

Black and decker corp. (a): power tools division discussion questions



Black & Decker Corp. (A Power Tools Division Why is Black & Decker, the overall market leader, doing poorly in the Professional-Tradesman segment? Black & Decker is a big brand name in the corporations' world and hence named the market leader. However, this is not so in the Professional-Tradesman segment (P-T segment). The poor performance in this sector is because the brand name has been poorly positioned when it comes to this sector and hence fewer clients and the rest have negative perceptions about the quality of this segment. When customers have less belief in the quality of a product, no matter how prestigious the corporation is, the affected sector has to come up with better strategies because it contributes to poor performance.

2. As Black & Decker weighs its strategic options, what are its strengths and weaknesses relative to competitors (especially Makita)?

One of the overall strengths of Black & Decker (B & D) is that it has a higher service rating than Makita and hence this puts it at an advantage. The power tools of B & D are of better quality and hence highly valued in that market which is a big strength on the part of the corporation. Even though B & D has poor performance in the P-T segment compared to Makita, the market share of the P-T is small and hence the loss is not so much.

On the weakness segment, due to the low quality of P-T segment of B & D, other tradesmen and other corporations do not respect and trust the tools being made by B & D and hence affecting the overall brand name of the company. B & D takes too long to act upon its weakness and poor performance and hence the company is continuing to lose market share to other companies like Makita (Black & Decker Corporations, 16).

3. Which of the three options should Black & Decker choose? Specifically:
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a) Option 1 implies Black & Decker should not target the Tradesman segment. Do you agree? Why? (Hint: use the 3Cs framework in analyzing this targeting problem.)

I do not agree with this option because it is a bad business strategy.

According to the 3 C's business model, what B & D should focus on is corporation, customers and competitors. By not targeting the P-T segment of the corporation, then it is not considering the corporation's image and the competitor's strategies which make them better.

b) If Black & Decker decides to remain competitive in the Tradesman segment, would you recommend Option 2 or 3? Furthermore, how would you like to position the brand? Explain. (Hint: you might find perceptual maps and the POPs vs. PODs framework helpful in addressing this positioning problem.)

B & D should be focused and positioned according to its customer's requirements, needs and demands. The best business framework that B & D should emulate is the Points of Difference (POD) because it positions the company in relation to their customer and not so much their competitor. The customers in a business are the ones who matter more than the competitor because if the customers are satisfied, then there will be little or no competition.

c) What actions should Black & Decker take to achieve the positioning you recommend above?

The first step that B & D should take is to conduct a feasibility study about the poor performance of P-T segment. In order to fulfill the customer's needs, B & D needs to communicate with their customers more about what they really need when it comes to P-T segment products POPs vs. PODs
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framework which has poor performance despite the market being really opportunistic.

After the feasibility study and the communication, B & D should then act on the suggestions and then find sustainable ways to ensure that the poor performance will not be repeated again in future and that this segment of the corporation will catch up with the other segments. With these strategies, then performance will improve and the corporation will resume its market superiority again (Kotler, 54).

Works Cited

Black & Decker Corporations. Black & Decker The Complete Photo Guide to Sheds, Barns & Outbuildings: Includes Garages, Gazebos, Shelters and More. New York: Creative Publishing Int'l, 2010.

Kotler, Philip. A Framework for Marketing Management. Pennsylvania: Prentice Hall, 2008.