

## Scenario:

**Company:** "EcoStyle" – a mid-sized company specializing in eco-friendly fashion.

**Objective:** Increase revenue by 25% within the next year while maintaining the brand's commitment to sustainability.

The company has observed stagnant sales growth over the past two years. Customer surveys indicate that while they love the concept of sustainable fashion, many feel the products are too expensive.

*Now in order to work on this case we first need to highlight few steps that make sure we are on right track in understanding and completely formulate the plan.*

Summary:

1. Understand company and its objective
2. Gather relevant data
3. SWOT (Strength, weakness, opportunities and treats) analysis
4. Identify priority key issues
5. Analyze root cause
6. Propose solutions and action plan
7. Evaluate and monitor

Step 1: Understanding the company and its objective:

A fashion company with specialty in eco-friendly materials

Mid-sized industry

Objective to increase the revenue by 25% within next year and become a sustainable fashion brand globally

Key performance indicators:

- revenue growth
- customer retention rate
- net promoter score
- production sustainability metrics

Step 2: Gather Relevant Data

In order to understand the general process, we need data from different parts of the business

- sales data (revenue trends, bestselling items, sales by region)
- customer feedback (survey on satisfaction, pricing concerns)

- competitor analysis (pricing, marketing strategies, product range)
- marketing performance (ROI from campaigns, click through rates, engagement metrics)
- sustainability metrics (cost of materials, carbon footprint per product)

Sales Data

Region	Total Revenue	Bestselling Item	Units Sold	Average Price
North America	\$120,000	Eco Denim Jacket	4000	\$30
Europe	\$85,000	Organic Cotton T-Shirt	3400	\$25
Asia	\$60,000	Recycled Sneakers	2500	\$24
South America	\$45,000	Bamboo Hoodie	1800	\$25
Australia	\$30,000	Eco Tote Bag	1500	\$20

Customer Feedback

Survey ID	Customer Satisfaction	Price Concern	Most Liked Feature	Least Liked Feature
1	4.2	Yes	Sustainability	Price
2	3.9	No	Design	Limited Sizes
3	4.5	Yes	Durability	Price
4	3.7	Yes	Sustainability	Price
5	4.1	No	Comfort	Shipping Time

Marketing Data

Campaign ID	Platform	Reach	Engagement Rate (%)	Conversion Rate (%)
C1	Instagram	50,000	5.5	1.2
C2	Facebook	40,000	4.0	0.9
C3	Google Ads	35,000	6.0	1.5
C4	Email	20,000	3.2	0.8

Sustainability Metrics

Material	Cost Per Unit (\$)	Carbon Footprint (kg CO2)	Supplier Region
Organic Cotton	2.5	1.2	India
Recycled Polyester	3.0	1.5	China

Material	Cost Per Unit (\$)	Carbon Footprint (kg CO2)	Supplier Region
Bamboo	2.8	1.0	Vietnam
Hemp	3.2	1.3	Nepal
Recycled Plastic	2.2	1.8	China

#### Step 3: SWOT Analysis

Strengths	Weaknesses
Strong brand identity.	Higher product prices than competitors.
Loyal customer base.	Limited product range.
Commitment to sustainability.	Dependence on niche market.
Opportunities	Threats
Growing demand for eco-friendly products.	Competition offering lower-priced alternatives.
Expand into new demographics.	Rising material costs.

#### Step 4: Identify major key issues

1. **High Product Prices:** Main deterrent for potential customers.
2. **Stagnant Product Line:** Limited variety affects repeat purchases.
3. **Marketing Reach:** Lack of awareness in untapped demographics.

**Tool Used:** Impact-Effort Matrix to prioritize issues:

- **High Impact, Low Effort:** Improve marketing strategy.
- **High Impact, High Effort:** Reduce production costs.
- **Low Impact, Low Effort:** Expand the product line incrementally.

#### Step 5: analyze root cause

- **High Product Prices:**
  - Root Cause: Expensive raw materials and inefficient production processes.
  - Tool Used: **Fishbone Diagram** and **Cost-Benefit Analysis**.
- **Stagnant Product Line:**
  - Root Cause: Limited investment in R&D and product design.
  - Tool Used: Internal resource allocation review.

- **Marketing Reach:**
  - Root Cause: Underutilization of social media and digital marketing.
  - Tool Used: Campaign performance analytics.

Step 6: propose solution and action plan

1. **Reduce Production Costs:**
  - Shift to scalable suppliers without compromising on quality.
  - Invest in energy-efficient machinery to reduce long-term costs.
2. **Expand Product Line:**
  - Introduce budget-friendly options for price-sensitive customers.
  - Collaborate with influencers to design exclusive collections.
3. **Enhance Marketing Reach:**
  - Implement targeted social media campaigns.
  - Use tools like Google Analytics and Hub Spot to track performance.

**Action Plan:**

Task	Responsibility	Deadline
Negotiate with suppliers.	Procurement Team	1 month.
Launch marketing campaigns.	Marketing Team	2 months.
Design new product line.	R&D Team	4 months.

Step 7: evaluate and monitor

- **Implementation:**
  - Phased implementation with a feedback loop.
- **Monitoring Tools:**
  - KPIs for sales, customer engagement, and production costs.
  - Dashboards with Power BI or Tableau for visualization.
- **Evaluation:**
  - Quarterly reviews to assess progress and adapt strategies.