

# Polaroid case essay sample

[Business](#), [Customers](#)



a. How does Polaroid's distribution needs vary by subsidiary in Europe? What are the implications of these differences? You must consider the cultural diversity of the countries in Europe where Polaroid operates.

In Europe, Polaroid was organized into 12 subsidiaries, each operating a separate warehouse to serve its national market, and the largest subsidiaries reside in France, Germany, Italy, and the United Kingdom. The International Distribution Service Center (IDSC) shipped products to the major national subsidiaries several times a week and the non-major subsidiaries received shipments once a week.

Polaroid's distribution needs vary by subsidiary in France, Germany, Italy, and the United Kingdom.

In France, consumer products are distributed through 3 primary channels: specialty photographic dealers, hypermarkets, and wholesalers. France had the largest number of customers requiring shipment of products directly to individual retail establishments because of the large volume through the 3 primary channels. Shipping directly to individual retail establishments made Polaroid France differ from other subsidiaries in Europe.

On the contrary, the Polaroid Germany subsidiary shipped to warehouses instead of retail outlets. In Germany, the customers were characterized as being highly demanding of product quality and service standards. Customers opposed late orders, so Polaroid Germany's distribution needs were different than other subsidiaries in Europe because they fulfilled requests in a few days.

Italy differed than other subsidiaries in Europe because Polaroid consumer products were distributed through photographic dealers, wholesalers, hypermarkets and department stores, AND “ special” markets. The Italian customers were characterized as being more flexible, and were not concerned with late or incomplete orders, like the German.

In the United Kingdom subsidiary, 45% of products were distributed through wholesalers, which was a large percentage compared to the other major national subsidiaries (40% in Italy, 10-15% in Germany, and 10% in France). The British were extremely demanding in service requirements, specifying timing of delivery, packaging, pallet size, etc.

The distribution needs varied by subsidiary in Europe because of the cultural diversity and varying customer demand, needs, and requirements. Each subsidiary had its own procedures and measurement systems and computer systems.

The implications of these differences made it difficult to manage worldwide inventories.

b. Should Polaroid implement a direct distribution strategy in Europe? If not, what alternatives do you recommend?

Yes, I think that Polaroid should implement a direct distribution strategy in the four largest subsidiaries in Europe.

The benefits of direct distribution include cost savings and changes in delivery service. The savings were between \$5-6 million a year. The changes

in delivery service guaranteed delivery on a specific day, only delivering once a week.

The direct distribution strategy improved productivity and increased efficiency in the way distribution operates by utilizing computerized distribution, adopting standard procedures, and reducing staff.

The direct distribution system requires subsidiaries to agree on specifications. This would rid the major subsidiaries of differences and implications. All subsidiaries would perform the same, without relying on cultural differences and the diversity of the customers.

I think Polaroid should implement this direct distribution strategy because of the benefits it would allow to the subsidiaries. The only disadvantage would be unhappy customers, but I feel that all subsidiaries should have perform the same with one uniform process.

c. How should your recommendation be implemented? What implementation challenges do you foresee? How would you address those challenges?

I recommend that the subsidiaries should have a program that teaches them that their methods are not superior to the direct distribution. Change is hard to overcome when you have been implementing the same process for x number of years. I think that if there was some type of seminar that showed the benefits and let the subsidiaries work out the issues, or even recommend things to each other, it would be beneficial in having all subsidiaries work out their problems and differences and agree on a uniform method/ process.

I think that when everyone uses the same system, no matter what cultural differences there are, that the direct distribution system would work better. This would also help to better manage worldwide inventories.

My thoughts and feelings with the 1 uniform system come from real life experience. In a sorority, there are many different chapters across the nation all following the same process for every event that occurs. There is 1 standardized way to handle everything. Even though the chapters are all in different locations, we still have to abide by Grand Council's policies. Every chapter is different with a diverse group of members. The rules apply even if it does not fit your chapter or location of your chapter. This relates to the subsidiaries and I think that it would work better if every subsidiary, like a chapter, followed one guideline.

The challenges of course are the customers and subsidiaries happiness. I feel that these issues can be resolved in a seminar or training program. These benefits would allow control and reduction among inventories as well as coordination among business functions. I feel that these benefits outweigh the challenges and disadvantages.

d. What other changes do you recommend Polaroid make to its European logistics system?

Other than implementing 1 specific distribution system, I think that Polaroid should take the benefits of each of the major subsidiary and implement it into the distribution system. For example, Polaroid Germany has exceptional customer service, which was one of the benefits of Germany's subsidiary. In

the distribution system, it should be a requirement that every subsidiary have exceptional customer service. The benefits of each subsidiary should be taken into account and to have all the benefits better the distribution system. Even if a subsidiary, like Italy, does not rely on exceptional customer service, it should be implemented to show the customers that there are more benefits to using this system, and that it will take a while for them to get use to it. Italy does not care about customer service and late and incomplete orders, but after a while of adjusting to it, it might become more important to them.