Strategic Decision-Making

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Strategic Decision-Making

**External Opportunities**

The first external opportunity for CustomMayD Designs is the rise of the environmental movement. This creates a larger target audience since CustomMayD Designs uses zero-waste landfill manufacturing. They do this though using recycled and organic elements sourced from local production sites. This represents conscious capitalism because it is a more environmentally friendly way of producing shoes. CustomMayD Designs is appealing to customers by offering them a way to purchase custom shoes that are also environmentally friendly.

Another external opportunity is the push for international labor laws. Many of the shoes sold in the US are produced using child labor. Many consumers would rather not support such business practices. CustomMayD Designs is offering consumers an option to buy from a company that does not violate international labor laws. CustomMayD Designs produces all its products in the US and uses local production sites to source materials. This represents conscious capitalism because it gives consumers an option to buy a product that does not support the use of child labor. This is both a selling point of the shoes and simultaneously positively impacts society.

**External Threats**

The first external threat for CustomMayD Designs is that they are in a highly competitive industry with some very big companies like Nike and Adidas. This means that CustomMayD Designs will compete with companies with very high name recognition, massive advertising campaigns, and a lot more pricing power to offer cheaper products. However, this is not a death sentence for CustomMayD Designs since they can mitigate these disadvantages. This can be done through advertising how they are better than these international corporations by having a zero-waste manufacturing process and the products being sourced and made in the US. These are things that companies like Nike and Adidas cannot offer customers.

Another external threat is the proliferation of online shopping. More and more consumers are using online shopping to buy their products, which does not bode well for CustomMayD Designs’ business strategy of being retail. However, there are some ways that CustomMayD Designs can mitigate this threat. The first is that they offer customers a unique experience of being able to see parts of their shoes being made. This will likely result in customers posting this process on their social media, and creating free advertising for CustomMayD Designs. A second way to mitigate the threat of not being online is that having a retail store allows customers to try the orthopedic insoles before purchasing. This would likely increase customer satisfaction and will help build a better reputation for CustomMayD Designs.

**Core Values**

CustomMayD Designs’ first core value is that they use US-based production and manufacturing. They do this by using locally sourced materials and by manufacturing their products in the US. This means that they provide employment and shopping opportunities to people in the US that want to be able to support their fellow citizens. This aligns with their vision statement: “Creating a better everyday life for disadvantaged communities by providing employment and shopping opportunities through locally manufactured, customized, affordable products.” (rubric). It also aligns with the mission statement because it transforms how customers feel about their footwear since it is no longer being manufactured by underpaid workers or even child labor like many other companies.

Another core value of CustomMayD Designs is that they are environmentally friendly. They do this by using local production sites which limits shipping, by using recycled and organic materials, and by using an automated 3D manufacturing process that allows much of the shoe to be made closer to the customer. These things result in a “shorter supply chain…, reduce lead time, limits shipping, and is more sustainable.” (rubric). This environmentally friendly approach aligns with both the vision and mission statement. The vision statement hinges on things being locally manufactured, and the mission statement hinges on using sustainable practices.

The third core value of CustomMayD Designs is helping disadvantaged communities. One way they do this is by offering custom insoles at an affordable price. This helps people with lower back pain, obese people, and even athletes in poorer communities. Usually, custom insoles are expensive and not an option for many in less privileged communities. However, the locally made 3D manufacturing process allows CustomMayD Designs to offer affordable custom insoles. This means they can create a better everyday life for disadvantaged communities as stated in their vision statement. It would also transform how those consumers feel about their footwear since they can get a comfortable, affordable, and stylish option without needing to sacrifice either comfort or style to make their shoes affordable.

**High-Touch Approach**

The high-touch approach of using employees in the store instead of automated sales and payment kiosks aligns more with CustomMayD Designs’ core values, vision statement, and mission statement. This is because it offers more employment to the communities that CustomMayD Designs operates in, this aligns with the vision statement of providing employment opportunities. The high-touch approach also aligns with the mission statement because it offers a more “customized shoe experience” than an automated sales machine would. Having an employee present would allow the customers to ask questions about the different options available. This would result in more satisfied customers and further transform how consumers feel about their footwear since the employee can help ensure the customer gets exactly what they want.

**Continuous Improvement Tool**

To establish a culture of continuous improvement I would implement the Plan-Do-Check-Act (PDCA) tool. I would use PDCA with the sponsor to improve processes within the company. First, we would identify a problem, which could be something like customers taking a long time to decide what their shoes should be, in turn causing the store to get backed up. The project sponsor would then come up with a plan to solve the problem. A potential solution could be improving the customization program in the store to be more user friendly. Then I would work with the sponsor to implement the solution. We would then check the solutions results by looking at whether customers design process was faster. If it was faster, we would keep the process in place and if it was slower then we would try to find a new solution. Then the sponsor would return to the planning phase to try to improve the process even more, creating an continuous improvement loop.

A similar process would be used to strengthen team membership. First, I would identify a problem with the employees, which could be something like motivation to sell a product on the floor. A potential fix could be implementing a commission-based system for store workers to incentivize them to try to sell more products. Then I would check the sales to see how well the system is working and use those numbers to determine if the system should stay or needs to be changed. This process would continue to repeat to always try to improve team membership within the company.

PDCA can also be used to help achieve goals for CustomMayD Designs. First, I would identify a goal, for example opening a new storefront in a new area. Then I would plan what needs to be done to make it successful, like needing to either open it in an area where demand is high or by marketing in a new area to increase demand when opening the store. Next, I would want to check that the marketing campaign worked to increase demand enough to support opening a new store. Finally, I would act by either opening the store or finding a new location to start the process over.   
 Communication is another important factor for a business to run smoothly. PDCA is a process that can greatly improve communication within a company. I would start by identifying an area where communication within the company is lacking, such as communication between store managers and floor workers. Then I plan a course of action to resolve the lapse in communication, which could be requiring a weekly meeting where the manager clearly explains the goals given to them by upper management. This would make it so the floor workers know why the managers are doing what they are doing. Then I would check that better communication increased employee satisfaction. If employee satisfaction goes up then the process would stay in place and I would begin looking for new problems to further improve communication.

Using PDCA in all these areas would establish a culture of always looking for a way to improve processes. All levels of the company would be involved in at least one of these PDCA processes, which would expose them to the expectations of the company. Creating incentive systems like commissions or bonuses would motivate employees to seek out continuous improvement on their own because it not only benefits the company but benefits themselves.

**Decreasing Customer Price Sensitivity**

One way that CustomMayD Designs can decrease its customer price sensitivity is by heavily promoting its environmental sustainability. Consumers in our current market are willing to pay a premium for products that are good for the environment. So, if CustomMayD Designs heavily markets about how they have zero waste to landfill manufacturing and use recycled elements then they can get a lot of customers that will pay a little bit extra to feel like they are helping save the earth. Another way CustomMayD Designs can decrease price sensitivity would be by promoting their custom designs and the unique experience of watching your shoes be made. Consumers are usually willing to pay extra to get a custom item because then they have a unique product that no one else has. They are also willing to pay extra for a unique experience like watching your shoes be made because it can be a good post for their social media. This results in free advertising and will get some of their followers to want to experience the same thing and end up buying a pair of shoes regardless of the price because their favorite influencer did it and was having fun.

**Product Development Strategy**

A product development strategy is a new product in the current market. The one I would recommend for CustomMayD Designs would be adding a custom hat to their products. Customers could create a custom hat design that then gets 3D printed using the same recycled materials as the shoes. The hat could be a custom size to fit the customer’s head perfectly. This product would fit in perfectly with the custom shoes because it is also within the clothing market, still has the environmental benefit, still provides a unique experience of watching your hat be made, and it’s a custom product no one else will have. It would also be cheap to implement since it is in the same market, meaning less advertising is required to promote the product since brand awareness is already established.