

CIMA

May 2018 - Strategic case study examination

Summary of Issues

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Issue Number	Page Number in Case	Paragraph Number	Issue
1	3	3	Threat to Safety of Information , Data leaks, hacking. Ex: Sony lost member data for its Play station.
2	3	6	Couchweb streams its content to many countries with changed language or with subtitles. This might give rise to culturally unacceptable content . As culture changes from country to country.
3	4	1	"Low price, High volume strategy" requires that there will be more paid customers to sustain the business. Else the business model will fail.
4	5	1	Couchweb's mission is "Always entertaining" . Is too BROAD. The company has to reframe it.
5	5	4	Company has to create more content , so as to reduce dependence on other original content creators like movie, serial production houses. (Connected with problems in financial statement, see ratios)
6	5, 8	5, Graph.	Couchweb has many direct & potential competitors . Direct competitors are HomeVideo, MovieMaker. Indirect competitors are the current content suppliers like MajikMedia or Pinto Studios. Even Direct & indirect competitors can combine like HomeVideo & MajikMedia forming a Joint venture or Merger or acquisition.
7	7	1	CouchWeb risks in buying programmes that are different and interesting . It can have Upside & downside .
8	11	Chart	Javier Mercot has 2 BIG responsibilities : Commissioning programmes, IT systems. Separate roles will be required. Company lacks IT specialist (IT Security) at the board level. Though Chet Nolan, CEO is IT specialist, he is an Website design specialist only. (Connected with issue number 1)
9	14	Chart	CouchWeb's Content subscription gives revenue (69%) & Operating Profit (93%). Huge dependence on a single source of Income . HIGH RISK.
10	14	Chart	CouchWeb receives 69% of revenue from Overseas .

			If overseas subscription is in M\$ it won't be a problem. But if it is in Foreign currency then company will face FOREX problem.
11	17	3	Retaining skilled staff will be a problem as these people are specialist and are persuaded by competitors.
12	19	2 nd news clipping	National broadcast regulators worldwide will start to give attention to online streaming content and try to regulate the content. This will start new regulatory hurdles for the company in the near future. (Connected with issue number 2)
13	30	1 st news clipping	Creating agreements with Internet service providers (ISP) to secure preferential agreement, so that these ISP don't also give their network to CouchWeb's competitors.