Managing the Product Cycle Challenge

Facing Market Transition - Succeeding with Transformation

A way to tackle issues in transformational change with a highly efficient, understandable and successful approach

Wolfgang Bullmer, Dr. Thomas Leder

HLP OrganisationsBerater

Leder Schreiber Hochstrahs

Discussion Topics

1. Introduction

2. Market Transition

- Markets and products follow typical cycles,
 e.g. from performance and product features to brand management or commodity
- Success factors are incrementally changing and shifting

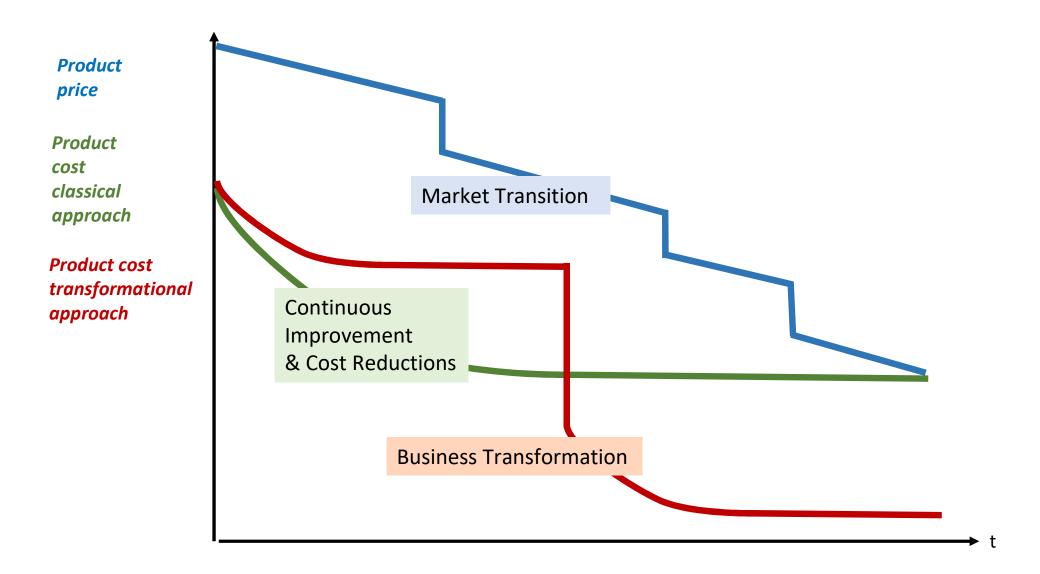
3. Business Transformation

- Transitional markets demand fundamental change of business approach
 - beyond cost cutting

4. Breakthrough Methodology

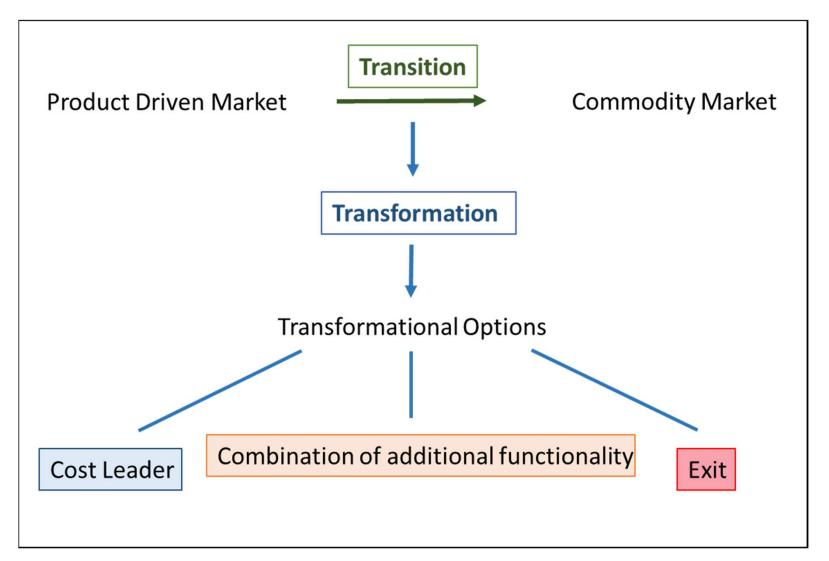
- Creates success in a transitional market by using a methodology of fundamental change based on fast results
- Generates sufficient data to test the hypotheses about the future scenarios

Transition vs. Transformation: Leapfrog Approach



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Market transition demands a transformation of concepts (Example)



Transformation: Leapfrog to new approach Cost Leader: Almost impossible by

continuous cost reduction

Additional functionality: Requires new skills in

terms of products and processes

Exit:

Depending on alternative opportunities

