Extended memorandum

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| from: | Joe Bradley (YOUR NAME) |
| subject: | Analysis and Decisions |
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1. Discussion on Key Challenges

World Class Sensor Computing, Inc. (WCSC) faces several key challenges as it moves forward in an evolving market. These challenges revolve around maintaining its competitive advantage, optimizing its product offerings, managing supply chain efficiency, and adapting to changing consumer and market demands.

One of the primary challenges for WCSC is maintaining its competitive advantage. The market for sensor systems is shifting towards low-cost, multi-function products, and standardized services. This trend puts pressure on WCSC to adapt its product offerings to meet changing customer preferences and price expectations. WCSC must find ways to differentiate itself from competitors and continue to deliver value to its customers through customization capabilities, technical innovation, brand recognition, operational efficiency, and customer care.

Optimizing product offerings is another significant challenge for WCSC. The company needs to assess each product's performance and determine which products to retain, modify, or discontinue. WCSC must strike a balance between financial, trade, and consumer objectives when making decisions about product retention or deletion. The evaluation must consider factors such as Return on Invested Capital (ROIC), trade performance, consumer preferences, supply chain efficiency, and strategic relevance. This requires a comprehensive evaluation framework and decision-making process to ensure the most effective allocation of resources and maximize profitability.

Supply chain efficiency poses another challenge for WCSC. The company needs to assess supply chain efficiency at multiple levels, including suppliers, manufacturers, retail/distributors, and consumers. WCSC must optimize raw material sourcing, production processes, distribution coverage, and transportation costs to ensure efficient and cost-effective operations. Additionally, WCSC needs to consider the perspectives and needs of trade partners and consumers to maintain strong relationships and meet their expectations.

Adapting to changing consumer and market demands is a crucial challenge for WCSC. The market for sensor systems is driven by new applications, continuous product development, and the rise of the Internet of Things (IoT). WCSC must stay ahead of emerging technologies and industry trends to develop innovative sensor systems and integration services. This requires investing in research and development, staying informed about customer needs and preferences, and effectively leveraging technological advancements. WCSC must also consider the impact of changing consumer purchase behaviors, price sensitivity, product loyalty, and the ease of understanding and choosing the right product for their needs.

Furthermore, WCSC needs to consider the potential impact of external factors such as competitor product development and emerging technologies. The consulting firm's report on product line strategic importance highlights the importance of considering the competitive landscape and market trends when making strategic decisions.

In summary, WCSC faces key challenges in maintaining its competitive advantage, optimizing its product offerings, managing supply chain efficiency, and adapting to changing consumer and market demands. Successfully addressing these challenges will require a comprehensive evaluation framework, strategic decision-making, innovation, and effective resource allocation. WCSC must continue to leverage its strengths, such as customization capabilities, technical innovation, brand recognition, operational efficiency, and customer care, while being proactive in anticipating and responding to industry dynamics and customer needs.

1. Discussion on Key Activities and Relationships – Activity Map

Activity Map of World Class Sensor Computing, Inc. (WCSC):

Research and Development (R&D):

1. Conducting research on sensor technology advancements and emerging trends.
2. Developing new sensor systems and integration services.
3. Customizing sensor systems based on customer specifications.
4. Protecting intellectual property through patents and copyrights.

Manufacturing and Production:

1. In-house production of sensor systems and related components.
2. Implementing manufacturing processes and quality control measures.
3. Managing production cycles and ensuring timely delivery.
4. Continuously improving operational efficiency and cost-effectiveness.

Sales and Marketing:

1. Identifying target markets and customer segments.
2. Promoting WCSC's sensor systems and integration services.
3. Attending trade shows and industry events to showcase products.
4. Building and maintaining customer relationships.
5. Conducting market research and competitor analysis.

Supply Chain Management:

Sourcing raw materials and components for sensor production.

Managing relationships with suppliers and negotiating contracts.

Ensuring timely and efficient delivery of materials.

Optimizing inventory management and warehouse operations.

Customer Support and Service:

Providing technical assistance and troubleshooting.

Conducting customer feedback interviews and surveys.

Offering training and educational resources.

Ensuring timely resolution of customer issues and inquiries.

Strategic Planning and Decision-Making:

Setting corporate vision and objectives.

Evaluating market trends and competitive landscape.

Assessing product portfolio performance and making retention or deletion decisions.

Allocating resources effectively to maximize ROI.

Monitoring industry and technological advancements for strategic positioning.

Financial Management:

Managing financial resources and budgets.

Analyzing profitability and return on investment.

Assessing cost structures and optimizing financial performance.

Conducting financial modeling and forecasting.

These interconnected activities contribute to WCSC's value proposition, which revolves around customization capabilities, technical innovation, brand recognition, operational efficiency, and customer care. WCSC's ability to conduct cutting-edge R&D, efficiently manufacture and deliver high-quality sensor systems, effectively market its products, and provide excellent customer support creates value for its customers. The activity map highlights the interdependencies between these activities and how they collectively contribute to WCSC's success in the sensor market.

1. Discussion on Key Cost and Value Drivers
2. Discussion on the Decision Model