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**Assignment 1**

Product Development & Operations – Category Manager Analysis

**Due Date: Week 3**

*Note: While representative of possible situations faced by Alikay Naturals, all scenarios in this assignment are fictional.*

Real Business

Let’s roll up our sleeves and use what we’ve learned this week in a real-life business situation. Each week, you’ll encounter a scenario where you will assume the role of a business person who works with or at a national discount retail store, like a Walmart or Target. These companies provide important, everyday staples for millions of people across the country and have become very successful businesses in the process.

Discount retail stores have locations in communities across the country. They often have strong and recognizable brands that are household names. We will explore how business works throughout this course by taking on a few of the many different roles at successful companies like these.

Your Role

This week, you’ll assume the role of a Category Manager for the Beauty Products category at a national discount retail store.

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| What Is a Category Manager?  Category Managers are responsible for related groups of products (for example, baseball equipment or laundry detergents) for a retail business. They use research, information and insights about the category to change shopper behavior and increase sales of the products in the category. They also work with the suppliers of the products in their category to ensure that good products and services are available to customers. |

As a *Category Manager*, part of your role is to analyze data and information about how well a product is selling to help the maker of that product improve the product and consider introducing new products. Rochelle and her team at Alikay Naturals have asked you, the Beauty Products Category Manager, to review one of their products and determine where it lies in the product life cycle. Additionally, they have asked you to recommend ways to improve the product in order to increase sales.

Instructions

Step 1: Product Life Cycle

Read the Product Report for Alikay Naturals Moisturizing Black Soap Shampoo. The Product Report contains important information that will help you to identify where the product stands in the Product Life Cycle and give you clues about what changes customers might like to see.

Respond to Rochelle and her team at Alikay Naturals based on the information in the Product Report.

* Identify where Moisturizing Black Soap Shampoo is currently positioned in the product life cycle.

Underline your selection:

* Introduction
* Maturity
* Growth
* Decline

Please describe the rationale for your position.

The Moisturizing Black Soap Shampoo is in the decline of the product  life cycle.Even though it has more sales in the natural retails stores, the report shows it has started to slow down from the whole of 2015 to the second quarter of 2016. The numbers of units sold were 381,009 and 275,776 in the first and the second quarter of the year 2015 and 2016 respectively. Moreover, the revenue it generated was also going down which was $4,572,108 in the first quarter of 2015 and $3,309,312 in the second quarter of 2016. In addition, the turnover went up, which is the average number of days individual products sat on store shelves waiting to be sold at a given time.The above information was enough to show that this product is in the above meationed life cycle of the product.

Step 2: Product Changes

Based on what you’ve learned:

* What recommendation(s) do you have for Alikay Naturals to improve or replace Moisturizing Black Soap Shampoo? Please support your recommendation(s).

The important information from the user survey which was conducted showed that the density and consistency of Moisturizing Black Soap Shampoo was strongly disagreed by many people, the product is too watery and more is needed to do the job.Some people did not like the sent. Others would like put on hand than on scalp. They wanted something which would treat dandruff. The other issue was the quality of the product which has declined since its launch and they wish it had a more appealing smell which is missing as well. Finally, it doesn’t have the same thick consistency which makes it change the appearance all the time. The customers want something which stay the same for a period of time.Therefore, I would recommend them to come up with a new product which is less watery and less in quantity to do the job. In addition, they should bring the one which is more appealing, with a nice sent, treat dandruff and a quality one. All these issues were the major problems on the users side according to the survey.

Step 3: New Product Development

Read the New Product Proposal, which contains three examples of possible products that could be developed to replace Moisturizing Black Soap Shampoo. Based on the information in this proposal and the customer feedback in the Product Report:

* If you had to recommend one product, which product would you recommend they create? Underline your selection:
* Organic Bloom Shampoo
* Moisturizing Black Soap Shampoo with Dandruff Control
* Coconut Protein Shampoo and Conditioner

Explain your decision. Provide examples of the customer feedback that informed your choice.

I would like Organic Bloom Shampoo because it answers most of the questions which were address in the survey. The best product which answers most of the above questions out of the three of the new upcoming products is the Organic Bloom Shampoo. According to the data from the survey and other information provided on the material.I took my time, analysed the data and make a decision according to all the survey and the users concerns. Organic Bloom Shampoo cleans and moisturize hair while stimulating significant hair growth without residue buildup.It has a 14 of the best essential oils and herbs that strengthen the hair at its foundation and the hair follicle absorb the  nutrients that promote growth and nurture fresh, new, and shiny hair.Moreover, it has ingredient which regrows hair by increasing cellular activity at the scalp.In additional, its helps customers hair bloom and flourish, leading to impressive and almost unbelievable results which is an increase in four inches of hair growth within ten weeks.

* Determine which type of innovation this represents from among the four main types discussed this week. Underline your selection:
* Sustainable (eco-friendly)
* Frugal
* Sustaining
* Disruptive

Briefly explain why you chose that type of innovation.

The type of innovation which I think is good for this business is Sustaining innovation, which is a significant improvement to an existing product.  The existing product they have isthe Moisturizing Black Soap Shampoo. It was good at first in 2014 when it first came to the market and now it has started to going down according to the survey and need to be improved on.

Note: You should complete Step 4 after reading the material in Week 3.

Step 4: Production Methods

Based on the product you chose in Step 3:

* Determine which production method is most appropriate for the production of this product. Explain your decision.

The flow production is the one which I think would be appropriate for this method.It is used to create a large number of the identical items using a process where the product is built in stages using an assembly line.This is the best method because what is needed by the customers would be achieved which would result in high demand .Therefore, the flow production would be appropriate for this product because more product would be needed to meet what will be on demand.