

Matching Dell

TheCaseSolutions.com

Personal Computer Industry

- 1981 - IBM created a "open architecture" PC
 - Only alternative was Apple
- Clones:
 - 1982 - Compaq
 - 1984 - Dell
 - 1985 - HP

IBM

- Started out as the leader of the PC industry
- Early 1980s fell to 7th in market shares
- Main source of income: hardware, software, and IT services
- Through the 1990s IBM used retailers to sell their PCs

Output Analysis 1998 Comparison (in millions)

Company	1997	1998
IBM	10,000	10,000
Compaq	10,000	10,000
HP	10,000	10,000
Dell	10,000	10,000

Dell's Competitive Advantages

- Sales and Marketing
- Production and Logistics
- Service and Support

Matching Dell

TheCaseSolutions.com

Personal Computer Industry

- 1981 - IBM created a "open architecture" PC
 - Only alternative was Apple
- Clones:
 - 1982 - Compaq
 - 1984 - Dell
 - 1985 - HP

IBM

- Started out as the leader of the PC industry
- Early 1980s fell to 7th in market shares
- Main source of income: hardware, software, and IT services
- Through the 1990s IBM used retailers to sell their PCs

Output Analysis 1998 Comparison (in millions)

Company	1997	1998
IBM	10,000	10,000
Compaq	10,000	10,000
HP	10,000	10,000
Dell	10,000	10,000

Dell's Competitive Advantages

- Sales and Marketing
- Production and Logistics
- Service and Support

Personal Computer Industry

- 1981 - IBM created a "open architecture" PC
 - Only alternative was Apple
- Clones:
 - 1982 - Compaq
 - 1984 - Dell
 - 1985 - HP



IBM

- Started out as the leader in the industry
- Early 1980s fell to shares

Dell's Competitive Advantage

- Sales and Marketing
- Production and Logistics
- Service and Support