

Biscuit company case study

Business



What are the main problems facing the organization described in the case?

There used to be a time when companies were supposed to produce goods only, a time when there was no such a word as marketing, and a time when organizations had the certitude that their products would definitively sell out. One company that had these defaults was Biscuit & Co. Ltd. , which turned from a well-known, traditional company, with strong family values and a paternalistic culture to a genuine fiasco of the 21st century (App. 2).

Generally speaking the Biscuit & Co. Concentrated on internal issues within the organization, such as the operations division and only on manufacturing their products but left out all the environmental factors, new trends and drastic changes the new millennium brought with itself. This was due to the fact that the company was considered to have a traditional background, where staff became eventually the family. This unprofessional and more sentimental value based organizational structure led to the replacement of the managing director by no other than the son of the former director, who lacked knowledge and experience in the field.

When Richard Murphy was allocated as the fresh and hip marketing director tension rose between employees. Murphy's allocation took place in 2002, which meant that precious time, competitive and market intelligence (I.

E. New trends, segments, challenges) were already missed out on. With no market awareness nor promotion the company was determined to fail.

Richard Murphy faced many challenges because the employees of Biscuit & Co never welcomed change. It was almost impossible for Murphy to bring

innovation to the company, which was due to communication issues within the company and its internal politics.

This induced a pollination of all employees (New school vs.

. Old school), which was not very surprising for such a traditional firm. This put Murphy into a very adverse position and created an internally combative environment. Externally, Murphy decided to make a stronger relationship with the retailers; however, he found the firm did not have strong liaison with its retailers, which described them as “prehistoric, unimaginative, unprofitably, arrogant and behind the times” (see App. 3).

This meant that the company was not valuing customer feedback and was not paying any attention towards the needs of its suppliers. The inability to change internal factors to meet external challenges resulted in a fragmented structure of the company and nearly led to the extinction of Biscuit and Co. Ltd. SQ) What are the possible solutions for the organization: Biscuit company and Co. Need to be bold and dare to induce an organizational change.

Obviously this does not happen from one day to another.

It is the best to work the way from interior changes towards exterior impacts. Strategic allocation of new staff with experience in the field is an important step, in order to change Biscuit Company Case Study By Silencing organizational politics I Nils would mean Tanat ten woo a nave to get RL AT ten managing director Andrew Eastern, in order to break free from the paternalistic structure of the firm. This would give many employees more

control and let them regain confidence, and would ensure a more self-reliant and autonomous structure.

This change would not mean that the company would have to give up its heritage around traditional lines, based on family values. However, a more professional and objective approach towards change would have a much more effective impact.

The process of improvement involves first finding out what consumers want and where the already existing products are positioned to get a realistic overview of the product portfolio. It is also necessary to understand what groups of other firms respond to this particular segment of snacks, in order to create similar or more superior market conditions.

The paternalistic structure of the company needs to be dismissed and a more communicative and laid-back atmosphere has to be created, in order to prevent power games or corruption, which affect the decision-making mechanism. After this process, Biscuit and Co. would have the ability to re-launch some of its brands with a efficient marketing strategy with the usage of appropriate promotional techniques to convey the intended change.

The promotional mix needs to decide on the right media selection and sampling, which needs to be tailored for the type of consumer that would purchase the brand, in order to get a clearer picture.

It could be very helpful to outsource knowledge and work with an independent advertising agency, in order to break free from the company's conventions and to discuss possible ways of rejuvenating the brand. Efficient

time management is an important factor during all of these processes, given that the competition is not resting. This can be induced through fast communication processes within the firm with people I. E.

Not only responsible for their own division but also for others, such as cross-functional teams that help in fast tracked re-launch of products in record time.

These teams should also reconsider to cut the under-performing biscuit lines in order to have the possibility to really concentrate on what matters and to address the needs of its main target. The promotional mix of advertising, media selection and sampling has to be suited to its type of consumer. SQ) What is the best solution and why? There is one positive asset for Biscuits and Co. , which is the already strong name, which was able to reach a wide audience before the downfall.

The firm cannot rely solely on this asset, however could possible make use of its already existing reputation.

The best way to revivalist the brands perception is essential to reintroduce products and generate trials as a tool to show that Biscuit & Co. Are still alive. It would be useful to encourage sampling events in big stores such as Kingsbury and other shops in order to encourage trial of the product and hopefully, induce the penetration of the market. However, given that Biscuit and Co. Have awful customer feedback and do not have the best relationship to its retailers, an amelioration and bonding processes with the supermarkets and other retailers would have to take place.

This would make it easier for the firm to induce promotional activity, and make sure that the different brands are clearly distinguishable. It is known that rather young adults are very health conscious, which would mean that the firm would have to change the target audience and also make sure that they appeal to younger generations: healthy food ranges, home baked tastes and fitness snacks would be a good idea, in order to meet the requirements of this target audience. In order to break free from the 'prehistoric' image, comedy and humor would be good means to convey the message of change.

Media ads and print ads could involve a 'Stone Age' theme and could tease people that have never tried the best crackers of the world'.

A witty dialogue amongst performers would give the ad a very smart character, which in turn might change people's perception. The details would be dependent on the outsourced ad agency and its means of implementation. There could be a possible tendency to only appeal to the younger market, which would put the already existing customer base into jeopardy. Strategic PR sponsorships of I. .

Fitness, gym chains or other broadly spread health brands would create another effective vehicle to increase awareness, which at this point is the only thing that Biscuit and Co. Needs. After these steps, the firm could generate a new brand personality, stronger and more determined than ever, hip but not too keen, just a healthy brand everyone would love to purchase. This would rectify the current relationship with retailers, which in turn would increase promotion, shelf space and in-store awareness of customers.

SQ) Complete an application of the concept described in the module. Change was the reason why Richard Murphy had his dooms day at Biscuit and Co.

Ltd. He did not only want to change the interior firm politics but also wanted to hire new employees with more competences and abilities. However, not everyone in the department was ready for such a drastic carination. A war of the old and new started, which divided all employees into two groups. The Marketing and sales department welcomed changed however the finance and production department possessed the traditional mindset.

The modernization process was not welcomed by all employees, which lead to suspicion within the firm and with Andrew Eastern as the managing director, Murphy eventually was defeated by change and revolutionary thoughts. This proofs that change within a firm does not happen from one day to another and that persuasion, excellent interpersonal contact and a supportive team are necessary in order to implement raw ideas. The reason for the need of internal changes is induced by external factors. The 21st century brought a lot of novelties with itself, which could have been seen from afar if Biscuit and Co. Old have been more careful in the way they interact with their resources and intelligence sources. The way people communicate changed completely, competition rose, due to more accurate information sources.

More sophisticated technologies were introduced, so that businesses of all sizes were able to do business with customers from all over the world. There were no more cultural barriers, as long as there was proper Internet access that enabled people to communicate in ways that were never possible

before. Stressful battalion to change is as crucial Walton an organization as it is in the natural habitat of animals.

From a Darwinist point of view the survival of the fittest does not only apply to animals and plants, but also can be applied to organizational structures. This case study has shown that good will, expertise and passion are not enough to induce change and drag everyone within an organization with oneself. If there is no communication, ongoing power games due to personalization of business matters and the inability to sense and adapt to trends, it is very difficult to reverse the negative conditions into a prosperous and positive one.

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