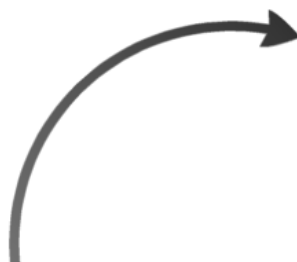


Maxxed Out: TJX Companies and the Largest-Ever Consumer Data Breach

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Maxxed Out: TJX
Companies and the
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Breach

Background

- Control in stock by the CEO/Chairman
- \$2.6 billion in Capital. Total assets of \$4.6 billion
- "The View" Feedback App
- Member 8M of Rights
- Local expansion and/or a franchise in one
- Local employees, 20 million members, 40 million products in 20 countries across 4 continents

Strengths S.W.O.T

- Member 8M of Rights
- Local expansion and/or a franchise in one
- Local employees, 20 million members, 40 million products in 20 countries across 4 continents

Weaknesses S.W.O.T

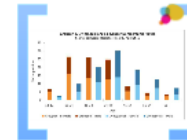
- Long International brand awareness
- More to expand geographically, but the profit is smaller
- +1 of 3 consumers return (plus dependency)
- Not many franchisee bank (P&L)

Opportunities S.W.O.T

- Larger markets & bigger business
- Target market of 18 to 34
- Cheaper deals
- Expand in Asia
- More international deals

Threats S.W.O.T

- Geospan & local competition
- Yipit.com
- Merchants creating their own deals



Alternative Number 1

Advertising that highlights the advantages of LivingSocial over Geospan.

Advantages:

- Online consumers (vs. live) (LivingSocial) over Geospan

Disadvantages:

- Increased awareness of Geospan
- Does not specifically target the young audience

Critical Factors Number 1

It is hard to determine if a location will be profitable.

Critical Factors Number 1

Most buyers are one-time customers. Only 1% of consumers will repeat the purchase.

Critical Factors Number 2

LivingSocial is prominently in the East, therefore they are missing opportunities in the West.

Critical Factors Number 2

The majority of LivingSocial consumers are above the age of 35.

Critical Factors Number 1

Competition

- Geospan
- Increased Local Competition

Problem

In contrast to Geospan, LivingSocial is lacking a relationship with the young consumers.

Alternative Number 2

Focus solely on geographic expansion to the West.

Advantages:

- New possible markets
- New revenue
- More consumers away from Geospan

Disadvantages:

- Hard to determine profitable locations
- Hard to identify locally established brands

Alternative Number 3

Partner with larger merchants like Amazon, Disney, Apple, etc.

Advantages:

- Build on the success of established brands
- Established brand loyalty to customers and international reach
- International reach

Disadvantages:

- Already established brands are well established and recognized as a means of promotion

Alternative Number 1

Combine with Geospan

Advantages:

- 40% of industry
- More consumers and a larger geographic audience

Disadvantages:

- Already successful, established brands
- Hard to determine management structure

Opportunity to Advertise

	For	Against
Product of choice, online product control	++	
Video content	+	
Ability to reach customers	++	
Focus on social media	+	
Global reach	++	
Competitive advantage	+	
Partner content	+	
Money made	+	
Substantial revenue	+	

Footc, Conc, & Belding

High Ticketed Product

Feel → Think → Do

The Solution

Increase the amount of inexpensive deals geared towards a younger demographic and create an advertising campaign that targets 18-34 age range.

"Youth is Fleeting and so is Your Paycheck"

TV Commercial

"Full Price isn't half the fun!"

Social Media

Number 3

Number 2

Number 1

Print Ads

Category Selection

Example Deal

Frequent Buyer

Gift Cards

Budget



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Strengths

S.W.O.T

- Me + 3 = Free
- International expansion, kept brand name
- LivingSocial & Groupon make up 80% of industry
- Deals do not require a certain number of consumers to act
- Merchants are small businesses with limited marketing resources
- LivingSocial motivates consumers "on the fence"
- Money in pocket before the consumer uses deal
- Does not send out overwhelming amount of emails

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S.W.O.T



Threats

- Groupon & local competition
- Yipit.com
- Merchants creating their own deals



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Critical Factors

Number 2



The majority of Livingsocial consumers are above the age of 35.

Critical Factors



Number 4

Most buyers are one time customers.
Only 1 in 5 consumers will repeat the purchase.

Frequent Buyer



Redeem Deal

1

2

Dine Again. Deal Again.

livingsocial + 

Frequent Buyer's Card

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3

4

Receive Same Deal

Budget

