

Introduction

The Industry as a whole
Who is Bang & Olufsen?

External Analysis

Strengths	Weaknesses
High quality products	High prices
Strong brand reputation	Limited product range
Excellent customer service	Highly competitive market
Strong relationships with suppliers	Highly dependent on raw materials
Highly skilled workforce	Highly skilled workforce

Porter's Five Forces

Supplier Power	Buyer Power
High	High
Low	Low
High	High
Low	Low
High	High
Low	Low

Bang & Olufsen Case Analysis

Presented by:
 - Alexander Lane
 - David Smith
 - Michael Thomas
 - Nicholas Agnew
 - George
 - Michael Lind
 - George Thomas

Internal Analysis



BANG & OLUFSEN DESIGN DRIVEN INNOVATION Harvard Case Solution & Analysis



TheCaseSolutions.com

Value Proposition

Value Proposition: High quality products, Strong brand reputation, Excellent customer service, Strong relationships with suppliers, Highly skilled workforce.

Recommendations



What are the Goals?

1. Increase market share in the high-end audio equipment market.

2. Expand into new markets, such as emerging economies.

3. Improve customer loyalty and retention.

4. Enhance the company's brand reputation and image.

Alternatives

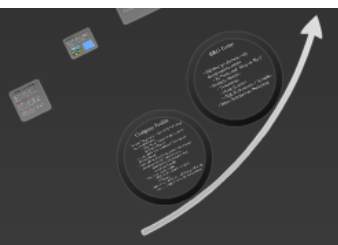


Discussion Questions

- 1) What will be your reaction to the above information?
- 2) How would you try to target their market base of "business or liberal art professionals over 30 years old"?
- 3) Do you think it is better to advertise a product to the general public or to cater all marketing efforts to more very specific marketing niche?
- 4) What is most important to you when buying a product: Price, Design or Quality?



Micro-legal business cases
- Trademark protection
- Intellectual property
- High end market / Trade
- Market: Sony, Thomson
- 1980s



BANG & OLUFSEN DESIGN DRIVEN INNOVATION

Harvard Case Solution & Analysis



TheCaseSolutions.com

Alternatives

- Market development
- Establish partnership with luxury car companies (such as Aston Martin, BMW or Audi) and open the car sales in North America
- Problem solved?
- The car partnership does not target the North American market specifically but wealthy people in general



Bang & Olufsen Case Analysis



Presented by:

- Roueche Tate
- Srinivas Reddy
- Raj Tharun
- Sharma Apoorv
- Padma
- Mohit Jaind
- Reddy Shashi

Introduction

The Industry as a whole
Who is Bang & Olufsen?

External Analysis

Company Profile

- In 1925 Company was Started By Peter Bang and Svend Olufsen
 - They Were “Engineers in Search of the Perfect Radio”
- By 1950 B&O was considered “The Danish Quality Brand”
- Late 1960’s, Asian Competitors forced many European Manufacturers to close.
 - B&O Survived by Emphasizing Design and Quality.
- The Near Death of 1992
 - CEO Anders Knutsen Saved Company
- B&O would no longer sell their product on shelves alongside mass market products

B&O Today

- Sell their products in only designated locations.
 - BI Stores and “Shop-in-Shop”
- Products Include:
 - Televisions
 - Music Systems
 - High Performance Car Audio
- Home Integration- BeoLiving

Manufacturing Operations

B&O has no standard process for product design and development but relied on a culturally evolved collaboration between designers, concept developers, engineers and technicians.

Coming up with the idea:

When trying to come up with new idea the officials went to see how people live but not to ask them what they wanted in new product. This is because they want to make things that become part of people's lives.

Approving the idea:

The decisions were made with heart. Financial and technical realization considerations were not the determining factors.

Manufacturing :

- B&O sited most of the production in struer, alongside development offices. Recently some production was transferred to the Czech Republic branch.
- Most products were made to order, based on specific customer choices of many customized features. And small products like phones and accessories , were made for stock.
- Newer software-based prototyping was rarely used by B&O.
- The line between R&D and manufacturing was less sharp at B&O unlike other companies.

