East Oil and Gas Distribution System**](https://hbsp.harvard.edu/product/KEL405-PDF-ENG?Ntt=channels+international&itemFindingMethod=Search)

Richard E. Wilson

**Pub Date:**Mar 10, 2009

**Product #:**KEL405-PDF-ENG

**Discipline:**Operations Management

**Length:**15 p

Colfax Corporation was a young, privately held collection of pump-manufacturing companies from the United States and Europe. Intending to go public, it was eager to find a story for investors of how it could grow at rates faster than its subsidiaries had historically grown in their home regions and core-customer industrial markets. This case describes a singular new-growth opportunity: selling Colfax solutions into state-owned petroleum enterprises in the Middle East at a time when these producers were straining to add capacity. Designing the optimal marketing system required Colfax to weigh a complex of issues, including global resource allocation and deployment, a process for customer-relationship building, and estimates for revenue streams versus investment outlays. The design process was, in short, far more than "sticking sales rep pins in the map." Case readers are asked to think along with the Colfax global management team in deciding, "How much can we afford to risk our current income model in order to build new capacity in a new region in a new way?"

#### [**Sewells Group: Building Sales Process Excellence at Automotive Dealerships in India**](https://hbsp.harvard.edu/product/ISB064-PDF-ENG?Ntt=channels+international&itemFindingMethod=Search)

Piyush Kumar; Geetika Shah

**Pub Date:**Nov 15, 2016

**Product #:**ISB064-PDF-ENG

**Discipline:**Sales

**Length:**13 p

Sewells Group, India, a leading provider of retail solutions to auto original equipment manufacturers (OEMs) and their dealers in the Indian market, developed an innovative engagement model for its clients. The model offered solutions based on the performance management of franchised automotive dealers using measurement, analysis, education and development. The first client for whom Sewells Group developed the dealer sales and service system was a late entrant into the Indian market and had about 100 dealerships across the country. It wanted to ensure that the brand promise communicated through its innovative and expensive marketing campaigns was supported at its dealerships when customers arrived to explore the cars. The client sought a comprehensive model of dealer management that did not suffer from the limitations of traditional models that were heavily focused on training and process compliance. In response, Sewells Group developed a novel 5-step dealer management model that applied principles of retail process efficacy to deliver three key outcomes: customer experience, productivity and profitability across all the departments of a dealership. As Jayesh Jagasia, CEO at Sewells Group, India, reviewed the impressive quarterly results of the model's implementation, he mulled over questions related to the sustainability, replicability and extendibility of this initial model to other firms in the automotive sector. What were the learnings from the first implementation of the model? Was it possible to effectively overcome the challenges that they had faced? Would the model work across the industry? Under what circumstances and for what brands or dealerships would the model work? What sort of consulting resources would the company need? Could some parts of the solution be automated? How would the IT departments of auto manufacturers respond to the automation of solutions?

## Chapter 10: End-User Analysis: Segmentation and Targeting

#### [Carolinas HealthCare System: Consumer Analytics](https://hbsp.harvard.edu/product/515060-PDF-ENG?Ntt=market+segmentation&itemFindingMethod=Search)

John A. Quelch; Margaret Rodriguez

Pub Date: Apr 14, 2015

Product #: 515060-PDF-ENG

Discipline: Marketing

Length: 16 p

In 2014, Dr. Michael Dulin, chief clinical officer for analytics and outcomes research and head of the Dickson Advanced Analytics (DA2) group at Carolinas HealthCare System (CHS), successfully unified all analytics talent and resources into one group over a three year period. Rapid increases in computing power and decreases in data storage costs had enabled DA2's data architects to build predictive models incorporating complex clinical, financial, demographic, and claims data that would have been impossible to create only a few years before. However, in 2014, both Apple and Google announced features in their new mobile operating systems that collected and displayed output from various health-wearables (like heart-rate monitors or step-counters), as well as electronic medical record (EMR) data. Their expertise in analytics, access to demographic and location data, as well as large consumer bases, led Dulin to consider which players consumers would trust to integrate their healthcare data in the future and what role DA2 could play.

#### [DayTwo: Going to Market with Gut Microbiome](https://hbsp.harvard.edu/product/519010-PDF-ENG?Ntt=segmentation&itemFindingMethod=Search)

Ayelet Israeli; David Lane

Pub Date: Mar 1, 2019

Product #: 519010-PDF-ENG

Discipline: Marketing

Length: 21 p

DayTwo is a young Israeli startup that applies research on the gut microbiome and machine learning algorithms to deliver personalized nutritional recommendations to its users in order to minimize blood sugar spikes after meals. After a first year of trial rollout in Israel, CEO Lihi Segal and her team are devising a global go-to-market plan for the firm. The team is considering several target markets, ranging from people with diabetes to professional athletes, and distribution strategies including selling direct to consumers or through partnerships with healthcare professionals or insurance companies. Their choices are important because they will affect DayTwo's costs, pricing, positioning, distribution channels, marketing efforts, and product development.

Learning Objective

The case is designed to illustrate the challenges associated with bringing a new and complex product to market. It allows for a rich discussion of market segmentation and targeting, distribution channels, and business models. It allows for a debate around growth decisions, while considering the tradeoff of short term versus long term gains and success. The goal of the case is to come up with a go-to-market strategy for a new startup. Students have to analyze the company and its strengths and weaknesses, as well as its potential customers, collaborators, and competitive environment, and deliver a well-formulated action plan. This plan includes pricing, distribution, products, and advertising recommendation.

## Chapter 11: Omni-Channel Strategy

#### [**Brand W: Strategizing for Omni-Channel Retail**](https://hbsp.harvard.edu/product/W18432-PDF-ENG?Ntt=omni-channel&itemFindingMethod=Search)

Jones Mathew; Banasree Dey; Sandeep Puri

**Pub Date:**Jul 16, 2018

**Product #:**W18432-PDF-ENG

**Discipline:**Marketing

**Length:**13 p

TCNS Clothing Company Limited (TCNS), the owner of women's fusion-wear brands W, Weve, Aurelia, and Wishful, had built up a strong retail brand presence in India since its founding in 2002. By 2017, its product innovation, proactive customer need fulfillment, and extensive retail reach had enabled it to grow into a ₹11.5 billion company. The W brand had been building its online presence, but this was still contributing only single-digit shares to sales. Faced with issues of declining loyalty and increasing expectations of digitally influenced consumers, retailers in India were moving toward omni-channel strategies. In early 2018, this seemed to have become an imperative for W as well. Was it now time for W to pursue an omni-channel retail strategy to offer its customers an unbeatable experience? An infusion of funds from two major investors had given the company significant financial muscle to pursue aggressive marketing. Yet, the challenges of going omni-channel were considerable. How should W proceed?

#### [waterdrop (TM): Changing the Paradigms of the Beverage Industry with Limited Resources and Digital Marketing](https://hbsp.harvard.edu/product/IN1594-PDF-ENG?Ntt=omni-channel&itemFindingMethod=Search)

Joerg Niessing; Anne-Marie Carrick; Carla Baumer

**Pub Date:**Jun 28, 2019

**Product #:**IN1594-PDF-ENG

**Discipline:**Marketing

**Length:**14 p

a) Brand identity and positioning for start-ups: How to build a strong brand identity with limited resources, leverage market trends and customer intelligence, and position a brand compared to competitors. b) Digital marketing and branding: How to build a brand across channels on a small budget, create engaging content for target segments, leverage social media for word-of-mouth and community marketing; gamification and mobile strategies. c) Customer-centric strategies: How to leverage consumer insights for new product ideas at low cost, and integrate seamless omni-channel strategies early on. d) Entrepreneurship challenges: Brand or product - deciding which is more important and where to invest resources. The advantages of start-ups (over incumbents) when entering an existing industry. How to grow brands internationally with limited resources; how much brand deviation can be afforded.