



Case Studies – Assignment Questions

HS 2017

Notes

- For each case, they are 4 different groups
- There are always 2 groups that have the same question set, because they will present in separate rooms
- Each group gets assigned 2 case questions, please answer them both
- You don't need to structure your presentation around the questions, rather the idea is that your presentation as a whole answers the two questions. Yet, mentioning the overall problem(s)/question(s) you're going to solve is a good idea.
- For further questions: tgersdorf@ethz.ch



Aldi – Groups A1 & A2

Whereas Aldi is largely a grocery store, Walmart stores have both a grocery and department store compartment.

1. Please analyze the grocery and the department store industry in the U.S. as a whole. Which industry is more attractive?
2. The senior management of Aldi is considering to strengthen their position in the U.S. market. Should the expand their offering to the department store industry like Walmart, or should they stick with groceries? Please make a recommendation.

Note: Grocery store = mostly selling food; department store relates to “general merchandise” mentioned in the case.



Aldi – Groups B1 & B2

Aldi has ambitious growth plans for the US market.

1. Should Wal-Mart be worried about Aldi? Should Aldi be worried about Wal-Mart? What is the competitive advantage or disadvantage of Aldi relative to Wal-Mart?
2. What strategy would you recommend Aldi to compete with Wal-Mart? In locating its stores, should Aldi avoid locating close to a Wal-Mart store? Please make a recommendation.

The Weather Company – Groups A1 & A2

Communicating weather information has completely changed since the foundation of the company.

1. How did The Weather Company become the market leader for MOBILE weather information? Please examine where and how the company innovated.
2. Looking forward, where should the TWC focus its innovation efforts in the future? Should they focus on innovating in the “traditional business” (TV), the end user market or the B2B market? Please make a recommendation based on your analysis of TWC’s expertise & capabilities.

The Weather Company – Groups B1 & B2

1. How did the TWC manage to grow so quickly in the digital business unit? Please analyze how TWC organized its innovation activities.
2. How should the TWC continue innovating? Should they aim at hiring the best talent internally to innovate, partner with other Silicon Valley firms in their products or pursue an Open Innovation approach? Please make a recommendation to Kenny.

LinkedIn – Groups A1 & A2



1. Why is LinkedIn valued \$9 billion in July 2011? Please analyze LinkedIn's resource portfolio and the assumptions that lie behind the market valuation.
2. Based on your analysis, do you find the value justified? Please compare with other companies and give a recommendation whether to buy LinkedIn's stocks given the strategy they are pursuing?

LinkedIn – Groups B1 & B2



1. Examine the resources that are critical to LinkedIn's products segments. Which of these resources are specialized, which are versatile?
2. Please make a recommendation to LinkedIn on how to compete with their competitors. How can they secure critical resources and build resource position barriers?

Tesla Motors – Groups A1 & A2

1. How did Tesla build up the knowledge that allowed it to successfully launch the Model S? Please analyze how Tesla as a new startup company managed to successfully launch the first electric car by a US company.
2. Can Tesla sustain a competitive advantage when going to mass market with its current model 3? Please consider the situation as of today (2017) and make a recommendation how Tesla should “manage” the knowledge needed to enter the mass market.

Tesla Motors – Groups B1 & B2

Currently, Tesla sells directly to the customer.

1. From a strategy perspective, what are advantages and disadvantages of Tesla's direct sales strategy?
1. Would you advice Tesla to continue the direct sales strategy or partner with distributors when going into the mass market (e.g., Model 3)? Please make a recommendation.