

# **Porter's Five Force Model**

## ***Threat of New Entrants:***

The extent of danger from new participants in the portable AC market is low because a lot of money will be needed to do research and development, set up facilities and distribution channels. In addition, established brands already benefit from the economies of scale economies and brand recognition which leads to strong customer loyalty.

## ***Bargaining power of suppliers:***

On the other hand, bargaining power for suppliers is relatively low when it comes to the portable AC sector. A lot of suppliers offer different components such as compressors, fans or cooling coils which makes it easier for manufacturers to switch their suppliers if necessary.

## ***Bargaining Power of Buyers:***

Buyers in the portable AC market may have moderate to high bargaining power. There are typically numerous brands and options available, giving buyers the ability to compare features, prices, and quality. However, brand reputation and product differentiation can influence buyer decisions.

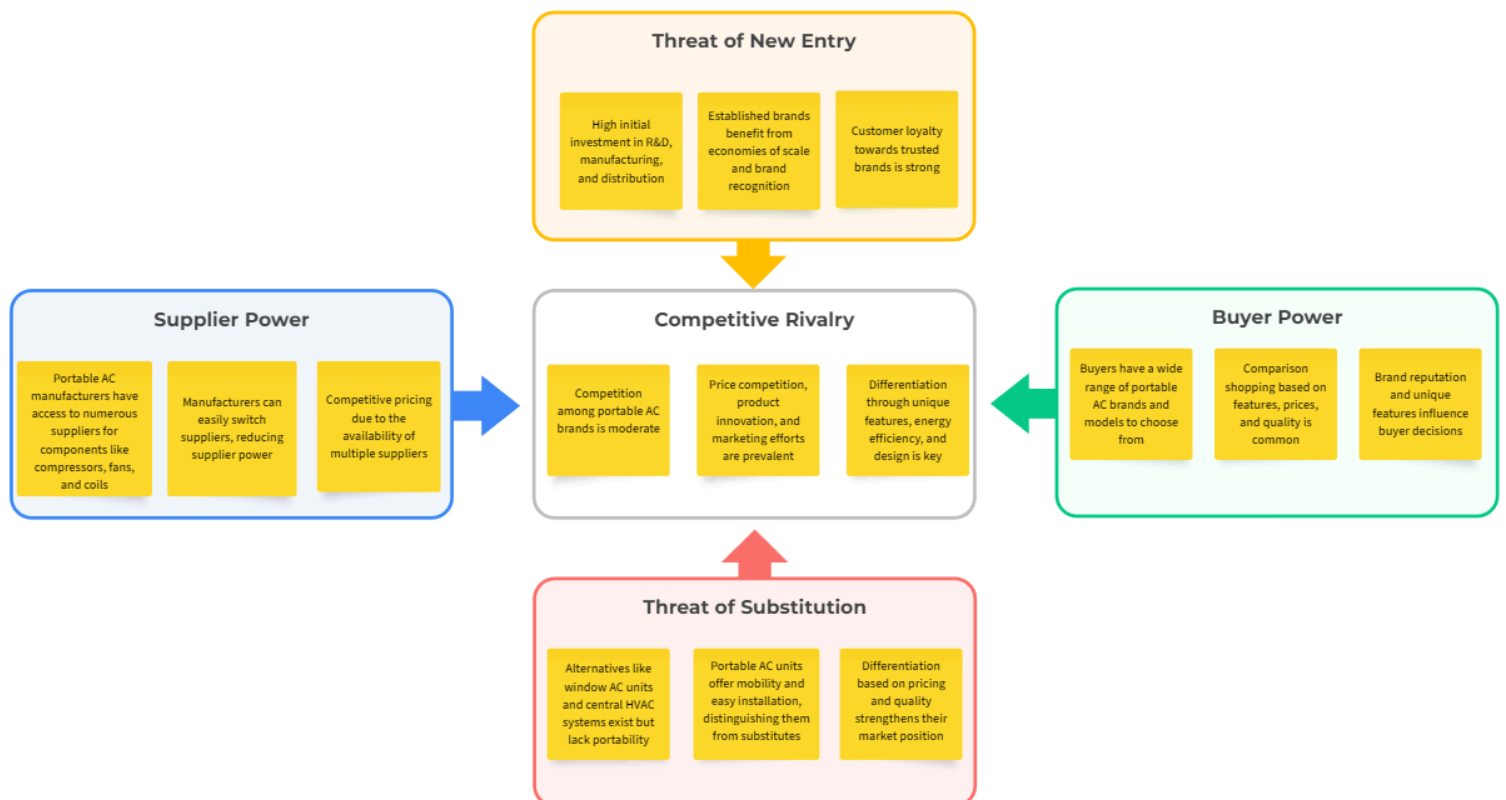
## ***Threat of Substitute Products:***

The risk associated with substitute products in this industry is medium. Portable air conditioners are alternatives to traditional window units or central heating/cooling systems used in homes; they have unique benefits of being mobile, as well as easy installation at rental houses or spaces where permanent installations are not possible. The relative price/performance ratio represented by portable ac is a point of distinction.

### ***Intensity of Competitive Rivalry:***

Competitive rivalry in the portable AC market is moderate. There are likely numerous brands competing for market share, leading to price competition, product innovation, and marketing efforts to differentiate offerings. Innovation in features and efficiency.

## **Porter's Five Force Model**



# **Value Chain Model**

## **Primary Activities**

### ***Inbound Logistics:***

- Sourcing raw materials and components such as compressors, fans, coils, and plastics from suppliers at minimal cost.
- Managing transportation and storage of these materials to manufacturing and assembling facilities.

### ***Operations:***

- Assembling components to create portable air conditioner units.
- Testing units for quality control to ensure they meet performance standards and regulatory requirements.
- Packaging finished products with advanced safety techniques for shipment.

### ***Outbound Logistics:***

- Distributing finished units to warehouses, retail stores, or directly to customers.
- Managing inventory and shipping logistics to ensure timely delivery.

### ***Marketing and Sales:***

- Developing marketing strategies to promote portable air conditioners, including advertising, promotions, and online campaigns with the help of social media
- Establishing distribution channels and partnerships with retailers.
- Sales activities such as lead generation, customer inquiries, and closing deals.

### ***Service:***

- Providing customer support for inquiries, troubleshooting, and technical assistance.
- Offering warranty services, repairs, maintenance and exchanges.

## **Support Activities**

### ***Procurement:***

- Negotiating contracts with suppliers to secure favourable terms and pricing for raw materials and components.
- Monitoring supplier performance and managing relationships.

### ***Technology Development:***

- Research and development efforts to improve product efficiency, features, and design and increasing portability factor.
- Investing in innovation for energy-efficient cooling technologies and smart features.

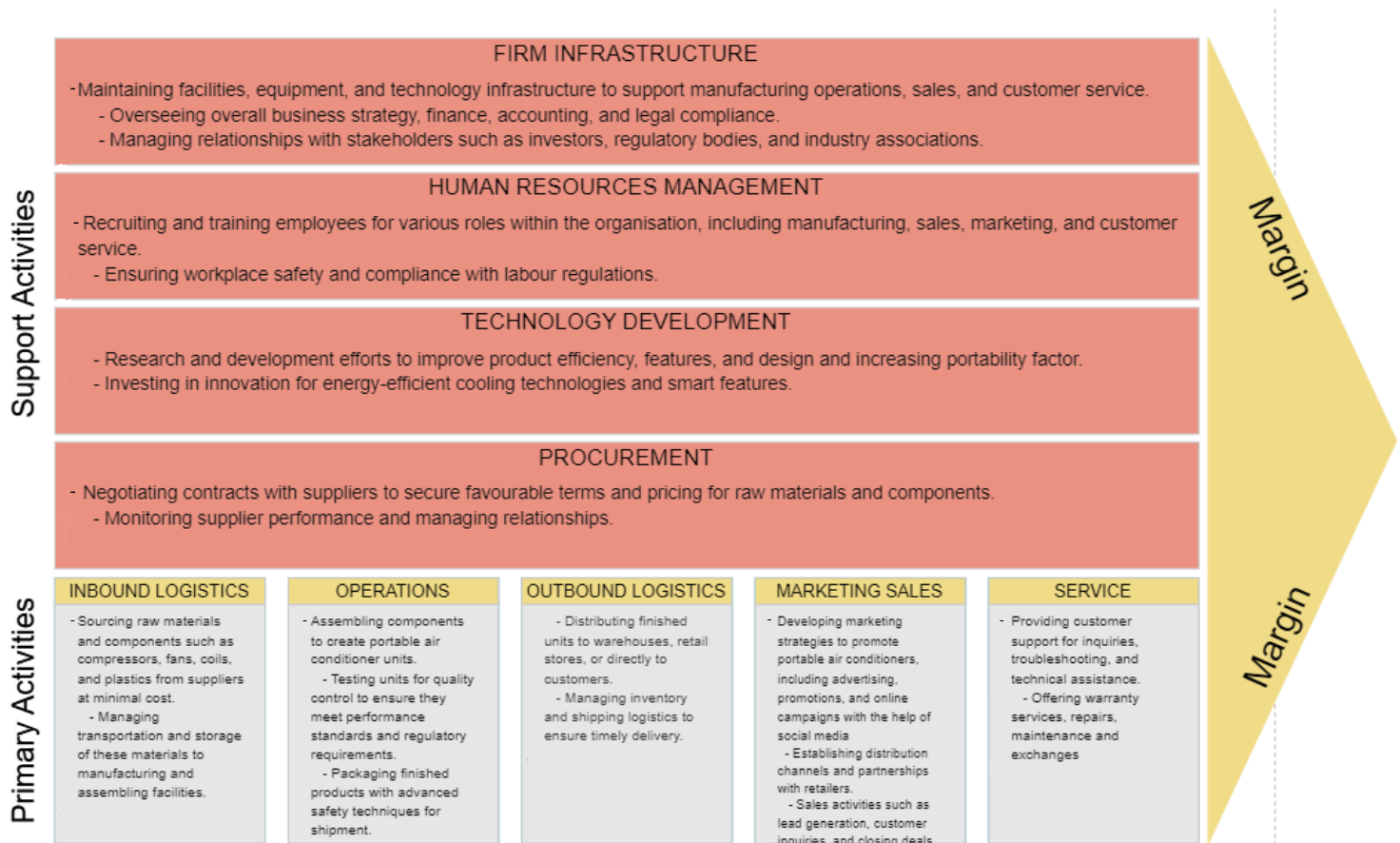
### ***Human Resource Management:***

- Recruiting and training employees for various roles within the organisation, including manufacturing, sales, marketing, and customer service.
- Ensuring workplace safety and compliance with labour regulations.

### ***Firm's Infrastructure :***

- Maintaining facilities, equipment, and technology infrastructure to support manufacturing operations, sales, and customer service.
- Overseeing overall business strategy, finance, accounting, and legal compliance.
- Managing relationships with stakeholders such as investors, regulatory bodies, and industry associations.

# Value Chain Model



# **Core competencies**

## ***Efficient Cooling Technology:***

- Development of advanced and self developed (patented) cooling technology for superior performance.
- Innovative compressor designs, efficient refrigerants, and optimised airflow systems.
- Competitive advantage through better cooling capabilities, enhancing customer satisfaction and loyalty.

## ***Compact Design and Portability:***

- Maximising portability without compromising cooling capacity.
- Lightweight construction and ergonomic handles for easy transport.
- Appeal across residential, commercial, and temporary structures for broad customer reach.

## ***Smart and Energy-Efficient Features:***

- Integration of smart technologies like programmable thermostats.
- Energy-saving modes and remote control capabilities.
- Differentiation in the market and attraction of environmentally conscious consumers.