

# 100 best-selling cases

2007 edition

## How to use the case bibliography

This bibliographical supplement presents the 100 best-selling cases from the ecch catalogue during 2006. It incorporates abstracts of all the cases and full bibliographical details such as setting, topics and details of any teaching note. Visit the ecch website at [www.ecch.com](http://www.ecch.com) to view and download a pdf version of the bibliography.

Cases appear alphabetically by title, each with its own entry. Teaching notes do not have separate entries. Their reference numbers and lengths appear within the corresponding case entry.

### Case entry:

#### 404-015-1

#### KIDNAPPED IN COLOMBIA

Rarick, CA

*Barry University, Florida*

Dan and Melissa Woodruff, an American couple, moved to Medellin, Colombia when Dan is offered a position with his....

*Colombia; Textiles; 275 employees; 2001*

Kidnapped  
Colombia  
Political risk

9pp

Published sources

404-015-8 (4pp)

*Reference number*

*Title*

*Author(s)*

*Author's institution*

*Abstract*

*Setting*

*Topics*

*Length*

*Source*

*Teaching note (length)*

### Reference number

This is the number to use when ordering the item.

### Title

Cases in a series are generally denoted by the use of (A), (B), (C) etc.

### Author(s)

The individual(s) listed either wrote or supervised the writing of the case.

### Author's institution

Where there are multiple institutions, their names will appear directly under the corresponding author(s).

### Abstract

The abstract summarises the content of the case and its teaching objectives.

### Setting

This provides information on the geographical location of the subject of the case, the type of industry, the size of the organisation and the year(s) of the case event.

### Topics

These are key words, subjects and issues within the case which are supplied by the author(s).

### Length

The length is given either in pages or in minutes if a video; if the item is a CD-ROM this will be indicated here; s/w means software.

### Source

This relates to the main source of data:

Field research

Published sources

Generalised experience

### Teaching note (length)

If a teaching note is available for the case its reference number will appear here followed by its length in pages in brackets.

## Case search at www.ecch.com

Visit the case search section of the ecch website to identify relevant cases from the ecch collection and view over 27,000 full text inspection copies. To search the database of over 48,000 items, you have two options: Advanced search and Quick search. Once you have identified your case, you can order a paper inspection copy or, if authorised, preview it on-line.

**Advanced search** helps you identify a case that most closely meets your requirements. Refine your search by selecting up to four of the following and additional specific options (eg publication year). The more criteria you select, the more refined your search will be:

- reference number
- abstract
- title
- topic
- author
- industry
- author's institution
- geographic location

**Quick search** enables you to find a particular case you know of, by inputting one piece of accurate data (eg reference number or featured company). Be specific, because quick search will display all entries where an exact match is found.

On the ecch website you can find out about the many services ecch provides to support the writing and teaching of cases. You can also subscribe to:

- **Monthly e-mail updates**

A free service giving details of cases registered during the preceding month.

- **Case collections updates**

Published quarterly and sent free of charge to everyone on the ecch mailing list, these listings give brief details of newly released cases, supplementary materials and journal article reprints.

- **ECCHO**

Recently relaunched, ECCHO includes case reviews, features and information on the case method, as well as a free case that teachers can use.



### need help to find the right case?

Are you having problems finding the right case? Would you like hints on case searching? ecch provides a free helpline.

Be ready to provide information on the:

- Type of case you are looking for
- Setting of the case
- Course the case will be used on
- Students' level of experience

ecch helpline: [help@ecch.com](mailto:help@ecch.com) or +44 (0)1234 756410.

# European Case Awards 2007

in association with The Boston Consulting Group

## Overall winner

**504-007-1**

**DIESEL FOR SUCCESSFUL LIVING: BRANDING STRATEGIES FOR AN UP-MARKET LINE EXTENSION IN THE FASHION INDUSTRY**

Pierre Chandon and Vadim Grigorian

*INSEAD*

## Economics, Politics and Business Environment

**204-181-1**

**INDIA: THE WORLD'S LARGEST DEMOCRACY: THE ELEPHANT UNSHACKLED**

Jonathan Story

*INSEAD*

## Entrepreneurship

**804-031-1**

**ABRAKEBABRA: GROWING PAINS IN A FAST FOOD RESTAURANT CHAIN**

Rosalind Beere, Peter McNamara and Colm O'Gorman

*University College Dublin Business Schools*

## Ethics and Social Responsibility

**704-056-1**

**THE CO-OPERATIVE GROUP: FAIRTRADE CHOCOLATE**

Stephanie Robertson, Chris Voss, Adrian Clarke and Josephine Brennan

*London Business School*

## Finance, Accounting and Control

sponsored by The Institute of Chartered Financial Analysts of India University

**103-057-1**

**SAINSBURY'S (B) SUPPLY CHAIN PERFORMANCE MEASUREMENT**

Regine Slagmulder, INSEAD

Daniel Corsten, University of St Gallen, Kühne-Institute of Logistics

## Human Resource Management / Organisational Behaviour

**499-021-1**

**LINCOLN ELECTRIC IN CHINA**

Charles Galunic and Ingmar Bjorkman

*INSEAD*

## Knowledge, Information and Communication Systems Management

**904-006-1**

**KENT COUNTY COUNCIL: IMPLEMENTING IT FOR E-GOVERNMENT**

Theodoros Evgeniou and Kishore Sengupta

*INSEAD*

*Continued overleaf*

**Marketing** sponsored by The Chartered Institute of Marketing

**504-009-1**

**UNILEVER IN BRAZIL: MARKETING STRATEGIES FOR LOW-INCOME CONSUMERS**

Pierre Chandon and Pedro Pacheco Guimaraes

*INSEAD*

**Production and Operations Management**

**602-039-1**

**MANAGING PRODUCT RETURNS AT HEWLETT PACKARD**

Luk N Van Wassenhove and Daniel R Guide, Jr

*INSEAD*

**Strategy and General Management**

**303-046-1**

**NISSAN'S U-TURN: 1999-2001 CONDENSED VERSION OF REDESIGNING NISSAN (A) & (B)**

Jean-François Manzoni, Kathryn Hughes and Jean-Louis Barsoux

*INSEAD*

**Special award**

**THE SUMANTRA GHOSHAL AWARD FOR EXCELLENCE IN CASE WRITING**

*INSEAD*

## 100 best-selling cases

### **OD1A** **AGILENT TECHNOLOGIES:** **ORGANIZATIONAL CHANGE (A)**

Carroll, G  
Barnett, W  
Chang, V  
*Stanford University*

On 2 March, 1999, Hewlett-Packard (HP) announced a plan to create a separate company, subsequently named Agilent Technologies, made up of HP's businesses in test and measurement, semiconductor products, healthcare solutions, chemical analysis, and the related portions of HP laboratories. In developing the transformation strategy, Agilent President and CEO, Ned Barnholt, grappled with how to improve the efficiency and effectiveness of the new company while still maintaining the best portions of HP's culture and practices. Barnholt adopted HP's values of innovation and contribution, trust and respect for individuals, and uncompromising integrity, but he added three new values: speed, focus, and accountability. Barnholt also wanted to improve the company's efficiency in terms of shared services. In mid-2001, the Agilent team faced a series of unexpected challenges. On 5 April, 2001, Barnholt announced that business conditions had worsened further than previously expected. Barnholt wondered whether he and his team had gone too far in the organizational and cultural changes they had tried to implement. He wondered whether his vision of speed, focus, and accountability would be compatible with HP's legacy values and culture, and if so, how would he integrate the two? The teaching purpose is for students to analyze how a company such as Agilent grappled with the challenges of transforming an ingrained HP culture within a brand new work environment. Students will get a sense of the challenges spun-off companies such as Agilent face, assess Agilent's strategies and implementation, and recommend additional strategies and steps.

*Technology; 46,000 employees, \$10.8 billion revenues; 2000-2001*

Computer industry  
Corporate reorganization  
High technology  
New process  
Organizational change  
Organizational design  
Organizational development  
Organizational management

### Organizational problems Spinoffs

35 pp  
Field research

### **9-201-028** **AIRBUS A3XX: DEVELOPING THE** **WORLD'S LARGEST COMMERCIAL JET** **(A)**

Esty, B  
Kane, ML  
*Harvard Business School Publishing*

In July 2000, Airbus Industrie's supervisory board is on the verge of approving a \$13 billion investment for the development of a new super jumbo jet known as the A3XX that would seat from 550 to 1,000 passengers. Having secured approximately 20 orders for the new jet, the board must decide whether there is sufficient long-term demand for the A3XX to justify the investment. At the time, Airbus was predicting that the market for very large aircraft (VLA), those seating more than 500 passengers, would exceed 1,500 aircraft over the next 20 years and would generate sales in excess of \$350 billion. According to Airbus, it needed to sell 250 aircraft to break even, and could sell as many as 750 aircraft over the next 20 years. This case explores the two sets of forecasts, and asks students whether they would proceed with the launch given the size of the investment and the uncertainty in long-term demand. Illustrates the basic economics of large projects and the complexity in estimating even top-line demand for products with useful lives of up to 50 years. Also illustrates the role of governments in large projects, both as investors and as customers. Finally it explores the competitive dynamics between a monopolistic and a potential entrant in which entry costs exceed \$10 billion.

2000  
Aerospace industry  
Business-government relations  
Capital expenditures  
Corporate strategy  
Demand analysis  
Product development  
Product positioning  
Project finance  
Valuation

20 pp  
Published sources  
5-201-040 (31 pp)

### **9-792-081** **APPLE COMPUTER - 1992**

Yoffie, DB  
*Harvard Business School Publishing*

In 1992, Apple received the only profitable standard other than IBM/Microsoft/Intel in the PC industry. The case examines Apple's dilemma of how to retain its profitability as the structure of the industry deteriorates. Apple's CEO poses the critical question: Can Apple shape the PC industry for the 1990s?

*United States; Computers; Fortune 500, 12,000 employees, \$7 billion revenues; 1992*

Computer industry  
Corporate strategy  
Industry analysis  
Strategy formulation

22 pp  
Field research  
5-792-098 (17 pp)

### **9-502-030** **AQUALISA QUARTZ: SIMPLY A** **BETTER SHOWER**

Moon, Y  
Herman, K  
*Harvard Business School Publishing*

Harry Rawlinson is Managing Director of Aqualisa, a major UK manufacturer of showers. He has just launched the most significant shower innovation in recent history: the Quartz shower. The shower provides significant improvements in terms of quality, cost, and ease of installation. In product testing, the Quartz shower received rave reviews from both consumers and plumbers alike. However, early sales of the Quartz have been disappointing. Rawlinson is now faced with some key decisions about whether to change his channel strategy, promotional strategy, and the overall positioning of the product in the context of his existing product line.

*United Kingdom; Manufacturing industries; £8 million revenue; 2001*

Consumer behavior  
Consumer marketing  
Distribution channels  
Market entry  
Market positioning  
Marketing strategy  
Product development

**Product introduction**  
**Product positioning**

18 pp  
Field research  
5-503-058 (23 pp)

**394-049-1**  
**BANCO COMERCIAL PORTUGUES**  
**(1993)**

Doz, Y  
Horwitch, M  
de Pommes, C  
Taubman, C  
*INSEAD*

The case describes the rapid development of BCP into one of the largest banks in Portugal, with six distinct networks and hundreds of branches. Its growth was based largely on a strategy of customer responsiveness, rooted in a sophisticated approach to market segmentation and in a bold use of information technology and innovation to gain competitive advantage. The case also discusses the sustainability of this competitive advantage in the face of 1993, competitive imitation and internal complexity and growing formalization. Topics covered are strategic analysis and 'strategic window', strategic commitments and the building of barriers to competitive imitation, as well as new venture risks and returns, sustainability of competitive advantage based on a service innovation and the role of information technology choices in building this advantage. There is a Spanish translation available (E394-049-1).

**Portugal; Retail banking; Medium sized bank; 1986-1993**

43 pp  
Field research  
394-049-8 (15 pp)

**9-591-133**  
**BARCO PROJECTION SYSTEMS (A):**  
**WORLDWIDE NICHE MARKETING**

Moriarty Jr, R  
McQuade, K  
*Harvard Business School Publishing*

Deals with the issue of niche marketing in a worldwide market. Barco Projection Systems makes video, data, and graphic projectors for the industrial market. They have traditionally been the performance leader. In August 1989, Sony Corp introduced a higher performance

graphics projector at a considerably lower price than Barco's existing projector. As a result, Barco is faced with being pre-empted in their fastest growing segment by a competitor with much larger resources. Deals with how a small niche player deals with considerably larger competitors in a global environment.

*Global, Belgium; Industrial projectors; Mid-size, \$50 million revenues; 1989-1990*

**Industrial markets**  
**International marketing**  
**Marketing strategy**  
**Product development**  
**Product lines**

19 pp  
Field research  
5-592-098 (12 pp)

**9-694-046**  
**BARILLA SPA (A)**

Hammond, JH  
*Harvard Business School Publishing*

Barilla SpA, an Italian manufacturer that sells to its retailers largely through third-party distributors, experienced widely fluctuating demand patterns from its distributors during the late 1980s. This case describes a proposal to address the problem by implementing a continuous replenishment program, under which the responsibility for determining shipment quantities to the distributors would shift from the distributors to Barilla. Describes support and resistance within Barilla's different functional areas and within the distributors Barilla approached with the proposal.

*Italy; Grocery stores; 7,000 employees, US\$2 billion revenues; 1990*

**Distribution planning**  
**Logistics**  
**Order processing**  
**Supermarkets**  
**Suppliers**

21 pp  
Field research  
5-695-063 (22 pp)

**9-673-057**  
**BENIHANA OF TOKYO**

Sasser Jr, WE  
Klug, JR  
*Harvard Business School Publishing*

Discusses the development of a chain of 'theme' restaurants. The student is asked to evaluate the current operating strategy and suggest a long-term expansion strategy.

*Food industry; Mid-size; 1972*  
**Corporate strategy**  
**Expansion**  
**Multinational corporations**  
**Services**

17 pp  
Field research  
5-677-037 (5 pp)  
5-696-021 (10 pp)

**9-292-122**  
**BETA MANAGEMENT CO**

Edleson, ME  
*Harvard Business School Publishing*

A manager of a small investment company has been successfully using index funds for limited market timing. Growth has allowed her to move into picking stocks. She is considering two small and highly variable listed stocks, but is concerned about the risk that these investments might add to her portfolio. Provides a lead-in to the CAPM. Students learn about total risk, non-diversifiable or portfolio risk, and (CAPM) beta, and calculate variability of the stocks separately, and portfolio variance with and without the stocks, to see how an extremely risky (but low-beta) stock actually reduces risk; and calculate stock betas.

*Investment management; Small; 1991*

**Cost benefit analysis**  
**Diversification**  
**Efficient markets**  
**Investment management**  
**Portfolio management**  
**Regression analysis**  
**Risk assessment**

5 pp  
Generalised experience  
5-294-113 (10 pp)

**9-794-079**  
**BITTER COMPETITION: THE HOLLAND**  
**SWEETENER COMPANY vs**  
**NUTRASWEET (A)**

Brandenburger, A  
Costello, M  
Kou, J  
*Harvard Business School Publishing*

The NutraSweet Co has very successfully marketed aspartame, a low-calorie, high-intensity sweetener, around the world. NutraSweet's position was protected by patents until 1987 in Europe, Canada, and Japan, and until the end of 1992 in the United States. The case series describes the competition that ensued between NutraSweet and the Holland Sweetener Co (HSC) following HSC's entry into the aspartame market in 1987. Subsequent move and countermove in both the marketplace and the courts are described. Ends with the final countdown to the expiration of NutraSweet's US patent. Provides an opportunity to study a game in business that takes place at two levels: there is the surface game of tactics, and there is also the underlying game of value. At the tactical level, there are various points at which NutraSweet or HSC made a move with a view to shaping the perceptions of the other player. Turning to the underlying game of value, there are the actions that NutraSweet took during the period of patent protection. These actions served to maintain NutraSweet's added value in the post-patent game, and to deny added value to challengers.

*Global; Sweeteners; Large, \$2 billion revenues; 1965-1992*

**Beverages**  
**Competition**  
**Food**  
**Patents**  
**Strategy formulation**

14 pp  
Field research  
5-795-164 (28 pp)

**9-392-032**  
**BODY SHOP INTERNATIONAL**

Bartlett, C  
Elderkin, K  
McQuade, K  
*Harvard Business School Publishing*

Describes the start-up and rapid growth of a company whose founder holds strong, non-traditional beliefs about the role of the corporation and its responsibility to society. After profiling Anita Roddick as a person, the case describes the anti-mainstream approach she took to building her highly successful business (no advertising, simple packaging, non-traditional R&D). After elaborating on the strong values she has imposed on the business, concludes by highlighting questions of the business'

transferability to the United States and its survivability as Anita steps back.

*United Kingdom; Retailing; Mid-size, 2,000 employees, \$100 million revenues; 1991*

**Business policy**  
**Consumer goods**  
**Corporate culture**  
**Corporate responsibility**  
**Entrepreneurial management**  
**International business**  
**Retailing**

19 pp  
Published sources  
5-395-148 (7 pp)

**UVA-F-1017**  
**BOEING 777**

Bruner, RF  
Gollish, D  
Clausen, H  
Koggersvol, N  
Christey, P  
*Darden Business Publishing*

The general objective of this case is to exercise students' skills in estimating a weighted-average cost of capital and cost of equity. The specific need to estimate a segment WACC draws out students' abilities to critique different estimates of beta and to manipulate the levered-beta formulas. Thus the case provides a complete menu of capital-cost estimation opportunities.

*Seattle, WA; Aircraft manufacturing; Large; 1990*

**Capital asset pricing model**  
**Capital budgeting**  
**Capital investment**  
**Competitive analysis**  
**Cost of capital**  
**Valuation**

26 pp  
Published sources  
UVA-F-1017TN (12 pp)

**505-113-1**  
**BRAND CONSOLIDATION:  
RE-POSITIONING UNILEVER'S  
EUROPEAN ICE CREAM BUSINESS**

Tavassoli, N  
Svetlicic, Z  
*London Business School*

In 2001, a task force at Unilever was charged with charting the future of the company's European ice cream business.

While it was the largest ice cream maker in the world, Unilever faced a decline in market share, sales volumes, and relevance among consumers. The team had to decide on a brand strategy that would reconnect with customers, ignite growth and solidify the company's leadership of the industry. The practical challenge was if and how to consolidate the brand portfolio; how individual brands should be positioned or re-positioned as part of this strategy; and how this strategy could be implemented.

*Europe; Ice cream (frozen foods); Sales of about 50 billion euros; 2001*

**Branding**  
**Positioning**  
**Re-positioning**  
**Brand architecture**  
**Brand consolidation**  
**Global branding**  
**Perceptual mapping**  
**Qualitative research**  
**Needs segmentation**  
**Standardisation**  
**Brand rationalisation**  
**Marketing**  
**Consumer behaviour**  
**Europe**  
**Customer needs**

15 pp  
Field research  
505-113-8 (12 pp)

**9-300-018**  
**BRL HARDY: GLOBALIZING AN  
AUSTRALIAN WINE COMPANY**

Bartlett, C  
*Harvard Business School Publishing*

Focuses on two new product launch decisions facing Christopher Carson, managing director of BRL Hardy, Europe. Responsible for the European operations of a major Australian wine company, Carson has begun to globalize his strategy beyond selling the parent company's wines. After a difficult joint venture with a Chilean wine source, he is proposing to launch an Italian line of wines. His local team has also developed a new Australian brand that would compete directly with a parent company's global brand rollout. Focuses on global strategy choices being made through headquarter-subsidiary negotiations that define the roles of country managers and global product managers.

Australia  
Beverages  
Business policy  
Entrepreneurship  
International business  
International marketing  
New product marketing  
Strategy implementation  
United Kingdom

20 pp  
Field research  
5-300-128 (16 pp)

**195-001-1  
CARREFOUR IN ASIA (A): TAIWAN: A  
BRIDGEHEAD INTO ASIA**

Lasserre, P  
Courbon, P  
*INSEAD*

This is the first of a two-case series (195-001-1 and 195-002-1) and analyses the entry of a European mass retailer in Asia. A 13-minute video (195-001-3) and a background note (195-001-5) is available to accompany the case. There is a French translation available (F195-001-1). This case contains colour exhibits. \*\*ecch European Case Awards Category Winner 1996\*\*

*Taiwan; Distribution, Retailing,  
Hypermarkets*

Asia Pacific  
International strategy  
Entry strategy  
Marketing in Asia  
International services  
Asia business

22 pp  
Field research  
195-001-8 (21 pp)

**9-296-049  
CASE OF THE UNIDENTIFIED  
INDUSTRIES - 1995**

Fruhan Jr, WE  
*Harvard Business School Publishing*

Helps students to understand how the characteristics of a business are reflected in its financial statements. Predict the 11 firms/industries that are represented by 11 sets of financial/statements.

1995  
Financial management  
Financial ratios

2 pp  
Published sources  
5-297-049 (7 pp)

**9-495-031  
CHARLOTTE BEERS AT OGILVY &  
MATHER WORLDWIDE (A)**

Ibarra, H  
Sackley, N  
*Harvard Business School Publishing*

Examines Beer's actions on assuming leadership of Ogilvy & Mather Worldwide, the world's sixth largest advertising agency, during a period of rapid industry change and organizational crisis. Focuses on how Beers, the first outsider CEO, engages and leads a senior team through a vision formulation process. Chronicles closely the debates among senior executives struggling to reconcile creative, strategic, and global vs local priorities. Sixteen months later, with a vision statement agreed upon, Beers faces a series of implementation problems. Turnaround has begun, but organizational structures and systems are not yet aligned with the firm's new direction. Concludes as Beers must decide how to work best with her senior team to achieve alignment in 1994.

*7,000 employees, \$3.5 billion revenues;  
1992-1993*

Advertising  
Leadership  
Multinational corporations  
Organizational change

18 pp  
Field research  
5-495-033 (16 pp)

**9-187-081  
CODMAN & SHURTLEFF, INC:  
PLANNING AND CONTROL SYSTEM**

Simons, RL  
*Harvard Business School Publishing*

Detailed description of the planning and control systems in use at Johnson & Johnson. Focuses on the actions of managers in one subsidiary in revising budget targets. Illustrates intensive strategic planning and financial planning process in a large, decentralized company. Includes interviews with the president and senior executives concerning benefits of the system. Raises issue of the role of formal control systems in decentralized organizations.

*Massachusetts, New Jersey; Health care;  
Fortune 500, 75,000 employees; 1986*

Budgeting  
Control systems  
Decentralization

Planning systems  
Strategic planning

17 pp  
Field research  
5-188-029 (9 pp)

**9-702-442  
COLA WARS CONTINUE: COKE AND  
PEPSI IN THE TWENTY-FIRST  
CENTURY**

Yoffie, DB  
Wang, Y  
*Harvard Business School Publishing*

Examines the industry structure and competitive strategy of Coca-cola and Pepsi over 100 years of rivalry. New challenges of the 21st century included boosting flagging domestic cola sales and finding new revenue streams. Both firms also began to modify their bottling, pricing, and brand strategies. They looked to emerging international markets to fuel growth and broaden their brand portfolios to include non-carbonated beverages like tea, juice, sports drinks, and bottled water. For over a century, Coca-Cola and Pepsi-Cola had vied for the 'throat share' of the world's beverage market. The most intense battles of the cola wars were fought over the \$60 billion industry in the United States, where the average American consumes 53 gallons of carbonated soft drinks (CSD) per year. In a 'carefully waged competitive struggle; from 1975 to 1995 both Coke and Pepsi had achieved average annual growth of around 10% as both US and worldwide CSD consumption consistently rose. This cozy situation was threatened in the late 1990s, however, when US CSD consumption dropped for two consecutive years and worldwide shipments slowed for both Coke and Pepsi. The case considers whether Coke's and Pepsi's era of sustained growth and profitability was coming to a close or whether this apparent slowdown was just another blip in the course of a century of enviable performance. A rewritten version of an earlier case by Michael E Porter and David B Yoffie. May be used with: (9-794-055) Cola Wars Continue: Coke vs Pepsi in the 1990s; (9-799-117) A Hundred-Year War: Coke vs Pepsi - 1890s-1990s.

*United States and global; Beverages;  
Fortune 500; 2000*

Beverages  
Competition

Corporate strategy  
Industry analysis  
Industry structure  
International business

24 pp  
Published sources  
5-703-403 (11 pp)

**9-580-104**  
**CUMBERLAND METAL INDUSTRIES:  
ENGINEERED PRODUCTS DIVISION -  
1980**

Shapiro, BP  
Sherman, JJ  
*Harvard Business School Publishing*

Cumberland Metal Industries has developed a new product to help contractors drive piles faster. They are trying to decide how to price it. Provides substantial information on the industry, competition, etc. Students must decide what factors are relevant in making an industrial pricing decision. Decisions must also be made about promotion and distribution channels. Software for this case is available (9-589-528).

*United States; Construction equipment; Small, \$18 million sales; 1980*

Competition  
Construction  
Distribution channels  
Industrial goods  
Industrial markets  
Market entry  
New product marketing  
Pricing strategy

16 pp  
Field research  
5-585-115 (12 pp)

**504-007-1**  
**DIESEL FOR SUCCESSFUL LIVING:  
BRANDING STRATEGIES FOR AN UP-  
MARKET LINE EXTENSION IN THE  
FASHION INDUSTRY**

Chandon, P  
Grigorian, V  
*INSEAD*

Renzo Rosso, the president and founder of Diesel SpA, the innovative Italian casual wear company famous for its controversial 'For Successful Living' advertising campaign, is pondering how to brand its new upscale line of clothing: StyleLab. The objectives set for StyleLab are: (1) to enter the new and attractive

high casual wear market; (2) to create an aura of prestige for the core D-Diesel line; and (3) to provide Diesel's designers with the opportunity to experiment with new cuts and fabrics, which may eventually trickle down to the main D-Diesel brand. The case focuses on the selection of the branding strategy for StyleLab: should it be an independent brand with no link to Diesel, a sub-brand of Diesel, or an independent brand endorsed by Diesel? It can also be used to discuss critical issues in the marketing of fashion and luxury brands. In particular, it illustrates how Diesel has managed to grow without losing its core identity. The main objectives of the case are to develop an understanding of the key issues involved in managing a portfolio of brands and to evaluate alternative branding strategies for launching a new brand using a structured approach and tools. The case also illustrates critical issues in the marketing of fashion and luxury brands, most notably brand extensions. This case has been successfully taught in an MBA course on brand management. It can also be used in a session on branding in a marketing management course. The large corpus of Diesel's controversial print and television advertisements also make the case suitable for an advertising course or the advertising module of a marketing management course. Finally, the case can also be used in a market research course to illustrate the value of experimental methods for studying the effects of branding. A CD-ROM (504-007-9) is available to accompany the teaching note. The CD-ROM contains 23 of Diesel's best television commercials (called 'videotronic guides to successful living'), a PowerPoint presentation containing all the case exhibits, a PowerPoint presentation of Diesel and StyleLab print advertising campaigns, before and after the time of the case, and a PowerPoint presentation with information on what happened to Diesel and StyleLab after the case. \*\*ecch European Case Awards Category Winner 2006 and ecch European Case Awards Overall Winner 2007\*\* This case was reviewed in ECCHO. To read the review visit [www.ecch.com/casereviews](http://www.ecch.com/casereviews).

*Western Europe; Fashion; 1,000 employees, 260 million euros turnover; 1999*

Branding  
Marketing  
Brand management  
Brand extension  
Fashion

Luxury goods  
Advertising  
Logos

24 pp  
Field research  
504-007-8 (21 pp)  
504-007-9 (CD-ROM)

**9-295-059**  
**DIVIDEND POLICY AT FPL GROUP, INC  
(A)**

Esty, B  
Schreiber, C  
*Harvard Business School Publishing*

A Wall Street analyst has just learned that FPL (the holding company for Florida's largest electric utility) may cut its dividend in several days despite a 47-year streak of consecutive dividend increases. In response to the deregulation of the electric utility industry, FPL has substantially revised its competitive strategy over the past several years. The analyst must decide whether a change in dividend policy will be a part of FPL's financial strategy in this deregulated environment. Allows students to examine how firms set and change dividend policy. Also provides a background for examining why firms pay dividends and whether dividend policy matters.

*Florida; Electric utility; Large, 12,400 employees, \$5.3 billion revenues; 1994*

Corporate strategy  
Deregulation  
Dividends  
Electric power  
Financial strategy  
Securities analysis

17 pp  
Published sources  
5-296-072 (21 pp)

**301-228-1**  
**EASYEVERTHING'S PRICING  
POLICIES**

Pagliero, M  
Court, P  
*London Business School*

Founded in 1999 by Stelios Haji-Ioannou, easyEverything quickly became the largest chain of Internet cafés in the world. Stelios used his experience in the airline industry to introduce dynamic pricing in Internet Café. The price in the cafés is automatically updated every 5

minutes according to capacity utilisation and, far from discouraging potential customers, the new system has been widely accepted. Although this pricing scheme successfully manages to smooth demand, preventing queues from forming or having empty stores, Stelios believes that it can be improved. The challenge ahead is to find new ways to increase store occupancy without having to decrease prices below reasonable levels. The focus of the case is on pricing and it illustrates how the concepts of demand and price discrimination are used in practice. The aim of the case is to stimulate students to discuss how easyEverything manages its pricing policies to sort consumers in different segments and to make the best use of store capacity. Overall, the case introduces the reader to the fundamental issue of how different pricing instruments can be used to maximise revenues.

*Europe; Internet cafés; 1999-2001*

Pricing policies  
Demand curve  
Price discrimination  
Peak load pricing  
Revenue management  
Dynamic pricing

25 pp  
Field research  
301-228-8 (8 pp)

**IMD-3-0873**  
**EASYJET: THE WEB'S FAVOURITE AIRLINE**

Kumar, N  
Rogers, B

*IMD - International Institute for Management Development*

Stelios Haji-Ioannou, the 32-year-old Chief Executive Officer and founder of easyJet airlines, achieved profitability for the first time in 1999, almost 4 years after launching his London-based low-cost carrier. The concept behind easyJet was 'to offer low-cost airline service to the masses', and the airline accomplished this by adopting an efficiency-driven operating model, creating brand awareness, and maintaining high levels of customer satisfaction. A key issue in the case is whether the airline will continue to grow and survive in the highly competitive low-cost segment of the market. In 2000, Stelios was anxious to try his hand at launching other businesses, so he started a chain of

Internet cafés. Some questioned whether Stelios would be able to successfully transfer his low-cost business model to Internet cafés. Undeterred, Stelios moved ahead with his plan to create easyEverything, with the belief that he could make a profit by encouraging customers to surf the Internet, send e-mail and shop on-line. This case contains colour exhibits. An abridged version of this case is available 'IMD-3-0873'. A video is available to accompany this case (IMD-3-0873-V). Instructors should note that 'easyJet' is the first case in a series that includes 'easyEverything: The Internet Shop' (IMD-3-0874) and 'www.easyrentacar.com' (IMD-3-0875). \*\*ecch European Case Awards Category Winner 2001 and ecch European Case Awards Overall Winner 2002\*\* This case was reviewed in ECCHO. To read the review visit [www.ecch.com/casereviews](http://www.ecch.com/casereviews).

*Europe; Airline; 1,000 employees, US\$125 million turnover; 1999*

Marketing strategy  
Industry analysis  
Service management

22 pp  
Field research  
IMD-3-0873-T (19 pp)

**302-058-1**  
**EVEN A CLOWN CAN DO IT: CIRQUE DU SOLEIL RECREATES LIVE ENTERTAINMENT CASE B**

Mauborgne, R  
Bensaou, B  
Chan Kim, W  
*INSEAD*

This is the second of a two-case series (302-057-1 and 302-058-1). Cirque du Soleil very successfully entered a structurally unattractive circus industry. It was able to reinvent the industry and created a new market space by challenging the conventional assumptions about how to compete. It value innovated by shifting the buyer group from children (end-users of the traditional circus) to adults (purchasers of the traditional circus), drawing upon the distinctive strengths of other alternative industries, such as the theatre, Broadway shows and the opera, to offer a totally new set of utilities to more mature and higher spending customers. The case series is designed to serve a variety of purposes in the value innovation and creating new market space teaching module of an MBA strategy course or

executive education programme. The case series can be equally used individually in a standalone module on value innovation or as part of a sequence of three to four sessions. In both instances, the instructor can best use it to cover the following topics: (1) the value innovation logic (as compared to industry and competitive analysis); (2) the concept of value curve; and (3) the six paths analysis for creating new market space. Transparencies are available to accompany this case series (302-057-7).

*Canada, USA, Europe; Circus; 2001*

Circus and live entertainment industry  
Value innovation  
Strategy  
Creating new market space  
Redefining industry boundaries  
Moving across industries  
Thinking out of the box  
Competition

9 pp  
Field research  
302-057-8 (24 pp)

**302-016-1**  
**FLYING INTO A STORM: BRITISH AIRWAYS (1996-2000)**

Manzoni, JF  
Barsoux, JL  
*INSEAD*

This case considers the transition at the head of British Airways (BA) from Lord Marshall, key architect of BA's spectacular restructuring and revitalisation in the 1980s, to his chosen successor Robert Ayling. In an increasingly deregulated market, Ayling's challenge is to sustain BA's position of leadership in the airline industry. He pursues an ambitious strategic alliance, a massive cost cutting drive and initiates a controversial change of corporate identity. Although the stock market initially approves of most of his strategy, he runs into trouble on the industrial relations front. A cabin crew strike in the summer of 1997 hits employee morale and triggers a sustained dive in the airline's share price. For all Ayling's efforts over the following three years, he does not manage to redress the slump and his eventual removal does not come as much of a surprise. What is surprising is the insistence by BA's chairman that Ayling had set the right strategy, but was the wrong person to implement it. The case explores what went wrong. This is a very

rich case that can be tackled from several angles. On the leadership succession side it illustrates the difficulties of making one's mark when taking over a highly successful company, especially coming after a very respected leader. On the leadership style angle, the case highlights the various roles of the leader - as strategist, architect and mobiliser - and the difficulties of building or rebuilding credibility and trust. It also raises questions on why leaders often become more abrasive as time passes and how much their style is shaped by their initial background and leadership experiences. The case can be used to examine how to bring about radical change, particularly when the company is doing well at the outset and staff's sense of urgency is correspondingly low. It also illustrates the importance of fair process in radical change efforts. Last but not least the case raises questions on the causes and consequences of company culture. As CEO Marshall had created a culture of employee and customer care that was widely admired even beyond the airline sector, that culture seemed to go away fairly quickly as service levels dropped and employees felt no longer cared for. What happened? The case can be used as a stand alone case, or following a discussion of the case 'Becoming the World's Favourite Airline: British Airways 1980-93' (398-080-1) (which covers the King-Marshall years). Note: The first 18 months of Ayling's tenure (and hence of the period covered in this case) were discussed in the case 'Remaining the World's Favourite Airline: British Airways 1993-97' (398-081-1). That case was focused mainly on leadership succession and fair process. This new case builds on this initial period and covers the next three years, culminating in the removal of Robert Ayling. These additional three years were very eventful and result in a much richer set of teaching issues. If you want to centre the discussion on fair process, we recommend using the case 'Remaining the World's Favourite Airline: British Airways 1993-97' (398-081-1). This present case will support a broader discussion. There is a French translation available (F302-016-1).

*United Kingdom; Airline; Over 60,000 employees; 1996-2000*

Leadership  
Succession  
Radical change  
Corporate renewal  
Implementing a new strategy  
Fair process

Corporate culture  
Customer service  
Industrial relations  
Cost cutting  
Service sector

27 pp  
Published sources  
302-016-8 (37 pp)

**599-038-1  
FORD KA (A): BREAKING NEW  
GROUND IN THE SMALL CAR MARKET**

Christen, M  
Soberman, D  
Cothier, G  
*INSEAD*

This is the first of a two-case series (599-038-1 and 599-039-1). In response to the changes in the European small car market, Ford decided to launch a second small car, the Ford Ka. The Ford Ka has already been developed, the production capacity determined, and the launch set for October 1996 in France. Before Gilles Moynier can get to the specifics of the marketing strategy, he must decide who the target customer for the Ford Ka should be. The (B) case reveals that Ford chose an attitudinal segmentation and presents initial sales results. The change in the segmentation approach made it difficult to assess the success of the launch and to determine what needed to be done next to continue to build the brand. The Ford Ka case introduces students to the fundamental marketing problem of market segmentation and target selection. Ford's situation does not fit the 'textbook' model exactly and thus, the case is an opportunity for students to see how theory is applied in the real world. Ford's problem is not unique. Often firms want to introduce an existing product to a new market. At a more detailed level, the case can be used to highlight the difference between segment formation and segment identification and the importance of considering implementation issues of a marketing strategy. The case also exposes students to typical market research tools used for market segmentation. This case contains colour exhibits. There is a French translation available (F599-038-1).

*France; Automobile; Sales FF 18 billion (1995); 1996-1997*

Segmentation  
Segment identification  
Target selection  
Product introduction in new

markets  
Internal marketing

33 pp  
Field research  
599-038-8 (17 pp)

**301-056-1  
FORMULA ONE CONSTRUCTORS:  
COMBINED CASE**

Jenkins, M  
*Cranfield School of Management*

This is a revised and combined version of the Formula One Constructors case series (399-001-1 to 399-004-1 and 303-094-1). This case is used to address the issues of achieving competitive advantage in a highly competitive, technological and international context. The introduction outlines the competitive nature of Formula 1 and the fact that this is an industry of sophisticated multi-million pound organisations competing at the highest international level. The case then focuses on a constructor who achieved sustained competitive advantage in a particular period. The case is used to illustrate a number of principles relating to the resource-based view of strategy, such as defining sources of competitive advantage; the problems of imitation and appropriation of key resources; and the idiosyncratic and path-dependent nature of sources of advantage.

*Global; Motorsport, Formula One; Large; 1950-2003*

Sustained competitive advantage  
Resource based view  
Core competence  
Distinctive capabilities  
Strategy  
Formula 1  
F1

16 pp  
Field research  
399-001-8 (8 pp)

**9-399-150  
GE'S TWO-DECADE  
TRANSFORMATION: JACK WELCH'S  
LEADERSHIP**

Bartlett, CA  
Wozny, M  
*Harvard Business School Publishing*

GE is faced with Jack Welch's impending retirement and whether anyone can sustain the blistering pace of change and

growth characteristic of the Welch era. After briefly describing GE's heritage and Welch's transformation of the company's business portfolio of the 1980s, the case chronicles Welch's revitalization initiatives through the late 1980s and 1990s. It focuses on six of Welch's major change programs: The Software Initiatives, Globalization, Redefining Leadership, Stretch Objectives, Service Business Development, and Six Sigma Quality. May be used with: (9-304-049) GE's Talent Machine: The Making of a CEO.

*United States, global; Industrial conglomerate; 293,000 employees, \$100 billion revenues; 1981-1998*

Business policy  
Conglomerates  
Corporate culture  
Corporate strategy  
Executives  
Leadership  
Management of change  
Organizational change  
Organizational development  
Strategy implementation

24 pp  
Published sources  
5-300-019 (16 pp)

**9-806-105  
GOOGLE, INC**

Eisenmann, TR  
Herman, K  
*Harvard Business School Publishing*

Describes Google's history, business model, governance structure, corporate culture, and processes for managing innovation. Reviews Google's recent strategic initiatives and the threats they pose to Yahoo, Microsoft, and eBay. Asks what Google should do next. One option is to stay focused on the company's core competence, ie, developing superior search solutions and monetizing them through targeted advertising. Another option is to branch into new arenas, for example, build Google into a portal like Yahoo or Microsoft Network (MSN); extend Google's role in e-commerce beyond search, to encompass a more active role as an intermediary (like eBay) facilitating transactions; or challenge Microsoft's hegemony over the personal computer (PC) desktop by developing software to compete with Office and Windows.

*Mountain View, California (CA), United States; Advertising industry, Internet and on-line services industries, software industry; 5,000 employees, US\$6.1 billion revenues; 2005*

Business history  
Business models  
Competition  
Corporate culture  
Corporate governance  
Corporate strategy  
Corporate structure  
Entrepreneurship  
Governance  
Innovation  
Network effects  
Search engines  
Social networks  
Values

33 pp  
Published sources  
5-806-199 (28 pp)  
5-807-067 (7 pp)

**IMD-3-1353  
GREG DYKE: TAKING THE HELM AT THE BBC (A)**

Killing, P  
Keys, T  
*IMD - International Institute for Management Development*

This is the first of a three-case series (IMD-3-1353, IMD-3-1354 and IMD-3-1441). This is a teaching case designed to illustrate the challenges facing a senior executive, in this case a CEO (Director-General), as he or she takes over a new role in a new organisation. The BBC has major internal challenges around organisation and culture, in addition to significant external market challenges as the media industry moves from analogue to digital technologies. The case is set on the day of Greg Dyke's first speech to staff when he needs to set the agenda for his time as Director-General. Key discussion points are expected to be around: the priorities he sets for tackling the issues that face him, how he communicates his leadership style and the approaches for tackling an unhappy organisation. A video 'IMD-3-1353-V' is available to accompany the (A) and (B) cases. \*\*EFMD European Case Writing Competition Category Winner 2005\*\*

*United Kingdom; Media; £3 billion revenue; 2000*  
Media  
Leadership  
Organisational change

**Culture  
Strategy**

12 pp  
Field research  
IMD-3-1353-T (12 pp)

**9-384-049  
HONDA (A)**

Pascale, R  
Christiansen, E  
*Harvard Business School Publishing*

Describes the history of Honda Motor Company from its beginning through its entry into and subsequent dominance of the US market. The history is explained primarily in terms of strategic factors and quoted from two sources: an earlier case and Boston Consulting Group report on the motorcycle industry. Should be used with Honda (B).

*Japan, United States; Motorcycles; Large; 1948-1974*

Business policy  
Competition  
Corporate strategy  
Japan  
Learning curves  
Motorcycles

9 pp  
Published sources  
5-386-034 (7 pp)  
5-704-022 (27 pp)

**9-384-050  
HONDA (B)**

Pascale, R  
Christiansen, E  
*Harvard Business School Publishing*

Describes the history of Honda Motor Company from its beginning through its entry into and subsequent dominance of the US market as seen through the eyes of Honda executives. The history of Honda's successful entry into the US market is viewed as highly adaptive and fraught with error and serendipity. Honda (A) and (B) are designed to be used together to contrast two differing views of major events in a company's history, both of which are important for a general manager to understand.

*Japan, United States; Motorcycles; Large; 1948-1974*

Business policy  
Corporate strategy  
Japan

**Management of change  
Management styles  
Motorcycles**

9 pp  
Field research  
5-386-034 (7 pp)  
5-704-022 (27 pp)

**405-020-1  
IKEA'S INNOVATIVE HUMAN  
RESOURCE MANAGEMENT  
PRACTICES AND WORK CULTURE**

Dutta, S  
Regani, S  
*Institute of Chartered Financial  
Analysts of India Center for  
Management Research*

IKEA was one of the largest furniture manufacturers and retailers in the world, with operations in 32 countries (in early 2005). The company was well known for its stylish and innovative designs. It was the pioneer of furniture that could be dismantled and packed flat, to allow ease of transportation. IKEA's main strength was its committed workforce, which was often the source of the company's innovative concepts. IKEA adopted a positive approach toward human resource management. In the late 1990s and early 2000s, the company implemented several initiatives that promoted life balance and diversity. The case discusses the innovative human resource management practices adopted by IKEA and describes its work culture. Initiatives related to flexible work design, comprehensive benefits, quality of work life and employee training and development are outlined. The case also discusses the prominent elements of IKEA's culture, such as: diversity; openness; equality; cost consciousness; and competitiveness. The teaching objectives of the case are: (1) to understand the human resource management practices and work culture of a major furniture manufacturer and retailer; (2) to appreciate the importance of positive human resource management practices in employee retention; (3) to understand the need for employee development and to study the practices adopted by a major multinational company toward this end; and (4) to analyse the effect of culture on employee morale and the relationship between culture and innovation. This case is meant for MBA/PGDBM students and is designed to be part of the human

resource management and organisational behaviour curriculum.

*Sweden; Furniture retailing; Large; 1953-2005*

**Human resource management  
Work culture  
Ingvar Kamprad  
Franchisee model  
Swedish companies  
Employee retention  
Life balance and diversity  
Benefits policy  
Co-worker Appreciation Day  
401(K) Policy  
Training and development  
Paddle your own canoe  
IKEA values  
Diversity and creativity  
Advertising**

15 pp  
Published sources  
405-020-8 (5 pp)

**9-705-458  
JCDECAUX**

Wells, JR  
Stachowiak-Joulain, M  
Dessain, V  
*Harvard Business School Publishing*

Describes how JCDecaux, the second largest global outdoor advertising company, became the world leader in street furniture advertising in a fast consolidating business environment. Also explains why, in the late 1990s, JCDecaux diversified its activities into billboards and transport outdoor advertising in reaction to competitor attacks. Places students in the position of Jean-François Decaux and his brother Jean-Charles Decaux, the sons of the founder and JC Decaux's co-CEOs (chief executive officers) who, in late 2004, explore ways to continue the success of the 73% family-owned business.

*France; Advertising industry; 7,000 employees, 1.544 million euros revenues; 2004*

**Advertising  
Business models  
Corporate culture  
Corporate strategy  
Family owned businesses  
Market analysis  
Public relations  
Strategy formulation  
Strategy implementation**

32 pp  
Field research

**9-798-063  
LEADERSHIP ONLINE (A): BARNES &  
NOBLE vs AMAZON.COM**

Ghemawat, P  
Baird, B  
*Harvard Business School Publishing*

Describes the attempt of a traditional retailer, Barnes & Noble, to counter the challenges posed by an Internet-based start-up, Amazon.com.

*20,000 employees, \$2 billion revenues; 1996-1997*

**Competition  
Electronic Commerce  
Internet  
Publishing industry  
Retailing**

19 pp  
Published sources  
5-798-119 (15 pp)

**9-376-241  
LEARNING BY THE CASE METHOD  
Note**

Hammond, JS  
*Harvard Business School Publishing*

Helps students fully capitalize on the case method. Succinctly introduces the benefits, format, and process while offering lots of (how-to) advice. Widely used as an introductory handout for executive, MBA, and undergraduate courses. Describes how case discussion enables the exchange of managerial experience and knowledge. Emphasizes the need to identify the real issues and do rigorous analysis in the course of reaching a management decision and that there is typically more than one (right) answer.

**Higher education  
Case method  
Learning  
Teaching methods**

4 pp

**9-906-034  
LEHMAN BROTHERS (A): RISE OF THE  
EQUITY RESEARCH DEPARTMENT**

Nanda, A  
Groysberg, B  
Prusiner, L  
*Harvard Business School Publishing*

Under Jack Rivkin's leadership, Shearson Lehman's research department rose from

relative obscurity to the highest ranking research department on Wall Street within three years. When Rivkin is promoted to head of equity, he wonders how to succeed in his new position.

**Global; Investment banking; 250 employees, US\$80 million research budget; 1987-1990**

Human resources management  
Leadership  
Organizational change  
Strategy implementation

26 pp  
Field research

**499-021-1  
LINCOLN ELECTRIC IN CHINA**

Galunic, C  
Bjorkman, I  
*INSEAD*

This case looks at how Lincoln Electric, the US-based company renowned for its compensation scheme, tried to implement its human resource policies globally, and particularly in China. The objective is to expose readers to some of the difficulties and myths of pushing well-worn ideas overseas. The case ends off with an important question regarding the company's future, one that depends on its overseas strategy, of which HR is key. \*\*ecch European Case Awards Category Winner 2007\*\*

**China, USA, Europe; Manufacturing; 1998-1999**

Compensation  
Cross-culture  
International expansion  
China  
Incentives

20 pp  
Field research  
499-021-8 (11 pp)

**9-692-015  
MANZANA INSURANCE: FRUITVALE BRANCH (ABRIDGED)**

Wheelwright, SC  
*Harvard Business School Publishing*

Deals with performance assessment and improvement of a service operation in the insurance industry, a market that is highly sensitive to response time. Two branch offices in direct competition are described, and the impact of response time on performance is suggested.

Management choices that impact response time are explored and the poorer performer of the two branches must decide how to respond.

**California; Insurance industry; 1989-1991**

Competition  
Insurance  
Operations management  
Performance measurement  
Scheduling  
Service management

14 pp  
Field research  
5-696-043 (12 pp)

**602-010-1  
MARKS AND SPENCER AND ZARA:  
PROCESS COMPETITION IN THE  
TEXTILE APPAREL INDUSTRY**

Pich, M  
Van der Heyden, L  
Harle, N  
*INSEAD*

This case was written to illustrate the importance of business process design as a basis for competition in the textile industry. The case illustrates the impressive performance of Zara, the new fashion player from Spain, which has innovated in process design so as to deliver new collections in its stores with a lead-time of 5 to 7 days. The more traditional approach in textile retailing is illustrated here by Marks and Spencer (M&S), the well-known UK retailer. Notwithstanding M&S's current problems, the case does not fall into an overly simple comparison between a young, innovative competitor and an ageing glory. The authors have taught this case both in executive education and in the MBA core class on process and operations management. There are four important concepts that we typically stress, more or less, depending on pedagogical objectives: (1) newsvendor losses in the textile industry; (2) the role of postponement in final design; (3) the 'lean enterprise' aspect of Zara; and (4) process competition and innovation, embedded in technology evolution. There is a Spanish translation available (E602-010-1). There is a French translation available (F602-010-1). \*\*ecch European Case Awards Category Winner 2003 and ecch European Case Awards Overall Winner 2005\*\*

**UK; international, Retail, textile apparel; Large; 1998-2001**

Process competition  
Operations management  
Supply chain  
Retail apparel  
Delayed customisation  
Time-based competition  
Newsboy model  
Innovation

17 pp  
Published sources  
602-010-8 (37 pp)  
602-010-9 (s/w)

**9-289-047  
MARRIOTT CORP: THE COST OF  
CAPITAL Abridged**

Ruback, R  
*Harvard Business School Publishing*

Gives students the opportunity to explore how a company uses the Capital Asset Pricing Model (CAPM) to compute the cost of capital for each of its divisions. The use of Weighted Average Cost of Capital (WACC) formula and the mechanics of applying it are stressed.

**Hotels and restaurants; Large; 1988  
Capital costs  
Hotels and motels**

10 pp  
Field research  
5-298-081 (18 pp)

**9-799-158  
MATCHING DELL**

Rivkin, JW  
Porter, ME  
*Harvard Business School Publishing*

After years of success with its vaunted 'Direct Model' for computer manufacturing, marketing, and distribution, Dell Computer Corp faces efforts by competitors to match its strategy. This case describes the evolution of the personal computer industry, Dell's strategy, and efforts by Compaq, IBM, Hewlett-Packard, and Gateway 2000 to capture the benefits of Dell's approach. Students are called on to formulate strategic plans of action for Dell and its various rivals. Designed to be taught in any of several places in an MBA course on competitive strategy. Permits an especially detailed examination of imitation; illustrates how fit among

activities and incompatibilities between competitive positions can pose particularly high barriers to imitation. Can also be employed to illustrate competitor analysis, the evolution of industry structure, and relative cost analysis.

**Global; Personal computers; Fortune 500, \$19 billion revenues; 1998**

**Competition  
Computer industry  
Cost analysis  
Industry structure  
Personal computers  
Strategic planning**

31 pp  
Published sources  
5-700-084 (24 pp)

**9-396-357  
MCKINSEY & CO: MANAGING  
KNOWLEDGE AND LEARNING**

Bartlett, C  
*Harvard Business School Publishing*

Describes the development of McKinsey & Co as a worldwide management consulting firm from 1926 to 1996. In particular, it focuses on the way in which McKinsey has developed structures, systems, processes, and practices to help it develop, transfer, and supply knowledge among its 3,800 consultants in 69 offices worldwide. Concludes by focusing on three young consultants operating in each dimension of the firm's organization - the local office, the industry practice, and the firm's competence center. MD Rajat Gupta wonders if the changes he has made are sufficient to maintain the firm's vital knowledge development process. Can be used in general management, service management, or international management courses to focus on the GM's role in making knowledge and expertise a source of competitive advantage.

**6,000 employees; \$1.8 billion revenues; 1996**

**Business policy  
Consulting  
Innovation  
Knowledge transfer  
Management of professionals  
Multinational corporations  
Organization**

20 pp  
Field research  
5-398-065 (16 pp)

**IMD-5-0537  
MEDI-CULT: PRICING A RADICAL  
INNOVATION**

Kumar, N  
Rogers, B  
*IMD - International Institute for  
Management Development*

This is a case that highlights the issues involved in the launch of an infertility product and procedure, which allows women to become pregnant without having to undergo unpleasant hormone stimulation or experience dangerous side-effects. In bringing its product to market, Medi-Cult, a small biotechnology company, must deal with regulatory constraints, larger competitors, and the challenges of introducing a new product into the local and global marketplace. Questions raised are: Should the product be priced according to its perceived value? Should Medi-Cult pursue a penetration or market skimming strategy in pricing the new product? How will the contribution margin be affected if a global, regional, or multinational pricing strategy is chosen? What are the ethical issues in pricing pharmaceuticals? \*\*ecch European Case Awards Category Winner 2005\*\* This case was reviewed in ECCHO. To read the review visit [www.ecch.com/casereviews](http://www.ecch.com/casereviews).

**Worldwide; Biotechnology; 1997 turnover US\$3 million; 1998**

**Pricing  
New products  
International marketing**

13 pp  
Field research  
IMD-5-0537-T (14 pp)

**803-051-1  
MEG WHITMAN: THE DRIVING FORCE  
BEHIND EBAY**

Mukund, A  
Neela Radhika, A  
*Institute of Chartered Financial  
Analysts of India Center for  
Management Research*

The case examines the managerial and leadership skills of Meg Whitman, the CEO of eBay, the leading US-based on-line auction site. eBay's business model and its growth since its inception in 1995 up to the entry of Whitman in 1998 are discussed. The case also traces Whitman's rapid rise up the corporate ladder and examines the circumstances that led her to join eBay. Whitman's managerial and

leadership capabilities are also discussed in detail. The case also examines the reasons for Whitman's emphasis on customers and describes the various strategies she formulated to make eBay a global on-line company. The case also examines the criticism levelled against Whitman and explores the future prospects of Whitman and eBay. The case is designed to help students: (1) understand how the eBay business model was leveraged by Whitman to make the company the undisputed leader in the on-line auction market; (2) understand Whitman's business acumen, beliefs and convictions and the factors that contributed to her success; (3) examine Whitman's management style and leadership skills, and how they helped eBay attain leadership in its industry; and (4) understand the various strategies adopted by Whitman for attracting big customers, building the eBay brand, and increasing its user base, revenues and profits, and helping eBay gain a competitive edge. The case is intended for MBA/PGDBM level students as part of the entrepreneurship curriculum. The teaching note does not contain an analysis of the case.

**US; On-line auction; Large; Mid-1990s to 2003**

**Meg Whitman  
eBay  
On-line auction industry  
eBay's business model  
Pierre Omidyar  
Leadership styles  
Business restructuring  
Hands-on management style  
Customer service and focus  
Portfolio expansion  
Strategic agreements  
Casual management style**

18 pp  
Published sources  
803-051-8 (4 pp)

**9-300-001  
MICROSOFT: COMPETING ON TALENT  
(A)**

Bartlett, C  
Wozny, M  
*Harvard Business School Publishing*

Describes the evolution of Microsoft's human resource philosophies, policies, and practices and how they were used as a core of the company's competitive advantage. In particular, the case focuses on how Microsoft has tried to retain its

ability to recruit, develop, motivate, and retain first class talent as it grew from a start-up to a global behemoth. Triggered by high-profile, senior-level departures in 1999, the company must decide if it is time to change the 'hard core' culture that many feel is at the core of its competitiveness. The teaching purpose is to show how human resource policies and practices can become a source of competitive advantage - and the impact of a hard-charging corporate culture on people burnout.

**31,000 employees, \$20 billion revenues; 1975-1999**

- Corporate culture
- Employee retention
- Growth management
- Human resources management
- Motivation
- Organizational behavior
- Software
- Strategy implementation

28 pp  
Field research  
5-302-010 (13 pp)

**9-100-027  
MICROSOFT'S FINANCIAL  
REPORTING STRATEGY**

Bowen, R  
Matsumoto, D  
*Harvard Business School Publishing*

Explores Microsoft's overall financial reporting strategy by examining the company's treatment of two accounting issues - software capitalization and revenue recognition. For both issues, the company selects accounting methods that are relatively conservative. Also discusses the issue of managing analysts' expectations and Microsoft's tendency to provide analysts with very conservative expectations for the future. Provides a forum to discuss possible reasons for Microsoft's accounting and disclosure choices and also discusses the Securities and Exchange Commission's recent investigation into Microsoft's accounting practices.

**Seattle, WA; Software; Fortune 500, 27,000 employees, \$15 billion revenues; 1996-1999**

- Accounting policies
- Disclosure
- Financial accounting
- Financial analysis
- Software industry

12 pp  
Published sources  
5-100-068 (15 pp)

**9-189-056  
MRS FIELDS COOKIES**

Cash Jr, J  
Ostrosky, K  
*Harvard Business School Publishing*

Mrs Fields Cookies is a small company selling freshly baked goods through privately-owned specialty stores (each store sells only Mrs Fields products). The company has about 8,000 employees worldwide and less than 150 information systems people for a unique leverage of MIS resources. The company uses information systems extensively in its processing, communications, and other management functions, including operations of the stores and hiring sales employees. Teaching objectives include discussion of information technology architecture, organizations, management control, and strategy.

**Park City, UT; Specialty foods; Small, 8,000 employees; 1988**

- Food
- Information management
- Information systems
- Information technology
- Supermarkets

17 pp  
Field research  
5-193-035 (11 pp)

**IMD-3-0423  
NESTLÉ-ROWNTREE (A)**

Ellert, JC  
Killing, P  
Hyde, D  
*IMD - International Institute for Management Development*

This is the first in a three-case series (IMD-3-0423 to IMD-3-0425). Nestlé SA is the world's largest food company; its acquisitions of Rowntree plc in 1988 was, at 2.5 billion GB Sterling, the largest-ever foreign takeover of a British company. This case series is positioned before, during, and after the acquisition of Rowntree by Nestlé, and gives an 'inside look' at a major acquisition. This case (A) includes a note on the world chocolate industry, and ends at the point when Nestlé must decide whether to launch a hostile bid for Rowntree. The case is written from Nestlé's point of view, and provides the opportunity to consider the benefit of various acquisition possibilities in the industry. The case also raises questions as to why Rowntree became a takeover target, and on Nestlé's historical

policy of not making hostile takeovers. \*\*ecch European Case Awards Category Runner Up 1992 and ecch European Case Awards Category Winner 1997\*\*

**Europe, Global; Chocolate confectionery; SFr 35 billion sales; 1988**

- Mergers and acquisitions (strategy, pricing, tactics)
- Industry analysis
- Company analysis

32 pp  
Field research  
IMD-3-0423-T (18 pp)

**IMD-3-0424  
NESTLÉ-ROWNTREE (B)**

Ellert, JC  
Killing, P  
Hyde, D  
*IMD - International Institute for Management Development*

This is the second of a three-case series (IMD-3-0423 to IMD-3-0425) on the 2.5 billion GB Sterling takeover of Rowntree by Nestlé in 1988. Nestlé has launched a hostile bid for Rowntree; this case ends at a 'breaking point' in the process, and places us in the middle of a critical negotiation session of the most senior executives of the two companies. The case is written from Nestlé's point of view, and raise questions regarding the takeover price and the potential post-acquisition integration and organisation structure. A video 'IMD-3-0424-V' is available to accompany the case. \*\*ecch Award Winning Case 1992 and 1997\*\*. \*\*EFMD Case Writing Award Winner 1990\*\*.

**Europe, Global; Chocolate confectionery; SFr 35 billion sales; 1988**

- Mergers and acquisitions
- Take-over bid price-post merger integration
- Organization structure
- Negotiations

18 pp  
Field research  
IMD-3-0423-T (18 pp)

**IMD-3-1334  
NESTLÉ'S GLOBE PROGRAM (A): THE  
EARLY MONTHS**

Killing, P  
*IMD - International Institute for Management Development*

This is the first of a three-case series (IMD-3-1334 to IMD-3-1336). All three cases can be taught in a half-day session. Chris Johnson has been given the task of initiating and managing the world's largest SAP roll out. The scope is global, the time frame for completion is five years. The cost is estimated at SFr 3 billion. Chris has to move to Switzerland and start building an organisation and getting Nestlé ready for a new way of managing the business. This case documents his first months in his new job and lays out the early challenges. A video is available to accompany the case series 'IMD-3-1334-V'.

*Global; Food and beverage; Large; 2000*  
Change management  
SAP  
Project management

7 pp  
Field research  
IMD-3-1334-T (13 pp)

**IMD-3-1335**  
**NESTLÉ'S GLOBE PROGRAM (B): JULY EXECUTIVE BOARD MEETING**

Killing, P  
*IMD - International Institute for Management Development*

This is the second of a three-case series (IMD-3-1334 to IMD-3-1336). This short case continues the GLOBE story and is intended as an in-class handout to be used during the discussion of the (A) case. It documents some of the GLOBE-related discussion at Nestlé's July 2000 Executive Board meeting, which raises fresh issues for Chris. A video is available to accompany the case series 'IMD-3-1334-V'.

*Global; Food and beverage; Large; 2000*  
Change management

2 pp  
Field research  
IMD-3-1334-T (13 pp)

**IMD-3-1336**  
**NESTLÉ'S GLOBE PROGRAM (C): 'GLOBE DAY'**

Killing, P  
*IMD - International Institute for Management Development*

This is the third of a three-case series (IMD-3-1334 to IMD-3-1336). This final case in the GLOBE series is set

approximately 18 months after the B case. The setting is a meeting of Nestlé's market heads who are participating in a daylong event to bring them up to date on the progress of GLOBE. The morning has been difficult for Chris Johnson - full of criticism - and the question is how he should handle the afternoon. A video is available to accompany the case series 'IMD-3-1334-V'.

*Global; Food and beverage; Large; 2001*  
Change management

4 pp  
Field research

**9A99C034**  
**NIKE INC: DEVELOPING AN EFFECTIVE PUBLIC RELATIONS STRATEGY**

Slaughter, KE  
Everatt, D  
*Richard Ivey School of Business*

It had been almost a decade since the first article surfaced in the media alleging that factories sub-contracted by Nike in China and Indonesia were forcing workers to work long hours for low pay, and for physically and verbally abusive managers. The article was the seed of a media campaign that created a public relations nightmare for the company. A financial crisis in Asia and intense competition in the domestic market contributed to a decline in Nike's revenue and market share after three years of record performance. Though no direct correlation could be proven between the consumer's negative perceptions of Nike and the company's decline in market share and stock, it certainly did not help in their efforts to establish themselves as the global leader in a hotly competitive industry. A linear overview of the adverse publicity that Nike received, and the perspectives of Nike senior management, demonstrates to students the importance and elements of the timely development of an effective media and consumer relations campaign. There is a simplified Chinese version available '9A99CC34'. There is a Japanese version available '9A99CJ34'. There is a Taiwan-Traditional Chinese version available '9A99CT34'.

*US, China, Indonesia; Apparel and other finished products; Large; 1998*  
Consumer relations  
Corporate responsibility  
Management philosophy  
Public relations

24 pp  
Field research  
8A99C34 (14 pp)

**303-046-1**  
**NISSAN'S U-TURN: 1999-2001**  
**CONDENSED VERSION OF REDESIGNING NISSAN (A) & (B)**

Manzoni, JF  
Hughes, K  
Barsoux, JL  
*INSEAD*

This case is a condensed version of the case series 'Redesigning Nissan (A) & (B)' (303-044-1 and 303-045-1). When Renault sent Carlos Ghosn to turnaround its alliance partner Nissan, observers were sceptical of his chances. After soliciting recommendations from the employees, he unveiled a three-year plan involving plant closures, job cuts, and a refocus on design. Within two years, the company had achieved a dramatic recovery, posting record profits and proposing a dazzling array of new models. Case (A) covers the dynamics of taking charge and case (B) the process of leading change. The combined and condensed version is for instructors wishing to cover the material in a single session. The cases raise a number of themes to do with how an incoming leader establishes credibility, builds a case for painful change, gathers support, provides constant and consistent communication, sells growth as well as cuts, enforces accountability, measures progress, and sustains momentum for change. The teaching note was written by J-F Manzoni and J-L Barsoux. There is a French translation available (F303-046-1). \*\*ecch European Case Awards Category Winner 2007\*\*

*Japan (and France); Automobile sector, Nissan and Renault; Over 130,000 employees; 1999-2001*

Automobile, cars  
Alliance  
Transformation and turnaround  
Restructuring, change and revival  
Fair process and credibility  
Cultural differences  
Strategy  
Vision and leadership  
Cost cutting and plant closures  
Empowerment  
Product development and productivity  
Cross-functional teams  
Design and purchasing  
Trust  
Growth

24 pp  
Published sources  
303-046-8 (15 pp)

**9-598-061**

**NOTE ON MARKETING STRATEGY**

Dolan, RJ

*Harvard Business School Publishing*

Describes the major elements of marketing strategy: the decisions to be made and the underlying analysis to support that decision making.

**Decision making**  
**Marketing strategy**

17 pp

**IMD-5-0358**

**PHILIP MORRIS KK**

Turpin, D

*IMD - International Institute for Management Development*

The marketing manager of Philip Morris KK (PMKK) must decide how his company should react after learning that competitor RJ Reynolds plans to introduce a Yen 200 cigarette in Japan, attacking PMKK's position in the lower end of the Japanese market. There is a Spanish translation 'IMD-5-0358-ES' and a Portuguese translation 'IMD-5-0358-PT' and a Russian translation 'IMD-5-0358-RU' available.

*Japan; Food and tobacco; 1987*

**Pricing**  
**Competition**  
**Market positioning**

27 pp

Field research

IMD-5-0358-T (7 pp)

**9-302-049**

**PHILIPS VERSUS MATSUSHITA: A NEW CENTURY, A NEW ROUND**

Bartlett, CA

*Harvard Business School Publishing*

Describes the development of the international strategies and organizations of two major competitors in the global consumer electronics industry. The history of both companies is traced and their changing strategic postures and organizational capabilities are documented. Particular attention is given to the major restructuring each company is forced to undertake as its competitive position is eroded. A rewritten version of an earlier case.

*Global, Europe, Japan; Electronics industry; Large, 270,000 employees, \$40 billion-\$60 billion revenues; 1970-2001*

**Competition**  
**Electronics**  
**International operations**  
**Multinational corporations**  
**Organizational change**  
**Organizational structure**  
**Strategy implementation**

19 pp

Published sources

5-302-063 (14 pp)

**IMD-1-0216**

**PREPARING FOR THE GOOGLE IPO: A REVOLUTION IN THE MAKING?**

Cossin, D

Constantinou, D

*IMD - International Institute for Management Development*

In April 2004, Google announced that it was launching its long awaited IPO (initial public offering). The case looks at the unconventional auction format of the IPO of the world's most popular search engine, the role of investment banks in the IPO process, and the implications for corporate governance and stock valuation of a dual-class share structure.

*USA; Web search engine; Value estimate US\$30-50 billion, revenues 2003 US\$962 million; Summer 2004*

**IPO (initial public offering)**  
**Underpricing**  
**Role of investment banks**  
**On-line IPO auctions**

29 pp

Published sources

IMD-1-0216-T (35 pp)

**9-505-038**

**PRODUCT TEAM CIALIS: GETTING READY TO MARKET**

Ofek, E

*Harvard Business School Publishing*

Lilly and ICOS are preparing for the launch of a new drug, Cialis, to compete against Viagra. To position against the incumbent firm Pfizer, which developed and markets Viagra, and other newcomers into the erectile dysfunction market, they must determine how best to segment the market and which target market to focus on. The marketing plan should take advantage of Cialis' medical

profile. In particular, they must pay special attention to the communication strategy to patients, physicians, and partners. The analysis, plan, and action should take into account extensive market research and recent competitive developments. The teaching purpose is to determine the marketing strategy and plan for an entrant into a market dominated by an incumbent firm with an existing reputation and customer base. The product profile of the entrant has notable attribute differences from existing alternatives. The goal is to understand how to translate superiority in product performance into superior commercial success. Includes color exhibits.

**Communication strategy**  
**Competition**  
**Market research**  
**Market segmentation**  
**Marketing planning**  
**Pharmaceuticals**  
**Product positioning**  
**Target markets**

27 pp

Field research

5-505-060 (15 pp)

**505-098-1**

**RED BULL: THE ANTI-BRAND BRAND**

Kumar, N

Tavassoli, N

Linguri, S

*London Business School*

Founded in Austria in 1984, Red Bull was credited with creating the energy drinks category. In 2004, the worldwide energy drinks category was worth 2.5 billion euros and Red Bull commanded a 70% market share. Sold in over 100 markets, Red Bull was the market leader in the USA as well as in 12 of the 13 West European markets where it was present. Central to Red Bull's success was the use of word-of-mouth or 'buzz' marketing. Through its sponsorship of youth culture and extreme sports events, it developed a cult following among marketing-wary Generation Y-ers, (18- to 29-year olds) who perceived it as an anti-brand. While it purported to be a sports drink, Red Bull was mostly sold in clubs and bars as an alcohol mixer, where its caffeine doses helped revive clubbers into the early morning hours. By playing on associations with energy, danger and youth culture, Red Bull carefully cultivated its mystique, which earned it

nicknames like 'liquid cocaine'. The company used additional non-traditional marketing techniques, such as consumer education teams who drove around handing out free cans of Red Bull to those in need of energy, and student brand managers who promoted the product on university campuses. In 2004, Red Bull found itself at a crossroads, challenged with defending its market share. It faced a maturing market and an onslaught of competitive brands, some of them promoted by beverage industry giants such as Coca-Cola and Pepsi, others as private labels by mass retailers such as Asda (part of Wal-Mart). Red Bull needed to determine whether it was outgrowing its anti-establishment status. As a mature brand, it needed to assess whether the time had come to transition to a more traditional marketing approach. But this raised a critical question: would this move toward a more mainstream approach fundamentally destroy Red Bull's anti-brand mystique?

*Europe, USA; Energy drinks; 1.26 billion euros sales; 1982-2004*

Buzz marketing  
Distribution  
Growth  
Brand building  
Guerrilla marketing  
Energy drinks  
Integrated marketing communications  
Advertising  
Product-life cycle  
Non-traditional marketing

14 pp  
Published sources  
505-098-8 (10 pp)

**195-001-5  
RETAILING IN TAIWAN: SUPPORTIVE  
INFORMATION FOR CARREFOUR IN  
ASIA (A) AND (B) Background note**

Lasserre, P  
Courbon, P  
*INSEAD*

The background note, Retailing in Taiwan, is intended to be used as supportive information for the Carrefour in Asia (A) and (B) cases (195-001-1 and 195-002).

*Taiwan; Distribution, Retailing,  
Hypermarkets*  
Asia Pacific  
International strategy

**Entry strategy  
Marketing in Asia  
International services  
Asia Business**

20 pp  
Field research  
195-001-8 (21 pp)

**9-498-054  
ROB PARSON AT MORGAN STANLEY  
(A)**

Burton, MD  
*Harvard Business School Publishing*

Rob Parson was a star producer in Morgan Stanley's Capital Markets division. He had been recruited from a competitor the prior year and had generated substantial revenues since joining the firm. Unfortunately, Parson's reviews from the 360-degree performance evaluation process revealed that he was having difficulty adapting to the firm's culture. His manager, Paul Nasr, faces the difficult decision of whether to promote Parson to managing director. Nasr must also complete Parson's performance evaluation summary and conduct Parson's performance review. The teaching purpose is to explore managerial problems associated with performance appraisal and performance management.

Corporate culture  
Human resources management  
Interpersonal behavior  
Investment banking  
Management of professionals  
Organizational behavior  
Performance appraisal

16 pp  
Field research  
5-400-101 (18 pp)

**9-587-055  
ROHM AND HAAS (A): NEW PRODUCT  
MARKETING STRATEGY**

Trissel, B  
Lasley, S  
*Harvard Business School Publishing*

Joan Macey, Rohm and Haas' Market Manager for Metalworking Fluid Biocides, found that sales of a new biocide, Kathon MWX, was utterly disappointing. This was all the more puzzling since sales of her other product - Kathon 886 MW, a liquid biocide used only in large-capacity tanks

- was well on target and held a steady 30% market share. In May 1984, about five months after the new product was launched, Joan Macey was reviewing her entire marketing strategy with a view to bringing Kathon MWX sales closer to target. Of particular concern to her were the distribution and communication strategies used for the new product.

*Philadelphia, PA; Chemicals; Fortune 500, \$2 billion revenues; 1984*

Chemicals  
Distribution channels  
Marketing strategy  
New product marketing

15 pp  
Field research  
5-587-129 (12 pp)

**399-122-1  
RYANAIR: THE LOW FARES AIRLINE**

O'Higgins, E  
*University College Dublin (UCD)*

Ryanair is the first budget airline in Europe, modelled after the successful USA carrier, Southwest Airlines. The case incorporates a history and description of Ryanair and its principle characters, Ryanair's operation and challenges as a budget airline, and a portrayal, for comparison, of Ryanair's role model Southwest Airlines. The latter part of the case consists of a description of Ryanair's strategy, having analysed the competitive arena in which Ryanair operates and the company's own particular mix of resources and operations. This entails an assessment of the sustainability of Ryanair's strategy, especially as it compares to its own chosen role model, Southwest Airlines. Having developed an understanding of Ryanair's situation, students should be able to develop future moves for the company. A video (399-122-3) and transparencies (399-122-7) are available to accompany the case. There is a Spanish translation available (E399-122-1). The supplementary teaching note was written by Hugh Macmillan and Mahen Tampoe. The case 'Ryanair: The Low Fares Airline (B)' (305-066-1) can be used as a follow on case. \*\*ecch Irish Case Writing Competition Category Winner 1999 and ecch European Case Awards Overall Winner 2004\*\*. This case was reviewed in ECCHO. To read the review visit [www.ecch.com/casereviews](http://www.ecch.com/casereviews).

*Europe; Airline*

Strategic analysis  
 Industry analysis  
 Resources and capabilities  
 Sustainable competitive advantage  
 Business strategy  
 European airline industry

30 pp  
 Published sources  
 399-122-8 (18 pp)  
 399-122-9 (12 pp)

**305-066-1**

**RYANAIR: THE LOW FARES AIRLINE (B)**

O'Higgins, E  
*University College Dublin (UCD)*

This case follows up the original 'Ryanair - The Low Fares Airline' (399-122-1) case, published in 1999, and can be used in conjunction, or on a stand-alone basis. It describes the strategic challenges faced by the budget carrier Ryanair in 2004 and early 2005. Ryanair was the most successful airline in Europe in terms of profitability and market capitalisation. The case offers a chance to analyse the reasons for Ryanair's success and ask if its strategic business model and its manner of implementation are robust enough to withstand the challenges it faces in its competitive arena, the European airline industry (fully described as part of the case). The reader is also invited to devise and evaluate strategic options for the company and its leadership.

*Europe; Airline; 2,000-plus employees, approaching 1 billion euros turnover; 2005*

Strategic analysis  
 Industry analysis  
 Resources and capabilities  
 Sustainable competitive advantage  
 Business strategy  
 European airline industry  
 Strategic leadership

35 pp  
 Published sources  
 305-066-8 (18 pp)

**9A94M005**

**SABENA BELGIAN WORLD AIRLINES STRIKE**

Crossan, M  
 Pierce, B  
*Richard Ivey School of Business*

On 25 October, 1992, Sabena announced its first firings and lay-offs in its history. On the evening of the downsizing announcement, Weytjens is alerted that a crowd of militant workers from another part of the company had entered the catering building to encourage the workers to join a strike action which had started earlier in the day. Weytjens had to quickly judge whether there was any better way of dealing with the situation than the accepted reaction of calling in volunteers from other parts of the company where timeliness was not as essential. Background information is provided in case 9A94M003 and 9A94M004; subsequent related cases are 9A94M006, 9A94M007, and 9A94M008.

*Belgium; Air transportation; Large*

Business policy  
 Management of change  
 International business  
 Policy formulation and implementation

2 pp  
 8A94M03 (20 pp)

**9A94M006**

**SABENA BELGIAN WORLD AIRLINES: A DELEGATION OF CHEFS**

Crossan, M  
 Pierce, B  
*Richard Ivey School of Business*

On the day that Weytjens demoted a sous-chef for having ignored several warnings not to eat in the kitchen, which was a requirement of ISO 9002 standards, he returned from lunch to find three other sous-chefs waiting in his office. They were there to complain about what they felt was unnecessarily harsh action and to ask Weytjens to reconsider his decision. Background information is provided in cases 9A94M003 and 9A94M004; subsequent related cases are 9A94M005, 9A94M007, and 9A94M008.

*Belgium; Air transportation; Large*

Business policy  
 Management of change  
 International business  
 Policy formulation and implementation

2 pp  
 8A94M03 (20 pp)

**9A94M004**

**SABENA BELGIAN WORLD AIRLINES: WEYTJENS' FIRST ASSIGNMENT**

Crossan, M  
 Pierce, B  
*Richard Ivey School of Business*

The case provides an update on the events subsequent to the (A) case, 9A94M003. It outlines the strategic changes implemented by Pierre Godfroid, Sabena's CEO, and introduces Erik Weytjens, a recent graduate of an MBA program. This case outlines Weytjens first assignment to solve a major logistics problem in the dishwashing department. The case, along with the follow-on series of cases provides the opportunity to: (1) make decisions and take action under realistic constraints of limited information, time and credibility; and (2) reflect on how the pattern of actions supports or undermines strategy.

*Belgium; Air transportation; Large*

Business policy  
 Management of change  
 International business  
 Policy formulation and implementation

8 pp  
 8A94M03 (20 pp)

**604-001-1**

**SCHEDULING THE PROJECT ACTIVITIES**

Rama Krishna, S  
 Veerendra Prasad, E  
*Institute of Chartered Financial Analysts of India Center for Management Research*

The effectiveness of a project manager can be seen in the way he manages key project variables like time, cost and quality. Caselet 1 discusses a typical project management problem which requires the manager to use various techniques to schedule activities so as to complete the project within the minimum possible time. Caselet 2 explains the process of identifying the project activities while preparing a project schedule. The case is structured to enable students to understand: (1) the process of scheduling project activities; (2) the relationship between project variables like time, cost and quality; and (3) the process of crashing a project schedule. The caselets are aimed at MBA/PGDBA students and are intended

to be part of the project management or operations management curriculum.

*India*

- Project schedule
- Network diagrams
- Project crashing
- Lead time
- Project activities
- Normal time
- Critical path

4 pp  
Published sources  
604-001-8 (6 pp)

**9-500-053**  
**SECURITY CAPITAL PACIFIC TRUST: A CASE FOR BRANDING**

Fournier, S  
Thorp, S  
*Harvard Business School Publishing*

A real estate operations and investment trust is considering whether it should pursue branding as a strategic investment. Through interpretation of case data and video from focus groups, students deduce the consumer (cognitive, psychological, and economic), environmental, and company factors that are conducive to branding, thereby illuminating their understanding of when it makes sense to brand. Analysis of extensive survey data allows students to consider the secondary question about how to brand as they formulate brand-positioning recommendations. Includes color exhibits. May be used with: (9-500-054) 'Selecting a New Name for Security Capital Pacific Trust'.

*Englewood, CO; Real estate; 1,200 employees, \$300 million revenues; 1996-1997*

- Brand management
- Marketing management
- Real estate
- Real estate investment
- Service management

30 pp  
Field research

**9-683-068**  
**SHOULDICE HOSPITAL LIMITED**

Heskett, JL  
*Harvard Business School Publishing*

Various proposals are set forth for expanding the capacity of the hospital. In assessing them, serious consideration

has to be given to the culture of the organization and the importance of preserving it in a service delivery system. In addition to issues of capacity and organizational analysis, describes a well-focused, well-managed medical service facility that may well point the way to future economies in the field.

- 1982
- Canada
  - Capacity planning
  - Expansion
  - Hospital administration
  - Organizational behavior
  - Services
  - Social enterprise

18 pp  
Field research  
5-686-120 (16 pp)

**9-303-086**  
**SILVIO NAPOLI AT SCHINDLER INDIA (A)**

Yoshino, MY  
Fagan, PL  
*Harvard Business School Publishing*

A young Italian MBA working for a Swiss multinational is sent to India to establish a subsidiary and implement the strategy he prepared at headquarters as a strategic planner. This case focuses on three core strategic decisions he must make as his plan is challenged by his local Indian management team and Schindler's European plants supplying him. A rewritten version of an earlier case.

- India; Elevator industry; 1998-1999*
- Business policy
  - Cross cultural relations
  - International business
  - International marketing
  - Multinational corporations
  - Strategy implementation
  - Subsidiaries

19 pp  
Field research  
5-303-121 (12 pp)

**IMD-5-0384**  
**SKF BEARINGS SERIES: MARKET ORIENTATION THROUGH SERVICES (B) THE MISSION AND CUSTOMER STRATEGY**

Vandermerwe, S  
Taishoff, M  
*IMD - International Institute for Management Development*

Shortly after accepting the offer to become Chief Executive Officer of the newly created SKF Bearings Services in 1987, Goran Malm, long a proponent of market driven change at SKF, defined his mission: 'trouble free operations'. Rather than simply make and sell bearings, which SKF, the world's largest bearing company, had excelled at, SKF Bearing Services was to offer customers 'solutions'. Quickly selecting his key team members, Malm set about instituting a market driven approach throughout his division, which was responsible for handling the vehicle and industrial aftermarket. Push through distributors and pull through advertising and the creation of 'maintenance support centres', which he called 'service factories', were key to implementing the change process. This case is part of a series which includes (A) and (C) cases (IMD-5-0383 and IMD-5-0385) and 'SKF Bearings: Market Orientation Through Services' (IMD-5-0376). There is a German translation available 'D591-020-1'.

*Sweden; Bearings; SFr 25.1 billion sales; 1987-1989*

- Market driven change
- Services and manufacturing

11 pp  
Field research  
IMD-5-0383-T (8 pp)

**HR1A**  
**SOUTHWEST AIRLINES (A)**

O'Reilly III, CA  
Pfeffer, J  
*Stanford University*

In 1994 both United Airlines and Continental Airlines launched low-cost airlines within an airline, to compete with Southwest Airlines. From 1991 until 1993 Southwest had increased its market share of the critical West Coast market from 26% to 45%. This case considers how Southwest had developed a sustainable competitive advantage and emphasizes the role of human resources as a lever for the successful implementation of

strategy. Asks whether competitors can successfully imitate the Southwest approach. May be used with: (99307) Firing Up the Front Line.

*United States; Airlines; 12,000 employees, \$2.2 billion revenues; 1994*

Corporate strategy  
Human resources management  
Organizational behavior  
Strategy implementation

27 pp  
Field research  
HRIT (3 pp)

**9-504-016  
STARBUCKS: DELIVERING CUSTOMER SERVICE**

Moon, Y  
Quelch, JA

*Harvard Business School Publishing*

Starbucks, the dominant specialty-coffee brand in North America, must respond to recent market research indicating that the company is not meeting customer expectations in terms of service. To increase customer satisfaction, the company is debating a plan that would increase the amount of labor in the stores and theoretically increase speed-of-service. However, the impact of the plan (which would cost \$40 million annually) on the company's bottom line is unclear.

*United States; Coffee; 60,000 employees, \$3.3 billion revenues; 2002*

Beverages  
Customer retention  
Customer service  
Market research  
Profitability

20 pp  
Field research  
5-504-089 (19 pp)

**602-014-1  
SUPPLY CHAIN DESIGN AT JAGUAR:  
BRINGING 'NIRVANA' TO HALEWOOD**

Kumar, N  
Van Wassenhove, L  
*INSEAD*

This case describes a complete, radical three-dimensional concurrent engineering design of the system for the Baby Jaguar production at Halewood (UK). It shows how product, supply chain and process design are integrated to provide a lean solution. A companion

case 'Jaguar Comes to Halewood: The Story of a Turnaround' (602-013-1) focuses on the managerial, people and organisational issues of the change process. The teaching objectives include: (1) providing a holistic view on system design (product, process, supply chain); and (2) understanding how the components of the system need to fit together in order to make a concept (high quality lean manufacturing) work. \*\*EFMD European Case Writing Competition Category Winner 2001\*\*

*United Kingdom; Cars; Large; 1998-2001*  
Supply chain design  
Concurrent engineering  
Outsourcing  
Lean operations

16 pp  
Field research  
602-014-8 (8 pp)

**589-005-1  
SWATCH**

Pinson, C  
*INSEAD*

The case describes the development and international launch of Swatch, the new watch concept that has revolutionised the watch industry and brought Swiss watchmaking out of a forty-year slump. The management of Swatch AG, a subsidiary of SMH, the world's second largest watchmaking manufacturer, is concerned about maintaining sales' growth and agreeing on long-term international strategy. While new competitors inspired by Swatch are mushrooming worldwide, Swatch, mainly through the initiative of its American subsidiary, has expanded into a wide range of accessories and apparel. Swatch top management feels that the time has come to review the very concept of Swatch, the consistency of its international actions, as well as the long-term viability of past or proposed product line extensions. The case contains rich and detailed market research data on the varying needs and reactions of the different international consumer segments. It allows a thorough discussion of fashion-related preferences and behaviour and their implications for product line building and renewal, sales forecasting, production and inventory management, and required changes in corporate culture. A video '589-005-3' is available to accompany the case, and an abridged version '503-124-3' of that video

is also available. A set of 39 slides (589-005-7) is available for use with this case. This case contains colour pages. There are French, Spanish and Italian translations of this case (F589-005-1) (E589-005-1) and (I589-005-1) respectively. \*\*ecch European Case Awards Overall Winner 1991 \*\*

*Europe, USA; Watches; 1986*  
Marketing management  
International marketing  
Product line  
Distribution  
Advertising  
Consumer behaviour

54 pp  
Field research  
589-005-8 (16 pp)  
589-005-5 (4 pp)

**IMD-5-0604  
TETRA PAK (A): THE CHALLENGE OF  
INTIMACY WITH A KEY CUSTOMER**

Kashani, K  
Shaner, J  
*IMD - International Institute for  
Management Development*

This is the first of a four-case series (IMD-5-0604 to IMD-5-0607). The (A) case of this series describes a failed attempt to sell new packaging machinery to a key Italian customer facing declining sales and profits in its milk business. Tetra Pak's analysis leads them to propose a new product strategy that is summarily rejected by the customer. The case raises the issue of Tetra Pak's strategy in the Italian milk market and the wisdom of its proposed customer strategy. The broader question is whether the company is serving the best interest of its key accounts. A video 'IMD-5-0604-V' is available to accompany the case series. \*\*EFMD European Case Writing Competition Category Winner 2005\*\*

*Italy and international markets;  
Packaging systems; 7 billion euros, 22,000  
employees; 2000-2002*  
Industrial marketing  
Key account marketing  
Customer orientation  
Value chain marketing  
Customer satisfaction surveys  
Marketing implementation  
Management of change

14 pp  
Field research  
IMD-5-0604-T (44 pp)

**IMD-5-0605**

**TETRA PAK (B): HEAR ME, KNOW ME, GROW ME: THE CUSTOMER SATISFACTION INITIATIVE**

Kashani, K  
Shaner, J

*IMD - International Institute for Management Development*

This is the second of a four-case series (IMD-5-0604 to IMD-5-0607). The (B) case describes Tetra Pak's second proposal to its key Italian customer, a strategy that is finally accepted. At the same time an international customer satisfaction survey shows that Tetra Pak's key accounts, including the Italian customer, are far from happy with their supplier. The case provides detailed data on the results of the customer satisfaction initiative and asks the student to assess the importance of survey results and what might be done in response to them. A video 'IMD-5-0604-V' is available to accompany the case series. \*\*EFMD European Case Writing Competition Category Winner 2005\*\*

*Italy and international markets; Packaging systems; 7 billion euro, 22,000 employees; 2000-2002*

- Customer satisfaction surveys
- Marketing implementation
- Management of change
- Industrial marketing
- Key account marketing
- Customer orientation
- Value chain marketing

9 pp  
Field research  
IMD-5-0604-T (44 pp)

**IMD-5-0606**

**TETRA PAK (C): IMPLEMENTING NEW INITIATIVES**

Kashani, K  
Shaner, J

*IMD - International Institute for Management Development*

This is the third of a four-case series (IMD-5-0604 to IMD-5-0607). The (C) case describes Tetra Pak's decision to implement the customer satisfaction survey among all its local operations worldwide. The case also lists a number of other initiatives to re-orient the organisation towards its customers and improve customer satisfaction. Among these initiatives are: customer win-back programme, key account management, employee satisfaction initiative, and

balanced scorecard. The over-riding question is: Will all these initiatives help redress the customer satisfaction problem? A video 'IMD-5-0604-V' is available to accompany the case series. \*\*EFMD European Case Writing Competition Category Winner 2005\*\*

*Italy and international markets; Packaging systems; 7 billion euro, 22,000 employees; 2000-2002*

- Industrial marketing
- Key account marketing
- Customer orientation
- Value chain marketing
- Customer satisfaction surveys
- Marketing implementation
- Management of change

5 pp  
Field research

**9-298-006**

**THE ACQUISITION OF CONSOLIDATED RAIL CORPORATION (A)**

Esty, B  
Millett, MM

*Harvard Business School Publishing*

On 15 October 1996, Virginia-based CSX and Pennsylvania-based Consolidated Rail (Conrail), the first and third largest railroads in the eastern United States, announced their intent to merge in a friendly deal worth \$8.3 billion. This deal was part of an industry-wide trend toward consolidation and promised to change the competitive dynamics of the Eastern rail market. Students, as shareholders, must decide whether to tender shares into the front-end of a two-tiered acquisition offer. To make this decision, they must value Conrail as an acquisition target and understand the structure of CSX's offer. May be used with: (9-298-095) The Acquisition of Consolidated Rail Corporation (B).

*United States; Railroad; 77,500 employees, \$19 billion revenues; 1996 to 1997*

- Acquisitions
- Auctions
- Competitive bidding
- Corporate control
- Deregulation
- Game theory
- Mergers
- Valuation

17 pp  
Published sources  
5-298-087 (39 pp)

**9-595-057**

**THE BLACK & DECKER CORP (A): POWER TOOLS DIVISION**

Dolan, RJ

*Harvard Business School Publishing*

Presents Black & Decker's performance against a Japanese competitor and others in the power tools market. Black & Decker is anxious to regain its market share leadership in particular segments of the market. Allows exploration of issues of brand equity, product positioning, and competitive strategy in the context of international competition.

*United States; Power tools; Fortune 500, \$4 billion revenues; 1990*

- Brands
- Competition
- International marketing
- Marketing strategy
- Product introduction
- Tools

13 pp  
Field research  
5-598-106 (22 pp)

**9-198-117**

**THE CLASSIC PEN CO.: DEVELOPING AN ABC MODEL**

Kaplan, R

*Harvard Business School Publishing*

A simple numerical exercise, based on the Cooper/Kaplan pen factory example, to illustrate the rationale for activity-based costing (ABC). Classic Pen has diversified from its core blue and black pen business by introducing new specialized colors. But costs have risen and margins on blue and black pens are decreasing. The controller turns to ABC for an explanation. Illustrates application of ABC.

- Activity based costing
- Cost accounting
- Cost analysis
- Management accounting
- Overhead costs

4 pp  
Generalised experience  
5-199-029 (5 pp)

**302-057-1**  
**THE EVOLUTION OF THE CIRCUS**  
**INDUSTRY CASE A**

Chan Kim, W  
 Mauborgne, R  
 Bensaou, B  
 Williamson, M  
*INSEAD*

This is the first of a two-case series (302-057-1 and 302-058-1). Cirque du Soleil very successfully entered a structurally unattractive circus industry. It was able to reinvent the industry and created a new market space by challenging the conventional assumptions about how to compete. It value innovated by shifting the buyer group from children (end-users of the traditional circus) to adults (purchasers of the traditional circus), drawing upon the distinctive strengths of other alternative industries, such as the theatre, Broadway shows and the opera, to offer a totally new set of utilities to more mature and higher spending customers. The case series is designed to serve a variety of purposes in the value innovation and creating new market space teaching module of an MBA strategy course or executive education programme. The case series can be equally used individually in a standalone module on value innovation or as part of a sequence of three to four sessions. In both instances, the instructor can best use it to cover the following topics: (1) the value innovation logic (as compared to industry and competitive analysis); (2) the concept of value curve; and (3) the six paths analysis for creating new market space. Transparencies are available to accompany this case series (302-057-7). \*\*ecch European Case Awards Category Winner 2006\*\*

*Canada, USA, Europe; Circus; 2001*  
 Circus and live entertainment industry  
 Value innovation  
 Strategy  
 Creating new market space  
 Redefining industry boundaries  
 Moving across industries  
 Thinking out of the box  
 Competition

7 pp  
 Field research  
 302-057-8 (24 pp)

**9-601-163**  
**THE RITZ-CARLTON HOTEL COMPANY**

Sucher, SJ  
 McManus, SE  
*Harvard Business School Publishing*

In just seven days, the Ritz-Carlton transforms newly hired employees into 'Ladies and Gentlemen Serving Ladies and Gentlemen'. The case details a new hotel launch, focusing on the unique blend of leadership, quality processes, and values of self-respect and dignity, to create award-winning service.

*District of Columbia; Lodging industry; 18,000 employees, \$1.5 billion revenues; 2000*

Brands  
 Change management  
 Human resources management  
 Innovation  
 Operations management  
 Organizational behavior

30 pp  
 Field research  
 5-602-113 (28 pp)

**302-033-1**  
**THE TRANSFORMATION OF BP**

Ghoshal, S  
 Gratton, LC  
 Rogan, M  
*London Business School*

In 1992, BP was facing an acute crisis that had led to the removal of its CEO, Bob Horton. Over the next ten years the company had undergone a complete metamorphosis. From being a relatively minor player, through a series of mergers and acquisitions, it had emerged in 2001 as one of the three oil supermajors, triggering a fundamental change in the structure of its industry. Financially, it had achieved the highest returns on capital employed of all major oil companies and was earning profits in excess of a billion dollars every month. This case describes how this remarkable transformation was achieved through fundamental changes in the company's organisational structure, management processes and leadership philosophy. The case ends with a description of the challenges being faced by the company at the end of 2001, and management's responses to those challenges. A video '302-033-3' is available to accompany the case. \*\*ecch European Case Awards Category Winner 2005 and ecch European Case Awards Overall Winner 2006\*\* This case was

reviewed in ECCHO. To read the review visit [www.ecch.com/casereviews](http://www.ecch.com/casereviews).

*Global; Oil and gas; US\$ 120 billion sales, 100,000 employees; 2001*  
 Managing change  
 Organisation design  
 Leadership  
 Social responsibility of businesses

28 pp  
 Field research

**9-287-058**  
**THE WALT DISNEY COMPANY'S YEN**  
**FINANCING**

Allen, W  
 Kester, WC  
*Harvard Business School Publishing*

Walt Disney is considering hedging future yen inflows from Disney Tokyo. It is evaluating techniques using FX Forwards, swaps, and Yen term borrowings. Goldman Sachs presents a rather unusual but potentially attractive solution: Disney could issue ECU Eurobonds and swap into a Yen liability. The case explains how this alternative would work and suggests to the students ways to evaluate the hedging choices.

*United States; Consumer, entertainment; Large, \$1.7 billion sales; 1985*  
 Bonds  
 Capital markets  
 Currency  
 Hedging  
 International finance

11 pp  
 Field research  
 5-290-009 (12 pp)

**9-501-038**  
**TIVO**

Wathieu, L  
 Zoglio, M  
*Harvard Business School Publishing*

TiVo is a digital video recorder that allows viewers to watch what they want, when they want to watch it. Fourteen months into the launch, sales are very disappointing. Brodie Keast, VP of marketing and sales, wants to combine a catchy communications campaign, product bundling with satellite television receivers, aggressive pricing, and sales support, in order to boost demand for the new category. One important goal is to position TiVo as a strong brand before

the entry of big player Microsoft. TiVo is confronted with the difficulty of selling a new and complex electronics product that is meant to change consumer habits radically. Moreover, the impact of TiVo on the television and advertising industries is ambiguous, and TiVo needs to demonstrate that it can play a constructive role in the future media landscape. May be used with: (9-502-062) TiVo in 2002: Consumer Behavior.

*San Jose, CA; Television; 181 employees, \$200,000 revenues; 2000*

**Advertising**  
**Consumer behavior**  
**Marketing planning**  
**New product marketing**

16 pp  
Field research  
5-501-057 (11 pp)

**9-502-062**  
**TIVO IN 2002: CONSUMER BEHAVIOR**

Wathieu, L  
Zoglio, M  
*Harvard Business School Publishing*

Brodie Keast is anxious to understand the sharp contrast between the inertia of prospects and the deep emotional response shown by converted users of TiVo. After an overview of the company's situation and problems, the case focuses on different kinds of data (sales results, satisfaction and usage data, purchase influence, demographics, attitude data, and behavioral data) and explains how that data emerged over time as the company was more and more pressured to explore the essence of its value proposition. The teaching purpose is to examine the role of consumer control in consumption, understand products that (change your life), choose research methods that match the type of insights sought, and explore the relationship between consumer knowledge and managerial action.

*San Jose, CA; Television; \$19 million revenues, 265 employees; 2002*

**Advertising**  
**Consumer behavior**  
**Marketing planning**  
**New product marketing**

14 pp  
Field research  
5-506-067 (7 pp)

**9-693-019**  
**TOYOTA MOTOR MANUFACTURING, USA, INC**

Mishina, K  
*Harvard Business School Publishing*

On 1 May, 1992, Doug Friesen, Manager of assembly for Toyota's Georgetown, Kentucky, plant, faces a problem with the seats installed in the plant's sole product - Camrys. A growing number of cars are sitting off-line with defective seats or are missing them entirely. This situation is one of several causes of recent overtime, yet neither the reason for the problem nor a solution to it is readily apparent. As the plant is an exemplar of Toyota's famed production system (TPS), Friesen is determined that, if possible, the situation will be resolved using TPS principles and tools. Students are asked to suggest what action(s) Friesen should take and to analyze whether Georgetown's current handling of the seat problem fits within the TPS philosophy. The teaching purpose is to: (1) provide comprehensive knowledge on Toyota Production System; (2) exercise advanced root cause analysis; and (3) demonstrate the totality of manufacturing, especially the link between production control and quality control.

*Georgetown, KY; Autos; Large, 4,000 employees, \$1-5 billion revenues; 1992*

**Automobiles**  
**International operations**  
**Process analysis**  
**Production controls**  
**Quality control**  
**Suppliers**

22 pp  
Field research  
5-693-046 (25 pp)

**9-597-028**  
**TWEETER ETC**

Gourville, JT  
Wu, G  
*Harvard Business School Publishing*

In the early 1990s, Tweeter etc, a small regional retailer of higher-end audio and video equipment, faced increasing competitive pricing pressures from several large regional and national consumer electronics chains. In response, in 1993, they introduced Automatic Price Protection (APP) as the cornerstone of a strategy to restore price credibility in the minds of consumers. Under APP, Tweeter monitored local newspaper ads and

automatically mailed a refund check to a consumer if an item purchased at Tweeter was advertised for a lower price by a competitor. Three years later, in 1996, Tweeter is questioning the impact of APP on their current competitive positioning. More importantly, with the pending entry of another major discount chain, Tweeter is forced to question how effective APP will be in a market increasingly dominated by large discount retailers. Introduces the concept of price signalling in a retail environment, while demonstrating the multifaceted nature of product pricing.

**Competition**  
**Electronics**  
**Home entertainment equipment**  
**Marketing strategy**  
**Pricing**  
**Retailing**

24 pp  
Field research  
5-597-082 (16 pp)

**504-009-1**  
**UNILEVER IN BRAZIL: MARKETING STRATEGIES FOR LOW-INCOME CONSUMERS**

Chandon, P  
Pacheco Guimaraes, P  
*INSEAD*

Unilever is a solid leader in the Brazilian detergent powder market with an 81% market share. Laercio Cardoso must decide: (1) whether Unilever should divert money from its premium brands to target the lower-margin segment of low-income consumers; (2) whether Unilever can reposition or extend one of its existing brands to avoid launching a new brand; and (3) what price, product, promotion, and distribution strategy would allow Unilever to deliver value to low-income consumers without cannibalising its own premium brands too heavily. This case deals with the question of whether marketing and branding create value for really poor consumers. It can therefore be used in an MBA, executive education or undergraduate core course on marketing management to illustrate the value of marketing and the marketing approach, or in a brand management course to explore the frontiers of branding. This case can also be used in a consumer behaviour course to examine the motivations and decision-making process of low-income consumers.

Alternatively, it can be used in a global marketing or global strategy and management course to study the way multinational companies adapt their strategy to compete in emerging countries. The case and teaching note contain colour exhibits. A media support CD-ROM '504-009-9' is available to accompany the teaching note. Two PowerPoint presentations (in PDF format) '504-009-9A' and '504-009-9B' are available to accompany the teaching note. \*\*EFMD Case of the Year Award Category Winner 2004 and ecch European Case Awards Category Winner 2007\*\*

*Brazil; Home and personal care; US\$56 billion; 1996-2004*

Marketing  
Branding  
Low-income consumers  
Poverty  
New product introduction  
Break-even analysis  
Advertising  
Pricing

23 pp  
Field research  
504-009-8 (32 pp)  
504-009-9A (21 pp)  
504-009-9B (41 pp)

**595-023-1  
VIRGIN ATLANTIC AIRWAYS: TEN YEARS AFTER**

Larreche, JC  
Denoyelle, P  
*INSEAD*

The Virgin Atlantic Airways (VAA) case was written on the occasion of the company's tenth anniversary. In 10 years, VAA has brought many innovations to the airline industry and won many awards for its service. It has fought against giants on an international scale and has survived the airline industry's most difficult years. The case describes the history of the firm, its achievements, and its practices especially in terms of operations, human resources and marketing. The main purpose of the case is to discuss the concept of customer value delivery and to understand the mechanisms by which VAA can profitably offer its customers high service quality at a low price. Other possible pedagogical objectives are positioning, innovation, service, quality and public relations. The case is best suited for courses on marketing management or services

management. There is a French translation available (F595-023-1). This case contains colour exhibits. \*\*ecch European Case Awards Overall Winner 1996\*\* This case was reviewed in ECCHO. To read the review visit [www.ecch.com/casereviews](http://www.ecch.com/casereviews).

*UK, international; Airlines; 1994*

Marketing  
Services  
Value  
Delivery  
Entrepreneurship  
Public relations  
Leadership  
Pricing

37 pp  
Field research  
595-023-8 (29 pp)

**9-504-028  
VIRGIN MOBILE USA: PRICING FOR THE VERY FIRST TIME**

McGovern, GJ  
*Harvard Business School Publishing*

Dan Schulman, the Chief Executive Officer of Virgin Mobile USA, must develop a pricing strategy for a new wireless phone service targeted toward consumers in their teens and twenties, many of whom are believed to have poor credit quality and uneven usage patterns. Contrary to conventional industry wisdom, Schulman is convinced that he can build a profitable business based on this underrepresented target segment. The key is pricing. Schulman is currently debating three pricing options: (1) adopting a pricing structure that is roughly equivalent to the major carriers, (2) adopting a similar pricing structure, but with actual prices below the major carriers; or (3) coming up with a radically different pricing structure. With respect to the third option, Schulman is considering various alternatives, including a reliance on prepaid (as opposed to post-paid) plans and the total elimination of contracts. Includes color exhibits.

*United States; Cellular communications; 200 employees, \$5.2 billion revenues; 2002*

Market segmentation  
Pricing  
Pricing strategy  
Target markets  
Telecommunications

19 pp  
Field research  
5-504-108 (20 pp)

**9-498-045  
WOLFGANG KELLER AT KONIGSBRAU-HELLAS (A)**

Gabarro, JJ  
*Harvard Business School Publishing*

Raises issues concerning performance evaluation, performance appraisal, managing ineffective performance, and conflicts in management style. A rewritten version of an earlier case.

*Europe; Beer; Mid-size, \$100 million sales*  
Beverages  
Human resources management  
Leadership  
Management styles  
Performance appraisal  
Superior and subordinate

18 pp  
Field research  
5-400-069 (20 pp)

**603-002-1  
ZARA**

Domiguez Machuca, JA  
*University of Sevilla*  
Ferdows, K  
*Georgetown University*  
Lewis, M  
*The University of Warwick*

The case offers an illustration of a fast-response global supply, production, and retail network. In 2002 Zara, operating out of La Coruna in north-west Spain, was the only retailer that could deliver garments to its 507 stores in 33 countries in just fifteen days after they were designed. Its unique systems for product design, order administration, production, distribution and retailing were behind this astonishing capability. Its unconventional approach provides interesting opportunities for discussion and learning. The case is quite popular with executives, MBA's and undergraduate business students. It can be used in a remarkably wide range of courses - from a core operations management course to electives focused on international operations, operations strategy, global logistics, distribution, retailing, as well as in specialized and general executive programmes. The teaching note includes several photographs from Zara's operations in La Coruna, and the appendices are available as PowerPoint files as the teaching note supplement '603-002-9'. This case was the winner of the 2003 Indiana University Center for International Business

Education and Research (CIBER)-sponsored Production and Operations Management Society (POMS) International Case Competition. A Spanish translation is available (E603-002-1). \*\*ecch European Case Awards Category Winner 2005\*\* This case was reviewed in ECCHO. To read the review visit [www.ecch.com/casereviews](http://www.ecch.com/casereviews).

**Spain and global; Fashion apparel; Large multinational; 2002**

- Global supply chain
- Design-product-distribution-retail integration
- Fast-response networks
- Fashion retailing
- Queuing and inventory models
- Manufacturing-marketing interface
- Time-based competition
- Mechanising

15 pp

Field research

603-002-8 (21 pp)

603-002-9 (s/w)

### **9-703-497**

#### **ZARA: FAST FASHION**

Ghemawat, P

Nueno, JL

*Harvard Business School Publishing*

Focuses on Inditex, an apparel retailer from Spain, which has set up an extremely quick response system for its ZARA chain. Instead of predicting months before a season starts what women will want to wear, ZARA observes what's selling and what's not and continuously adjusts what it produces and merchandises on that basis. Powered by ZARA's success, Inditex has expanded into 39 countries, making it one of the most global retailers in the world. But in 2002, it faces important questions concerning its future growth.

**Spain, Global; Fashion industry; 26,724 employees, 3,250 million eurodollars revenues; 2002**

- Competitive advantage
- Globalization
- Market selection
- Supply chain
- Time based competition
- Vertical integration

35 pp

Field research

5-703-496 (21 pp)

### **9-604-081**

#### **ZARA: IT FOR FAST FASHION**

McAfee, AP

Sjoman, A

Dessain, V

*Harvard Business School Publishing*

In 2003, Zara's chief information officer (CIO) must decide whether to upgrade the retailer's information technology (IT) infrastructure and capabilities. At the time of the case, the company relies on an out-of-date operating system for its store terminals and has no full-time network in place across stores. Despite these limitations, however, Zara's parent company, Inditex, has built an extraordinarily well-performing value chain that is by far the most responsive in the industry. The case describes this value chain, concentrating on its operations and IT infrastructure.

**Spain; Apparel, retail industry; 32,000 employees, US\$4 billion revenues; 2003**

- Computer networks
- Information systems
- Information technology
- Operations management
- Production
- Supply chain
- Vertical integration

23 pp

Field research

5-604-104 (5 pp)



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