

EXECUTIVE SUMMARY

Example

PROBLEM STATEMENT

In recent customer feedback sessions, 52% of customers have expressed a need for a simpler and cheaper version of our product. In surveys of customers who have chosen competitor watches, price is mentioned 87% % of the time. To best serve our existing customers, and to branch into new markets, we need to develop a series of watches that we can sell at an appropriate price point for this market.

PROPOSE SOLUTION

Our new watch series will begin at 20% cheaper than our current cheapest option, with the potential for 40%+ cheaper options depending on material and movement. In order to offer these prices, we will do the following:

- Offer watches in new materials, including potentially silicone or wood
- Use high-quality quartz movement instead of in-house automatic movement
- Introduce customizable band options, with a focus on choice and flexibility over traditional luxury

Note that every watch will still be rigorously quality controlled in order to maintain the same world-class speed and precision of our current offerings.

VALUE

With new offerings that are between 20% and 40% cheaper than our current cheapest option, we expect to be able to break into the casual watch market, while still supporting our luxury brand. That will help us hit FY22's Objective 3: Expanding the brand. These new offerings have the potential to bring in upwards of three million dollars in profits annually, which will help us hit FY22's Objective 1: 7 million dollars in annual profit.

Early customer feedback sessions indicate that cheaper options will not impact the value or prestige of the luxury brand, though this is a risk that should be factored in during design. In order to mitigate that risk, the product marketing team will begin working on their go-to-market strategy six months before the launch.

FINAL THOUGHT & NEXT STEPS

Creater and varied offerings not only allow us to break into a new market-it will also expand our brand in a positive way. With the attention from these new offerings, plus the anticipated demand for cheaper watches, we expect to increase market share by 2% annually.