

# FULD+COMPANY



## A Food Company Mobilizes to Fend Off a Major Threat to its Core Business

### BACKGROUND

A leading food company that dominated a specific product category it supplied to commercial markets in North America suddenly found itself losing market share to a recent European entrant. Surprisingly, the rival was attacking our client's core business, exposing its soft underbelly and jolting the client out its feelings of invulnerability about a market it had invented.



### CHALLENGE

The new entrant brought a daunting array of weapons to the battle. Its superior processing technology promised longer shelf life, lower transportation costs, and a healthier product. Its approach to promotion bundled the product, at little extra cost to customers, with one of its most popular products. The rival also built facilities in strategic locations to accelerate the velocity of its market entry. They customized their offerings and provided customers with greater ease of use of the product.

Because the client company had been so successful decade after decade, the threat caught them by surprise. And because they had prospered without ever having had to fundamentally alter any aspect of the business, they also found themselves behind in critical areas like marketing and technology.

### APPROACH

Using carefully prepared briefing books and proven strategic frameworks for analyzing competitors, we conducted a rigorous and comprehensive war game. Two dozen product managers were divided into three teams – the client company and two separate teams representing the competitor. Over the course of several sessions each team:

- Developed a strategy for the coming 12-18 months
- Reacted to several disruptive scenarios
- Identified key strategic issues
- Rationalized into four key areas

### RESULT + BENEFITS

Following the war game, we worked with the client to develop a strategic action plan, which they are now implementing. This comprehensive plan includes:

- Aggressively pursuing new technology
- Improving and increasing customer training to retain existing accounts, capture new ones, and win back defectors
- Broadening the product portfolio to offer greater variety and packaging options
- Introducing sales policies that enable customers to sign on with the client more easily