Heather Evans Case Study Thecasesolution.com

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# 1. Evaluate Heather's **Opportunity**

Formal business wear for professional women



### Strengths

- · Large: 4.3 million women
- · Fastest growing segment:
- projecting 8-10% growth/year
   High disposable income
- · Low price sensitivity

### ·Industry

- Fragmented
- · Channels welcome new products

- · Room for expansion

#### · Heather Evans' Pedigree

- Former fashion modelHarvard Business grad
- · Strong contacts

#### • Production cycle:

- •1st run must be successful.
  •If unsuccessful, may already have sunk costs in 2nd run

#### Financial

- High start up costsHigh fixed costs
- · Long payment cycle

## Strengths

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- Industry
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  - · Channels welcome new products
- Product
  - New style
  - Room for expansion
- Heather Evans' Pedigree
  - Former fashion model
  - · Harvard Business grad
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## Risks

- Industry:
  - Extremely competitive
  - Saturated
- Production cycle:
  - 1st run must be successful.
  - If unsuccessful, may already have sunk costs in 2nd run
- Financial
  - High start up costs
  - High fixed costs
  - · Long payment cycle

# 2. Evaluate Heather's Efforts to Date

### **Positives**

- Well-Organized
  - Project schedule, field study plan and business plan
- · Good Partners
  - · High quality production facility
  - · Respected factoring company
  - · Shared space with known designer
- · Staff
  - · Assistant Designer Belinda Hughes brings technical expertise.

## **Negatives**

- - · Scattered, unorganized and seemed to be low priority
  - · Review further in later slides
- · Limited financial resources
- Cash outflows will soon exceed inflows without capital injection
  Fabric, Salaries, Rent
  Personal resources dwindling
  Invested 10K of personal funds

- · High fixed costs
- Rental space in premier location
- · Time management
- Ambitious timeline
   Balancing schedule potentially negative result on company

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# **Negatives**

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