2017

Strategic Analysis of Pebble Smartwatch

TEAM 3

ALABHYA FARKIYA, NANXI LI, ZEBANG LI, JUN ZHAO, SOUMYA SINGH

TABLE OF CONTENTS

EXECUTIVE SUMMARY	3
PRODUCT DESCRIPTION	4
SMARTWATCH AND WEARABLES PREDICTIONS	7
TECHNOLOGY ENABLERS	8
Database	8
Suggestions Using Machine Learning and Data Mining	8
GPS real-time location	8
Pebble App Store	9
MARKETING STRATEGY	10
Current situation	10
Future market Strategy	11
Target Customers	11
USP	12
Pricing & Positioning Strategy	13
OPERATIONS	14
Customer Retention	14
Build-to-Order reduces excessive inventory	14
Reduce distribution cost to storefront and ease the distribution process	14
Efficient centralized trade-in and refurbished process	15
FINANCES	16
Market and Competitor Analysis	16
Pricing	18
Financial Projections	19
SOURCES OF RISK	20
Market Risk	20
Demand or Supply Chain Risk	20

Team3 | Strategic Analysis Report

Technology Risk	20
Disruption Risk	21

EXECUTIVE SUMMARY

The report puts forth a strategy recommendation for Pebble Technology Corporation, smart watch manufacturers to circumvent their acquisition from Fitbit. This report discusses what Pebble could have done differently and their transition from a product company to a service company. The following aspects of the strategy are discussed in detail:

PRODUCT DESCRIPTION

This section deals with the transition in the placement of Pebble as a company selling smartwatch products to consumers to Pebble as a company selling services to consumers using smart watches on a timely basis. It focusses on needs of different market segments and the tweaks for each.

SMARTWATCH AND WEARABLES MARKET - CURRENT STATUS AND FUTURE PREDICTIONS

The section deals with the future predictions in the smartwatch market and how the market is transitioning from a want to a need for smart watches because of the technology gap created by smartphones in a user's daily life.

TECHNOLOGY ENABLERS

This section deals with the variety of technologies which can provide pebble with the infrastructure to provide more services and deal with the complexities of placing it as a service company. Specifically, improvements in the databases, Pebble App store, and GPS technologies.

MARKETING STRATEGY

This section pertains about marketing channels to be used to reach different segments of customers. It also talks about the positioning and pricing of different products Pebble, as a service company has to offer and the market gap/difficulties which can be soothed by the transition from product to service.

OPERATIONS

Operations are about Pebble exploring different distribution channels and optimizing the distribution process. It focusses on dealing with refurbished products, reducing excessive inventory, distribution cost and retaining customers.

FINANCES

The sections refer to the pricing of the service proposed, which is calculated by through market and competitor analysis, and current and future market trends. The time taken to recover the investment made to the establishment, marketing and distribution of the service have also been estimated.