

Minnesota
micromotors: a brief
strategy essay
sample



According to the data and information provided, MM currently is facing a tough time in all segments comparing to the competitors. As the data shows that, the revenue and gross margin are consistently decreasing from Q1-Q3. There is a big drop at the market. In order to improve our company profit and market share . It is important for us to find out the disadvantage and advantage. There are some factors that driving out profit and market share down, which are:

- 1: Price is too high, all segment are over pricing.
- 2: R&D and performance of our products are the shortage of the competition in the market.
3. The positioning of the product is away from the market.
4. We need to improve customer satisfaction based on the price and performance.

Therefore, the new strategy for the current situation is to decrease the price and reallocate the discount rate for different segments. For example, we can decrease the price to the market average price and increase the discount rate for some price sensitive segment. As segment A and segment D and distributors are the most important income. By preventing lose of more customer, we need to decrease the price to capture more market share. For the R&D, we need to keep spending in order to retain our product in competitive market. When comparing to the market, the power to size ratio and heat resistance of our product is behind to the competitors. The investment of product development should be the second consideration of our company. At the last, sales force is another important issue to deal with. As segment A and segment B are required to have professional sales reps

and sales supports. We need to redivide the sales force to the different segment.