

Product and Service Innovation Case Study



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Organization: National 3rd party logistics and repair company for Point Of Sale devices

Focus: Service Innovation

Business Challenge: As the market place turned away from “dumb” POS terminals to PC based POS workstations, other providers, including PC manufacturers such as Dell entered the market place eroding the company's revenue. The company was looking for ways to diversify their revenue, maintain their leadership position in the POS market and leverage their logistic capabilities.

How Baker Tilly helped: Baker Tilly examined the market place through secondary market research to determine the trend and positioning of PC POS workstations (e.g. Microsoft based) vs NCR, Fujitsu, Epson and others. In addition to looking at the overall market trends, Baker Tilly conducted primary market research to determine the potential repair and logistics service shift that would likely occur given the overall trends in the market. Specifically Baker Tilly:

- > Conducted secondary market research to understand the long term trends within the POS manufacturing space
- > Conducted primary market research to understand the 3rd party repair and logistic needs for retailers given the trends in the manufacturing space
- > Developed an overall strategy map with 3 clear strategy options for the company
- > Determined the operational, marketing, and financial implications of the strategy map choices
- > Facilitated the executives to choose the appropriate strategy, given the 3 options and implications
- > Developed a detailed road map to implement the long term strategy
- > Created detailed project charters to support the strategy implementation road map

Results: Prior to engaging Baker Tilly the company had three years of declining revenues and profits. The implementation of the strategy took 18 months before the company was able to take full advantage of the strategic market offerings. The market responded positively and the company realized a full recovery in revenues within 12 months. After an additional 12 months the company had repair and POS logistics contracts with 8 of the top largest retailers in the US.

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