**Business Case**

FlashFreeze Inc. is a frozen food subscription company, which sends frozen dishes straight to your doorstep for later consumption. You have just been hired as an external consultant in order to improve their current situation in the Republic of Nalzzar.

FlashFreeze Inc. was the first company to introduce this service in Nalzzar and now is the largest one that produces and distributes frozen dishes that can be heated in the microwave/oven. The only subscription sold by the company in Nalzzar is a 16-meal plan delivered to the home twice per month (8 meals x 2 deliveries). They are the leader in this market with 99% of the households using their service without sharing it with other people. The vast majority of their current customers are satisfied with the frozen product sold but are willing to experiment with variations on the usual subscription product and plans. As an example, some of the consumers would love to have bigger portions of certain dishes.

1. ***Thinking about the supply chain and operations of the company, name 5 challenges over traditional food companies. (100-200 words)***

The customers in this country love frozen foods and, due to the explosive economic development, have a high disposable income and a consequent willingness to pay more for innovative products. Their typical usage rate of the frozen food subscription is 4 meals per week (mainly for dinner). They like to hang out with friends arranging a vast array of social activities like: cinema, theaters, and dinners. The majority of them are not at home during the weekend since they love to travel. 50% of them have a pet in their household.

1. ***Name the main USPs of FlashFreeze? Describe 3 top customer segments to which those USPs would most likely appeal. (100-200 words)***

Due to economic development, the frozen food market has changed in this country during the last year. Customers have shifted from the mid-price range to a premium one and FlashFreeze is catering to their needs. The same movement happened from the low-price range towards the mid-range. The low-price range has completely disappeared from the Nalzzar market of frozen foods.

FlashFreeze is in a period of explosive growth but some signals of decline are starting to show. In particular, customers are looking for alternatives to the usual product offering of FlashFreeze.

The management would like to increase the sales volume in order to compensate for this negative event.

1. ***How can FlashFreeze increase its sales volume? Please propose 2-3 options and prioritize them based on pro and cons. (100-200 words)***

You have received intel about some competitors from abroad that are about to launch their subscription plans in the Nalzzar market in 12 months. The competition is heating up and if FlashFreeze will not react soon it will lose market share. The management would like to focus on strategic investments to bolster its market share in Nalzzar and increase its profits at the same time.

You have a total budget of $600,000 for these investments:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Investment cost** | **Expected gains** | **Time needed** |
| **Product innovation** | $330,000 | $560,000 | 3 years |
| **Economies of learning** | $402,000 | $460,000 | 6 months |
| **Production techniques** | $537,889 | $954,700 | 2 years |
| **Product design** | $94,760 | $180,000 | 1 year |
| **Input costs** | $73,602 | $94,000 | 1 year |
| **Capacity utilization** | $27,405 | $45,000 | 1 year |

1. ***Please propose a mix of investments within the given budget and explain why do you think they will benefit FlashFreeze Inc.***

**Question 1:**

Answer here

**Question 2:**

Answer here

**Question 3:**

Answer here

**Question 4:**

Answer here