

What threats does hd face? case study example

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Harley-Davidson is one of the oldest brands among the leading manufacturer of motorcycle in the United States with a market share of over 50%. In fact, its success is highly attributed to its brand loyalty, but at the same time Harley-Davidson faces a lot of threats in the struggle to maintain its dominance in the marketplace.

HD enjoyed the baby-boomers consumption for many years. But this population is aging, making HD “ the old mans model”. The future of HD is threatened because it is not in a position to attract younger consumers (Mridu 5). Moreover, the brand loyalty is the first and foremost in the United States. Another threat is that many people believe that cheap models makes it hard to remain at premium pricing. HD has too little control over the logo because they lease to everyone.

How can HD sustain and enhance its competitive position?

Actually, there are ways in which HD focus in order to enhance and sustain its competitive position. One of the main actions is to focus on international development, by expanding to the Asian market. This is achieved by taking its product to global markets.

Undeniably, HD must try to attract all types of consumers by changing its is strategies to target female, younger users, as well as maintaining the baby boomers. In fact, HD should custopmoize bikes for their loyal consumers, for example in terms of colour. A lot of investment should be directed towards development and research. Research is essential because it gives information on the needs of the consumer. In the 21st century, HD should employ modern technology, which can be attained by going into partnership with already established auto manufacturers (Mitchel 22).

Moreover, the competitive position of HD can be sustained by improving on marketing strategies and quality of the product. Profitability will automatically be achieved if the demand of HD increases due to its quality improvements (Mridu 9). The company should also downsize and restructure its entire operation. In this case, it should be quick to impress technology like the other competitors. The company restructuring can be emphasized on abandoning the no-layoff policy, as well as outsourcing organizational parts to decrease its overhead. In addition, HD should go into alliances with other companies so as to strengthen its market share. Harley can enhance and sustain its competitive advantage by focusing on Harley owners group to family members.

Work Cited

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