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Clearwater Case Study Root Cause of the Problem The declining of the market fortune for the Clearwater Manufacturers has been caused by highly competitive and sophisticated market that has forced weaker manufacturers out of the market.

Analysis of the Problem

The rationale of identifying the problem has been primarily based on a number of issues. Firstly, it is certain that the dwindling of the market fortunes for this manufacturer has been caused by increased competition from the largest manufacturers such as Wal-Mart, Home Depot, Zellers and Canadian Tire that are now dominating the market for household appliances. Secondly, the problem experienced originates largely from poor marketing strategies. Having supplied department stores, hardware and discount stores, the market is now frozen. After 50 years of existence, this manufacturer is now facing a monumental competition from recent entrants.

There is a belief that poor branding identity is the root cause of declining market fortunes. In addition, its recent methods of retailing have been overcome by recent market shifts. Looking at the giant entrants as if the Wal-Mart and Canadian Tire depicts a total shift in retailing strategies. Perhaps the failure of the manufacturer to respond to market trends has largely caused the problem that is being currently mitigated.

More importantly, the larger manufacturers have adopted the use of modern information technology and sophisticated inventory management systems. It is certain that deliberate steps need to be undertaken immediately. Apart from a shift of the marketing trends towards information technology, the company has failed to build a strong brand as the marketing forces become

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fierce. Today, the category suppliers have grown significantly that they command specific designs for manufacturers to produce. Evidently, the recent times has seen category supply, demand particular sizes and colors of goods being supplied. While Clearwater remains stagnant in the traditional retail systems, the market forces have overwhelmingly become unbearable. Besides, the problem has arisen because of untimely management decisions. In business, the management team should be vibrant and creative. Acting timely to respond to changing market patterns is critical in ensuring that a company is not forced out of the market. With a timely and a continuous product adjustment, the company would not be experiencing the current marketing doldrums. In addition, it is certain that the problem is solely a marketing and strategic step. One of the problem would have been solved before it became evident was branding, as a business grows that need to maintain a highly competitive manageable is crucial, management decisions should explore product and study market patterns with a view of making necessary adjustment. Hence, the nature of problem lies heavily on untimely management response to the shifting market patterns.

Recommendations

In order to survive in the midst of the continued market doldrums, the manufacturer should embark on category retailers as crucial target for its products. To successfully impress these customers, the company should customize its products. To do so, it should modify its brands and embark on a serious marketing through product promotion and advertisement to reinvent itself as a solution to household supplies. Secondly organizing its products around category retailers and the company put into multi-disciplinary teams each serving larger category retailers.

In addition, the company should invest heavily in information technology and train staff on the latest inventory management. It is only a shift to the latest market demands that will put the company at equal grounds with its competitors. Besides, innovation and creativity should be fostered to create a unique product from those of other dealers. Lastly, the management should be decisive and respond by instituting cost reduction and savings put into the category retailer's investment.