

Crocs competencies

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1. What are Crocs core competences * First of all, the most important competence of Crocs is its highly responsive supply chain. Much of the supply chain's design idea comes from the initiate product's technological peculiarity - rubber (croslite) shoe. Comparing to regular shoes these ones were made by injection molding, which allows fast and relatively cheap production. To use such an advantage for increasing the company's competitiveness, the whole supply chain should be designed accordingly. * Second competence is the ability to delay the decision.

As all the shoes are made from the same homogeneous mixture of ingredients, "compound" that can be dyed at any stage before the production, that feature allowed to apply the "delayed decision". By that Crocs could make the decision about the final product's colors at the late stage, reflecting to the market's response, therefore reducing the risk of bad estimation and overstocks as a result. * In-house operation By moving most of its operation from third parties to in-house Crocs achieved the control over all the activities involved to production and distribution, assuring that the whole supply chain has the same vector of interests.

With in-house all the processes becomes transparent so the lags, delays and problems can be noticed and solved in order to optimize the speed of the whole chain's respond to the demand changes. * The Global presence. Pushing the brand to all the global markets same time and shortly after the local success, the company not only achieved the status of the "original" rubber shoe brand and the advantage of the economy on scale, and tax optimization; but also to gained the ability to leverage on the global seasonality.

Such factor allows the company to reduce to minimum the risks of bad estimation of the future demand. If the product is successful on south market, Crocs would produce more for same season at Northern market. If not successful and overproduced at South - same goods can be sent to North to clear the stock. The above mentioned four core competences provide Crocs a critical competitive advantage at the market.