

Case study on optical distortion harvard case study

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The case analysis looks at the characteristics of the Optical Distortion Inc. (ODI) innovative contact lens for chickens and why the product is appealing to chicken farmers. The case analysis also reviews the most appropriate geographical areas that Optical Distortion Inc. (ODI) needs to have its efforts focused on for quicker return on its innovative product. Appropriate market segments as well as the pricing policy that should be adopted by the company are also highlighted. Lastly, the analysis examines the level of marketing efforts that ODI should consider to help it gain a larger market share.

The ODI contact lens was specifically designed to blind chicken partially. The lens distorts chickens vision and thereby reducing cannibalism. The lenses are replacement for debeaking. The ODI innovative contact lens for non-human application is characterized by being able to reduce depth perception to about 12 inches. Besides, the lenses are able to reduce irritation as simply because it was made using a soft plastic known as the hydrophilic polymer. As opposed to the early prototypes, ODI contact lens was considerably larger than chicken's eye and this could keep it in place. Another characteristic is that the contact lenses greatly reduce visual acuity or astigmatism. The lens was able to blind chickens partially. It reduces the vision of the chickens and thus makes chickens that wear it exhibit exemplary behaviour. It had a red tint which was able to alter chickens' appetite as well their tendencies of cannibalism. The crown of the lens had a distortion built within it as well to impair vision.

In essence, the optical lens appealed to most chicken farmers because, over the whole, it particularly helps blind chickens. The chickens wearing it thus

exhibited exemplary behaviors that in effect made farmers experience remarkable savings. The good behavior as well appealed to many farmers since it removed pecking order that reduced cannibalism. The optical lens reduced level of irritation in the last month of chickens' laying life. Lastly, the lens was able to be kept in place by itself and thus no farmer was to spend precious time examining chicken eyes to ascertain if they are still there or bloodshot. Besides reducing chicken mortality as a result of cannibalism and egg production loss due to trauma, the lens had a potential of lowering farmers' feed cost. These qualities made contact lens appealing to chicken farmers.

ODI should focus its efforts in geographical areas of South Atlantic. However, the company should enter market region by region operating first in California where the company has its headquarter. This will enable the company save distribution expenses as well other related costs. Thereafter, it should focus on profitable locations like South Atlantic and West South Central.

Specific market segments that ODI should focus on include South Atlantic region that owns 28. 5% of all chicken. On the same note, it should focus on California since it has 16. 3%. The company should focus California since 80% of whole populations of chickens are sheltered in 3% of Georgia, California and North Carolina.

ODI should as well focus on firms that have flock size of over 50, 000 birds. Every farm with birds well over 50, 000 should form part of its target market.

Basically, this segment allows the company to acquire well over 60.08% of the whole market. Also, the costs of sales force will be cheaper.

ODI needs to adopt skimming pricing policy. It should consider entering the market with a considerably higher price to guarantee farmers high quality and thereafter reduce the price of its product once returns are realized after a given duration or when its patent expires after three years. In fact, the skimming pricing strategy is advantageous because the company will be in a position of realizing maximum returns over a shorter period of time. The returns realized will further be reinvested in research and development as well as in enhancing scale of operation. Price skimming policy will enable ODI to boost its scale of operations and thus likelihood of blocking low-cost market entrants on expiry of its patent. Also, since the patent protects ODI from any competitor that may enter the market and charge lower prices, it has all the advantage of exploiting higher prices for faster return which is only applicable via skimming pricing policy. Companies that offer de-beaking services which form part of their competitors in a shorter term are limited by their liability and thus cannot charge lower prices since they realize minimum wages.

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Considerable marketing level efforts that ODI should opt for is the B2B strategy of marketing. In particular, the information and incentives required induce repurchase and trial will be concerning the product, product delivery functionality positioning, product positioning in the market, efficient communication channels and price positioning in the market. These basically

guarantees repurchase and product trial by farmers. The company should constantly undertake leader strategy by embracing innovation continuously. Also, to induce trial and repurchase, ODI should undertake to develop high product strategy whereby, for instance, it offers complete package to farmers simply to promote their switching from de-beaking to the its advanced technology. Not only should ODI give farmers the basic product, it should as well provide usage additional services in the entire usage of its lenses. Such services could include product delivery, technical assistance, product installation and basically how to enhance product reliability. Above all, it should integrate communication besides opting for direct delivery of its product to farmers.

Lastly, as part of increasing product repurchase, ODI should undertake B2C marketing strategies. Particularly, its product should have a unique selling proposition that distinguishes it from competitors. For example, the usage of customers' retail online marketing as well as opening up discount purchase order outlets are sure ways to induce repurchase and trial.

A realistic goal for ODI by 1978 should be to remain the leader in the market, to obtain the best results in its market segments and to develop best image in the market. It should also have a goal of focusing on how to increase the benefits on its product as well as its superiority over de-beaking. ODI should strive to occupy more than 80% of South Atlantic region within the first three years for profit maximization. It thus should strive to enter bigger markets. Also, it should have both short term and long term goals of continuously developing new products for its customers so that their needs are met

effectively over time.

Lastly, it should develop a strong focus for external and internal influences for it to remain competitive in the market. Whilst it should focus on developing a product with constant unique selling proposition that ultimately make it easily distinguished from its competitors internally, externally, nevertheless, it should revolutionize the business of animal behavior in the long run.

Work cited

The given case study.