**1. 1**

Analyze Crayola’s problem. What management, organization, and technology factors contributed to the problem?

**1. 1**

**Management:** With the advent of computers and web-based learning, children are leaving behind handheld art supplied at an increasingly younger age.

* As children reach the age of four or five, when they become old enough to play with a computer, they become less interested in toys and crayons in favour of electronics

**Organization:** The traditional box of Crayola crayons is under assault, not by competitors, but by changing times.

**Technology:** Digital products are starting to supplant physical ones in the world of children’s play.

**2. 2**

What competitive strategies is Crayola pursuing? How does digital technology support those strategies?

**2. 2**

The organization restructures around consumer insights and needs rather than specific product lines.

* Crayola’s purpose has always been to nourish originality and to help parents and teachers raise creative and inspired children.
* The firm’s broader mission is to help children play in colourful ways .

Crayola reframed its business model, introduced a new innovation process for product development, and created new products and revenue streams.

* The company transformed itself from a manufacturer of crayons and art tools into a trusted source of tools and experiences for creative play.

**3. 3**

What people issues did Crayola have to address in designing its new technology-based products?

**3. 3**

The company found that parents were looking for toys that were less messy than traditional markers or finger paint.

* The company’s new digital toys are “100 percent mess-proof” and technology has helped Crayola make its other products less messy as well

The company understands how digital technology can play a part in different ages

* The My First Crayola line is targeted specifically at one-year-olds while Crayola Catwalk Creations is designed for tweens (9-12 years) girls who like expressing themselves through fashion

Crayola’s core “mom” audience is turning to the web for gift and usage ideas, comparing prices, and reading reviews before making purchases

* The company’s web site has been thoughtfully designed for children, parents, and educators
* The website also can be used for ordering Crayola products online

**4. 4**

How has digital technology changed Crayola’s business model and the way it runs its business?

**4. 4**

Crayola changed the way it markets its products and has been investing more and more in digital marketing

* The company uses online advertising, promotions, social media pushes, and other digital activation programs that allow Crayola to connect with parents and educators invested in raising children’s creativity level

Because of its new array of products and services, Crayola has experienced better growth