



# BSG Final Presentation

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Company D: Star Stream

By Matt Koffman and Trent Steller

# Final Results



Rank: #1



Investor Expectation Score: 112



Best-In-Industry Score: 91



Weighted Average Score: 102



Overall G-T-D Score: 106

# Initial Strategy



High Quality



Affordable



Asia-Pacific primary



Focus on image rating



Strong production network

# Initial Strategy



Increased incentive pay

+ \$1.25 for NA & + \$1.75 for AP



Purchased equipment

Reduce reject rate by 50% in NA  
Increased S/Q Rating in AP



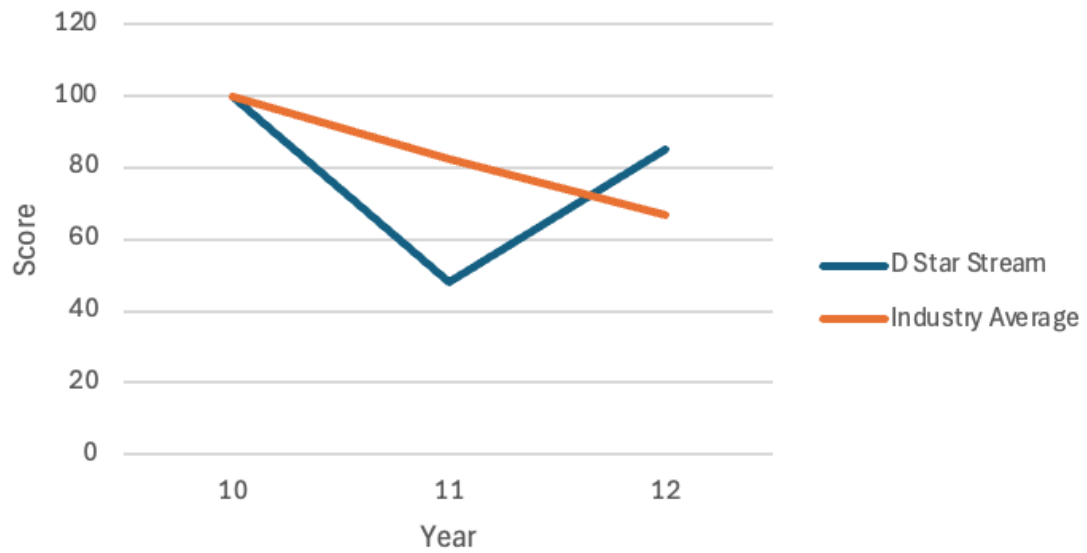
Removed all capacity for private label



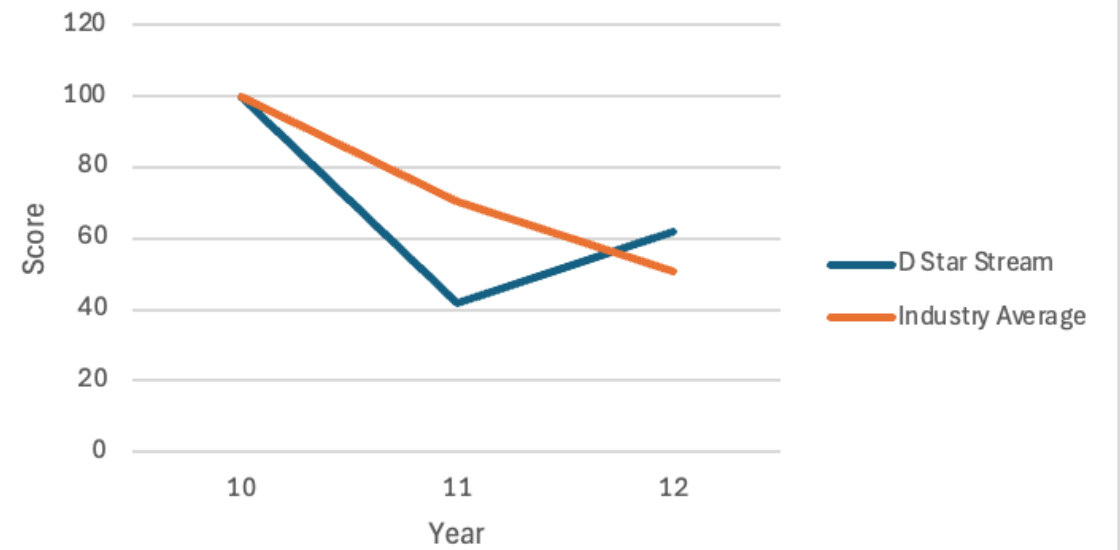
Signed Jay XYZ

# Initial Strategy Results

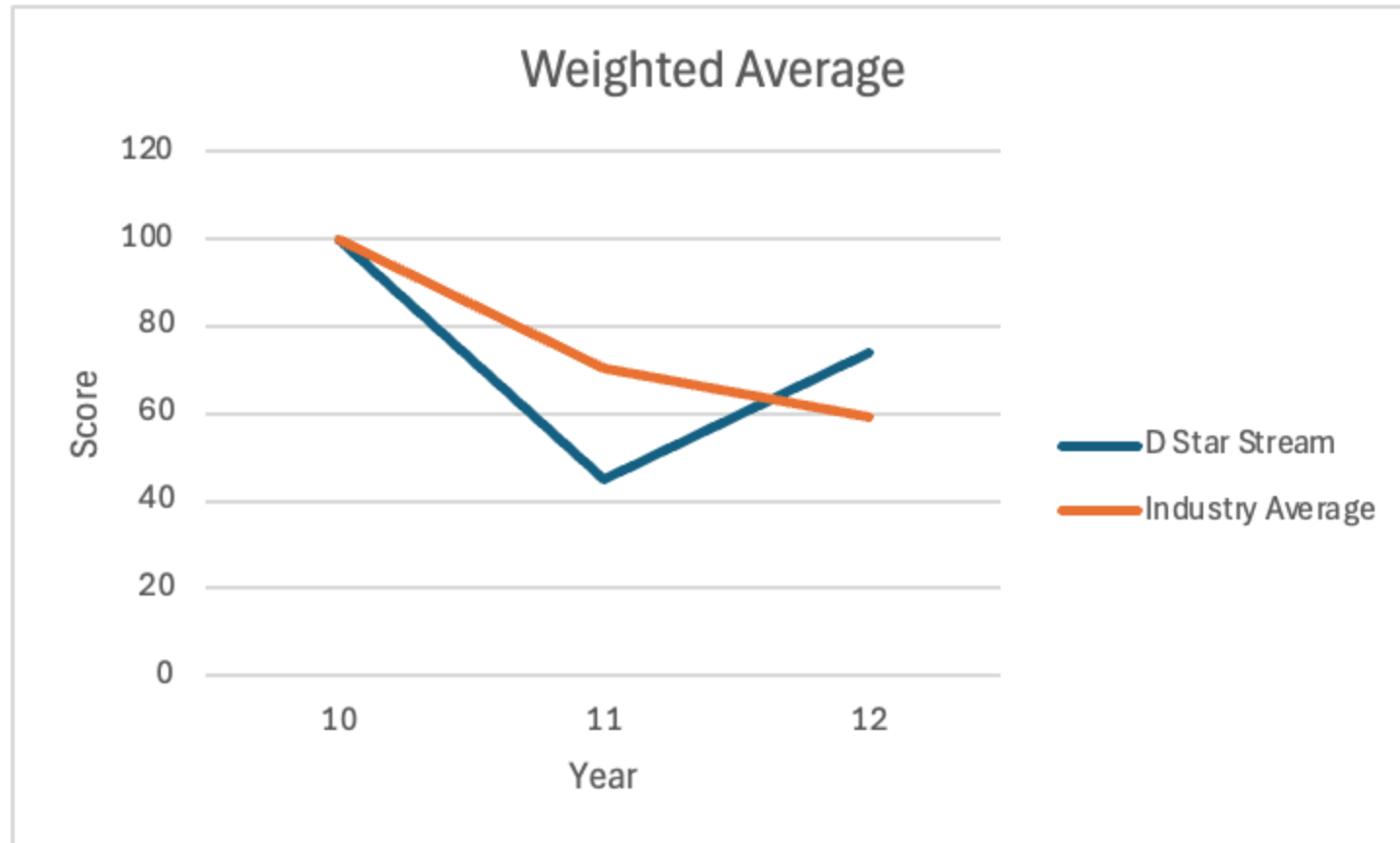
## Investor Expectation



## Best-In-Industry



# Initial Strategy Results (Cont.)



# What went wrong?

No differentiation

Low marketing expenditures

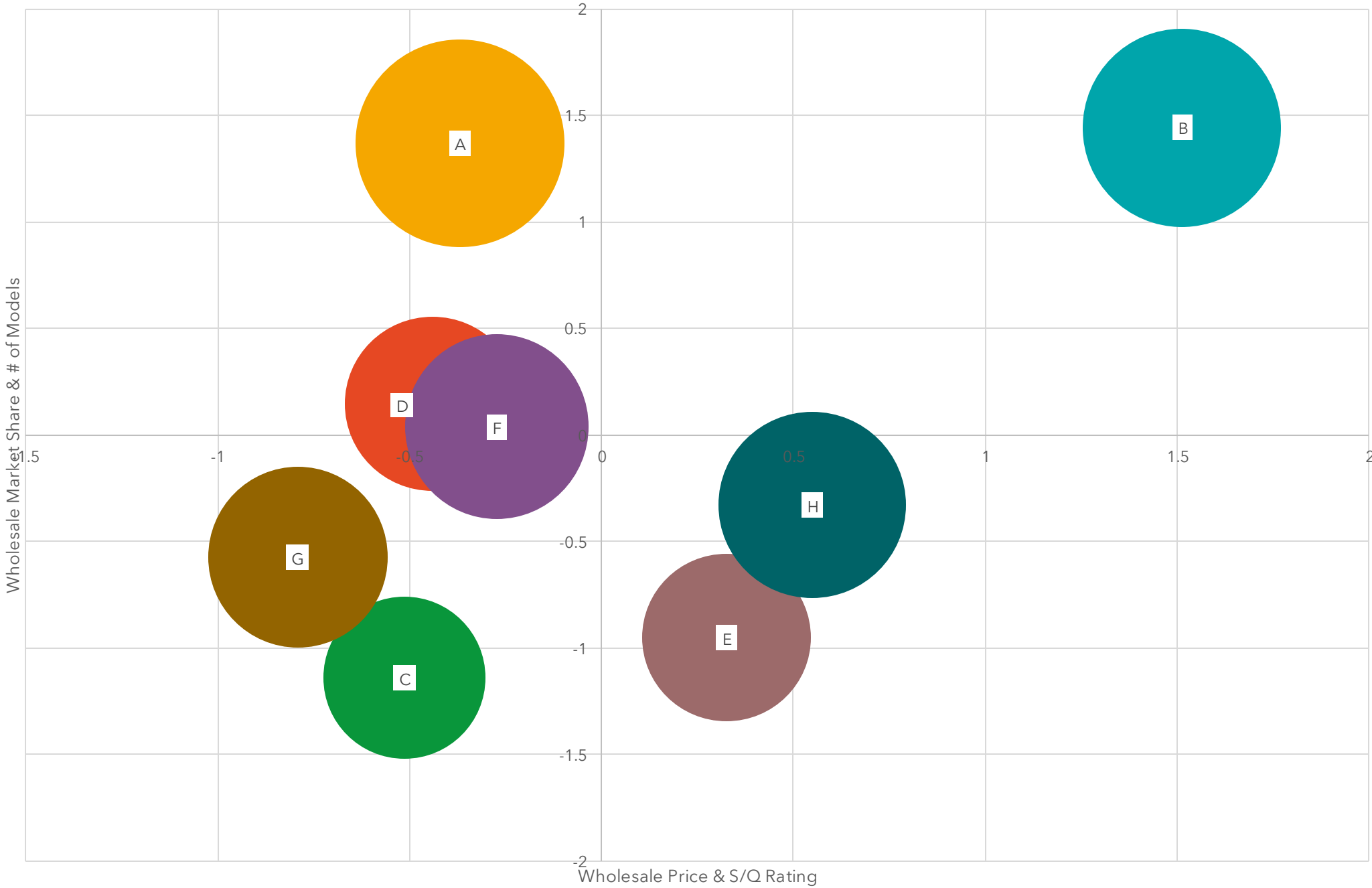
Underproduced

**No consumer incentive**



**Lowest on the  
leaderboard, highest  
production costs**

North America Strategic Map



# Competitive advantage

Lower cost

Differentiation

Competitive Scope

Broad target

Red Ocean strategy

Blue Ocean strategy

Narrow target

King of the Pond strategy

Deep Sea strategy



# Pivoting



Gradually increase marketing expenditures



Gradually lower S/Q



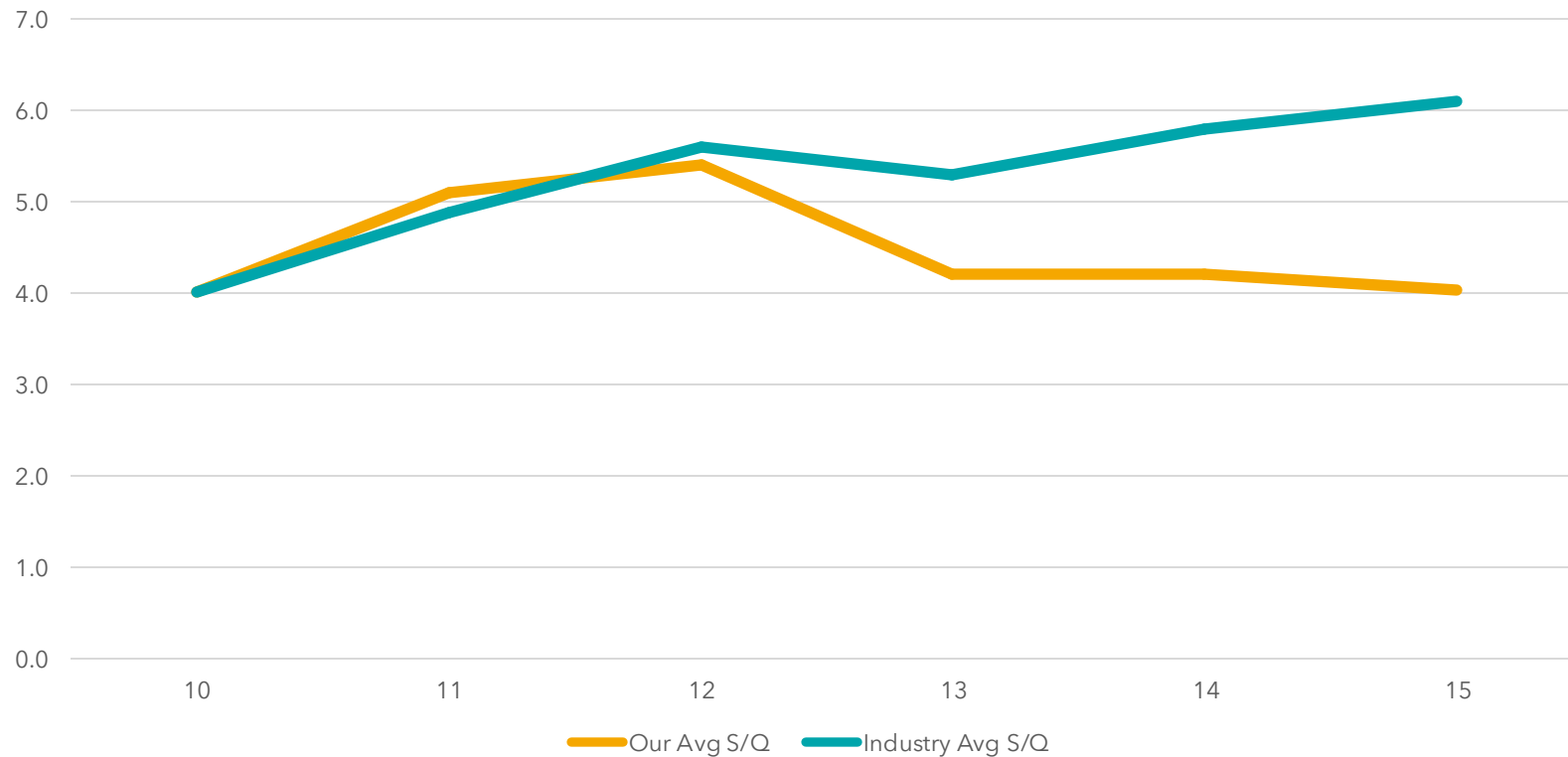
**Maintain high image rating focus**



**Immediately improve production**

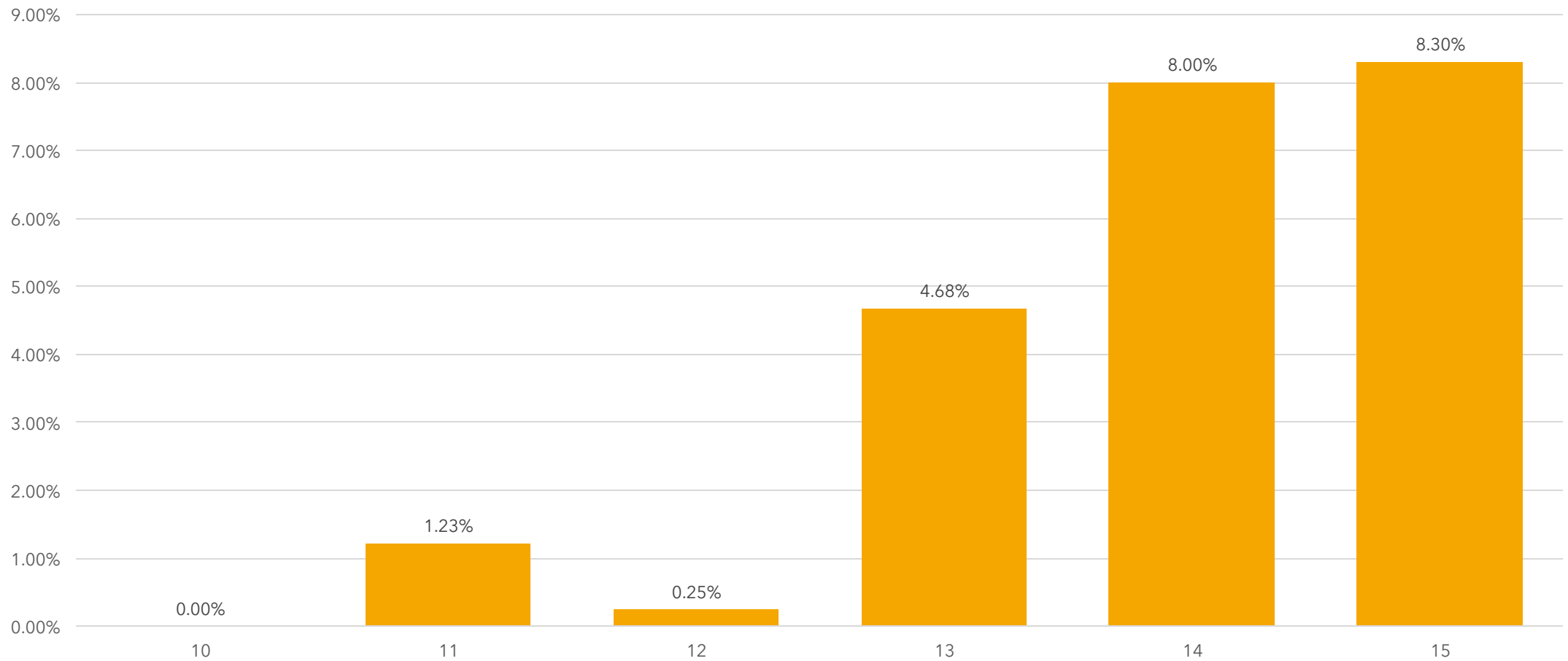
# Results from Pivoting

Average S/Q Comparison



# Results from Pivoting

Diff. from Avg Market Share



# Strengthening System of Activities



Image rating could be higher



High debt



Distribution and warehouse costs

# Strengthening System of Activities

In-region production

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graph TD; A[In-region production] --> B[Raise prices]; B --> C[Increase operating profit margin]; C --> D[More free cash];
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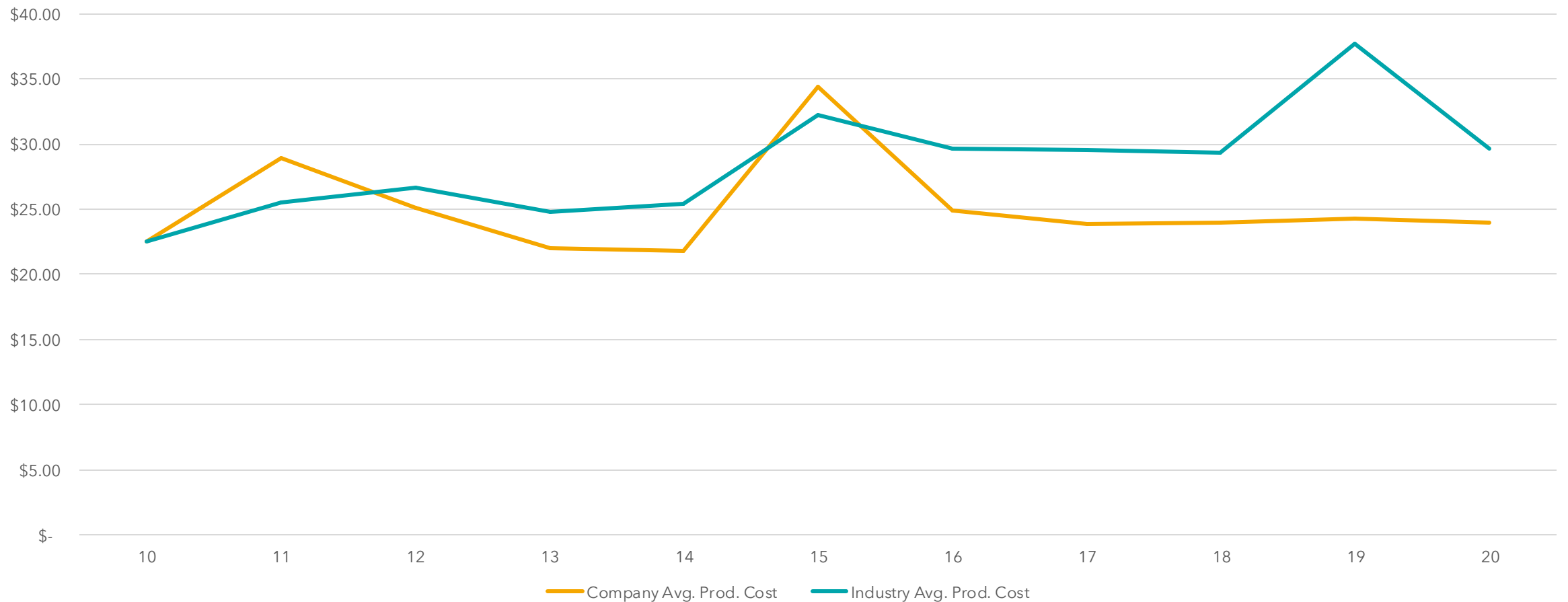
Raise prices

Increase operating profit margin

**More free cash**

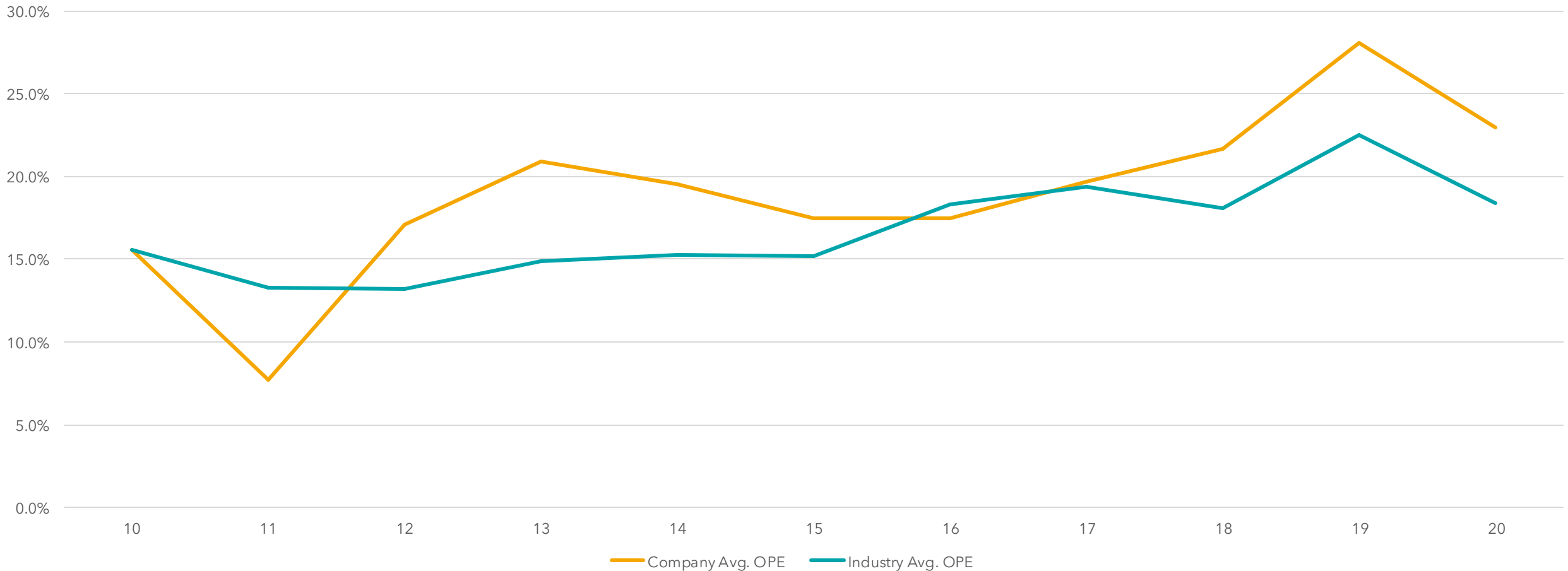
# Strengthening System of Activities

Average Production Cost Comparison



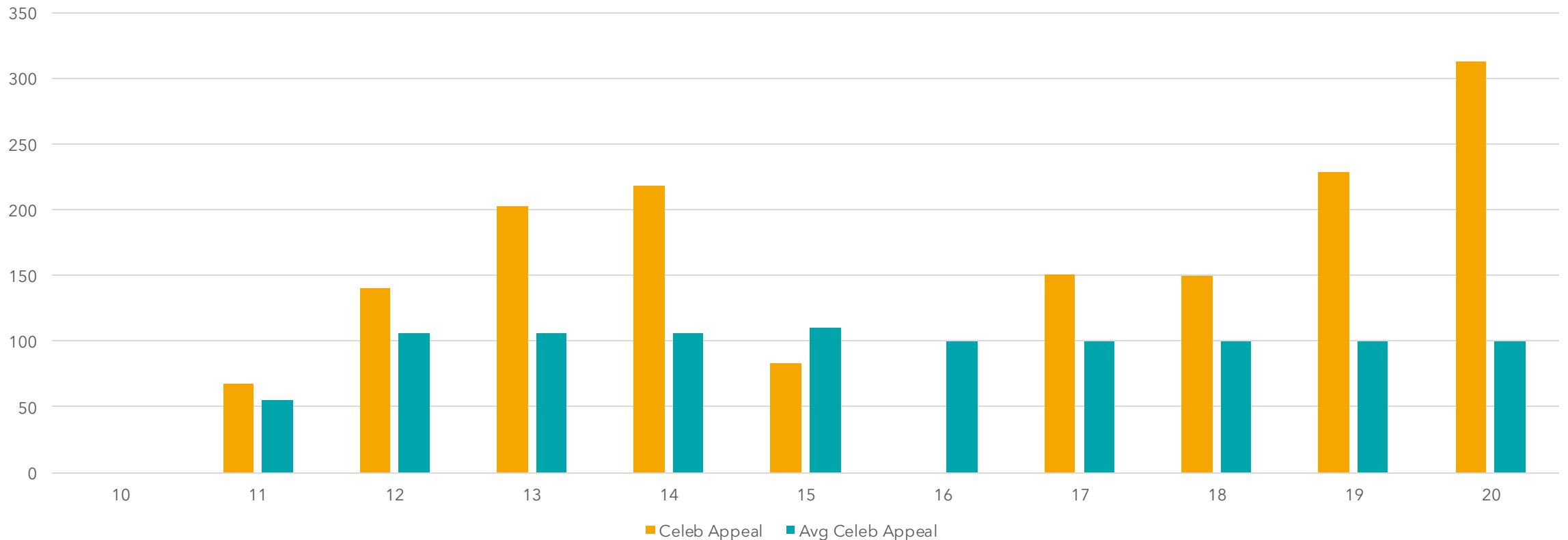
# Strengthening System of Activities

Average Operating Profit Margin Comparison



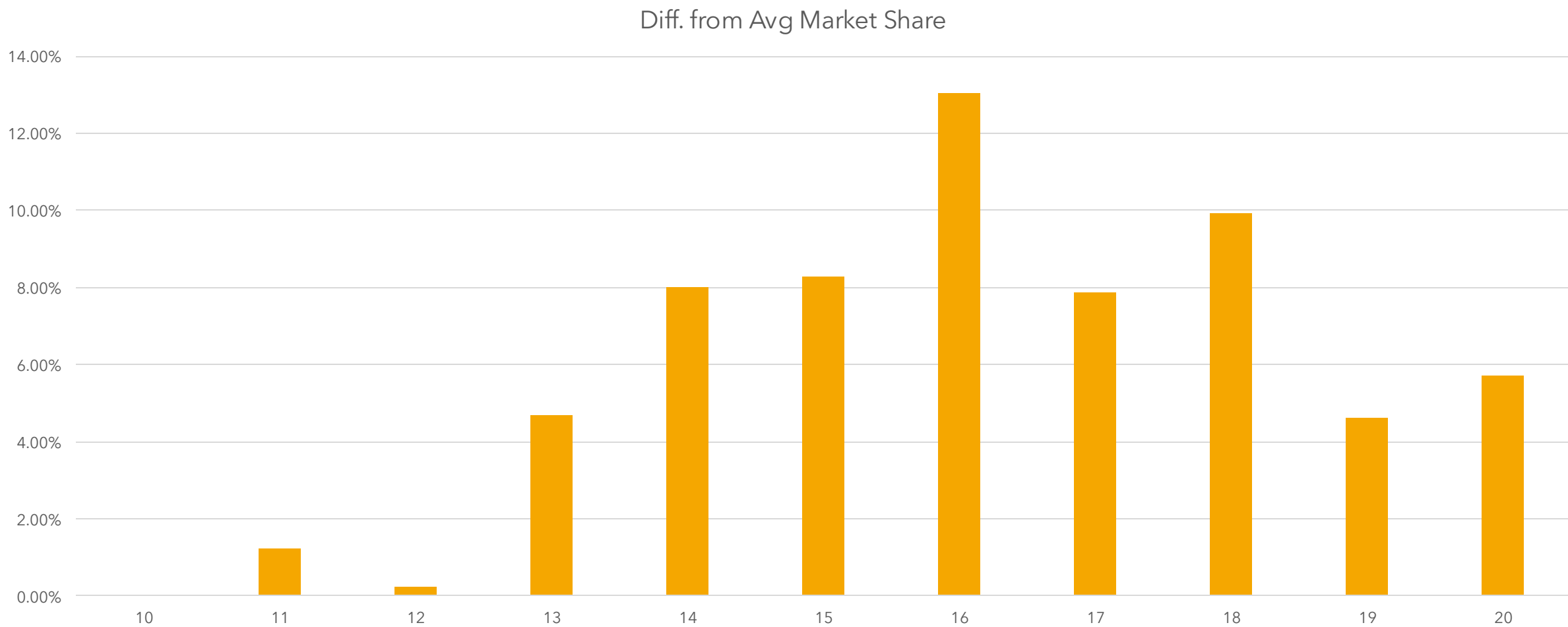
# Celebrity Appeal

Celebrity Appeal per Year

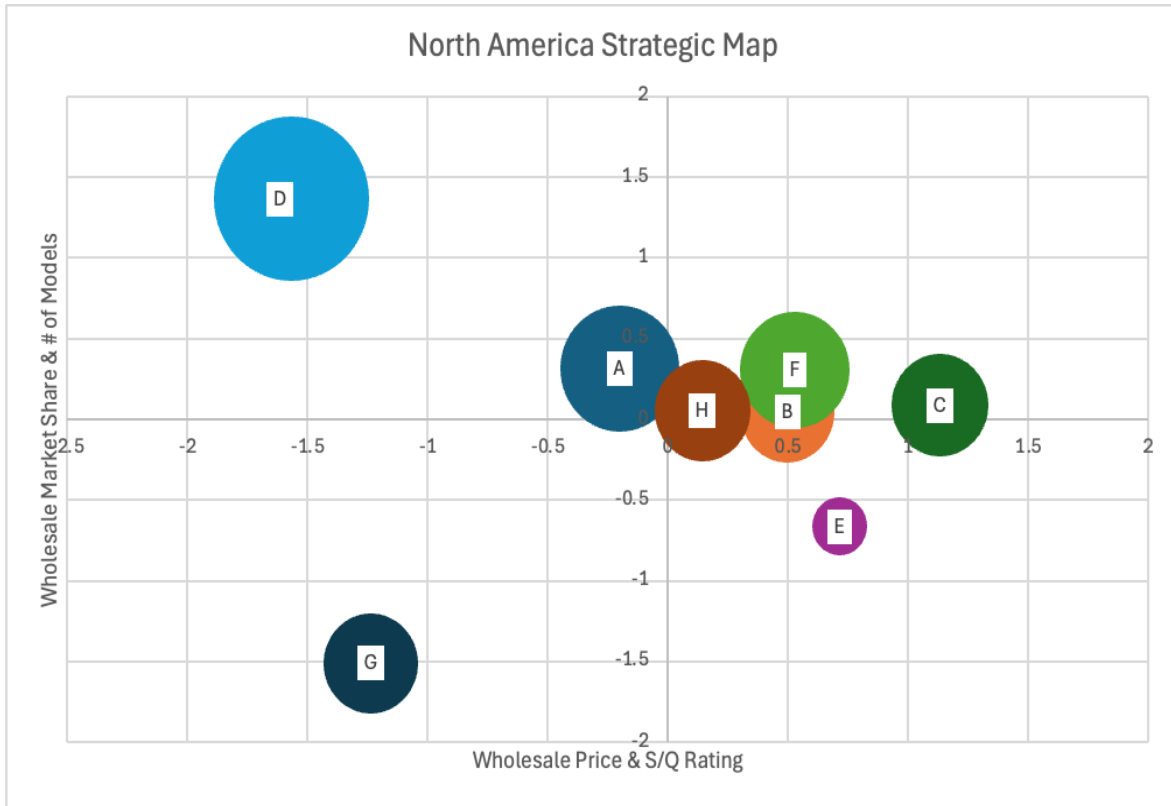


Note: Celebrity appeal is a projection for the following year

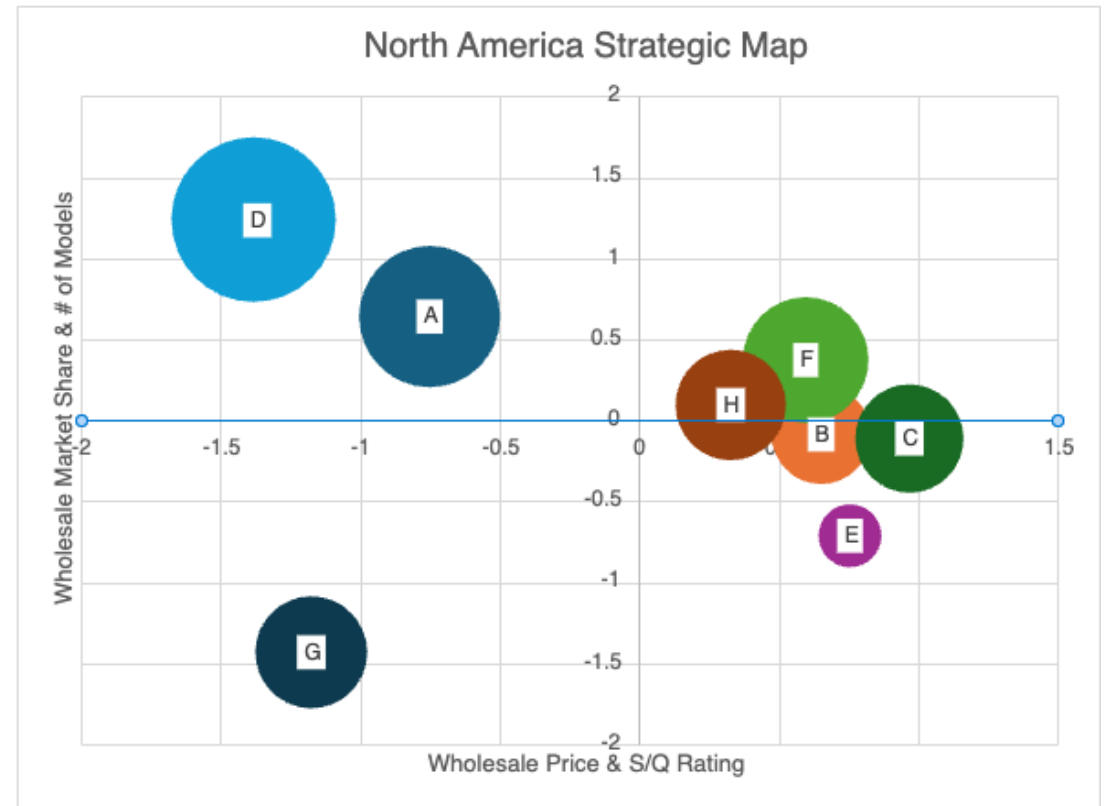
# Celebrity Appeal



# Competitive Concerns

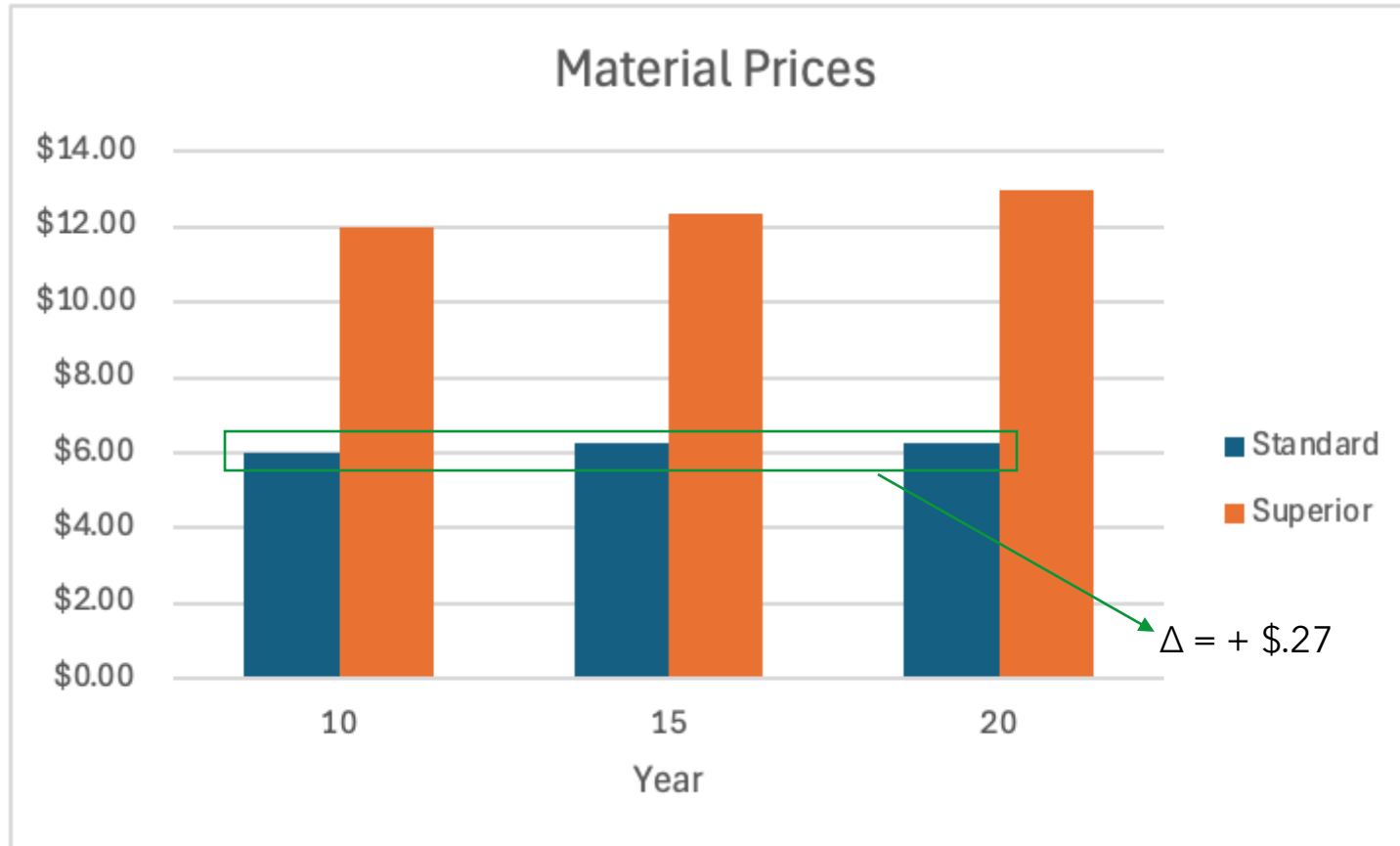


Year 18

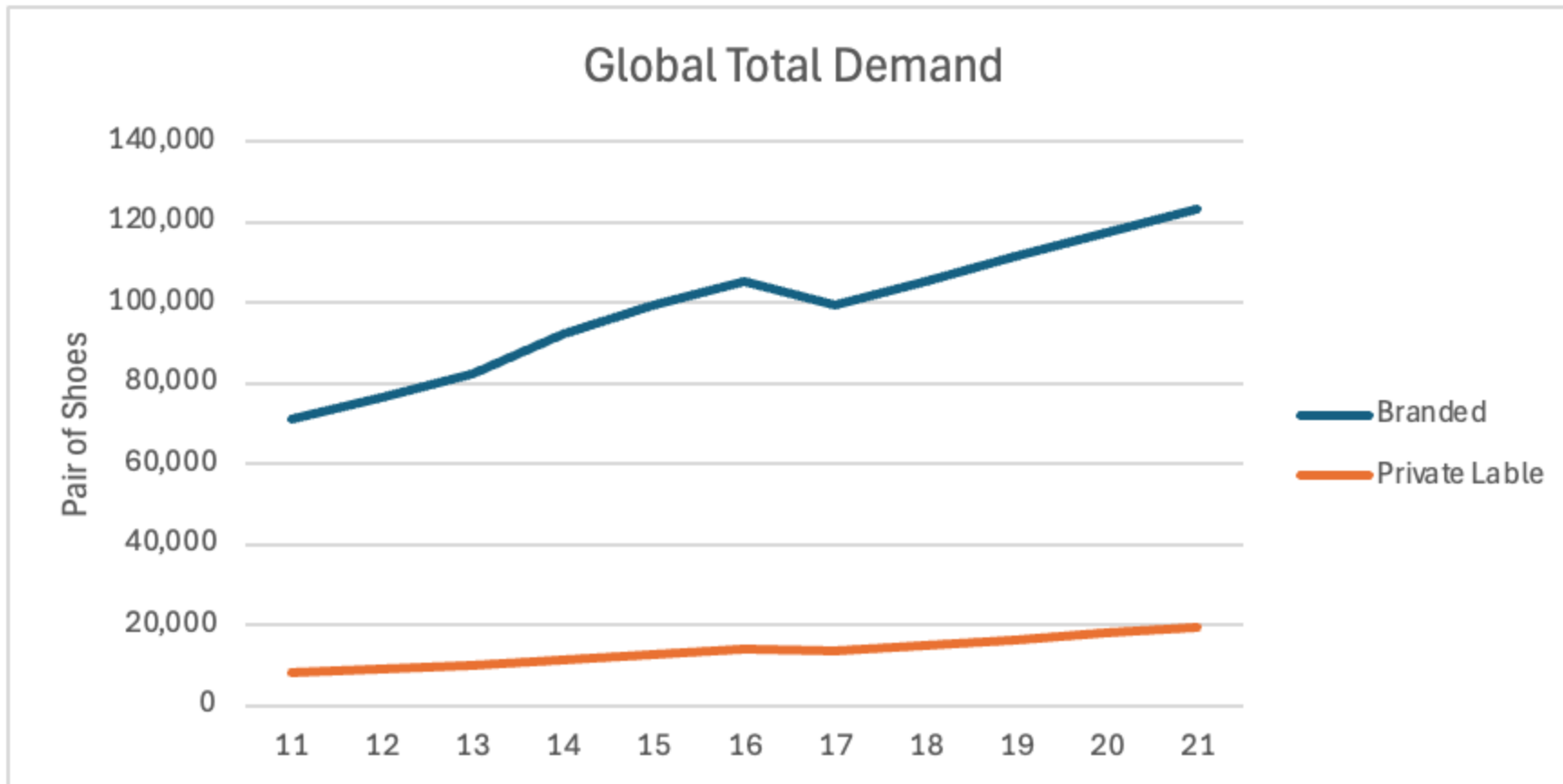


Year 19

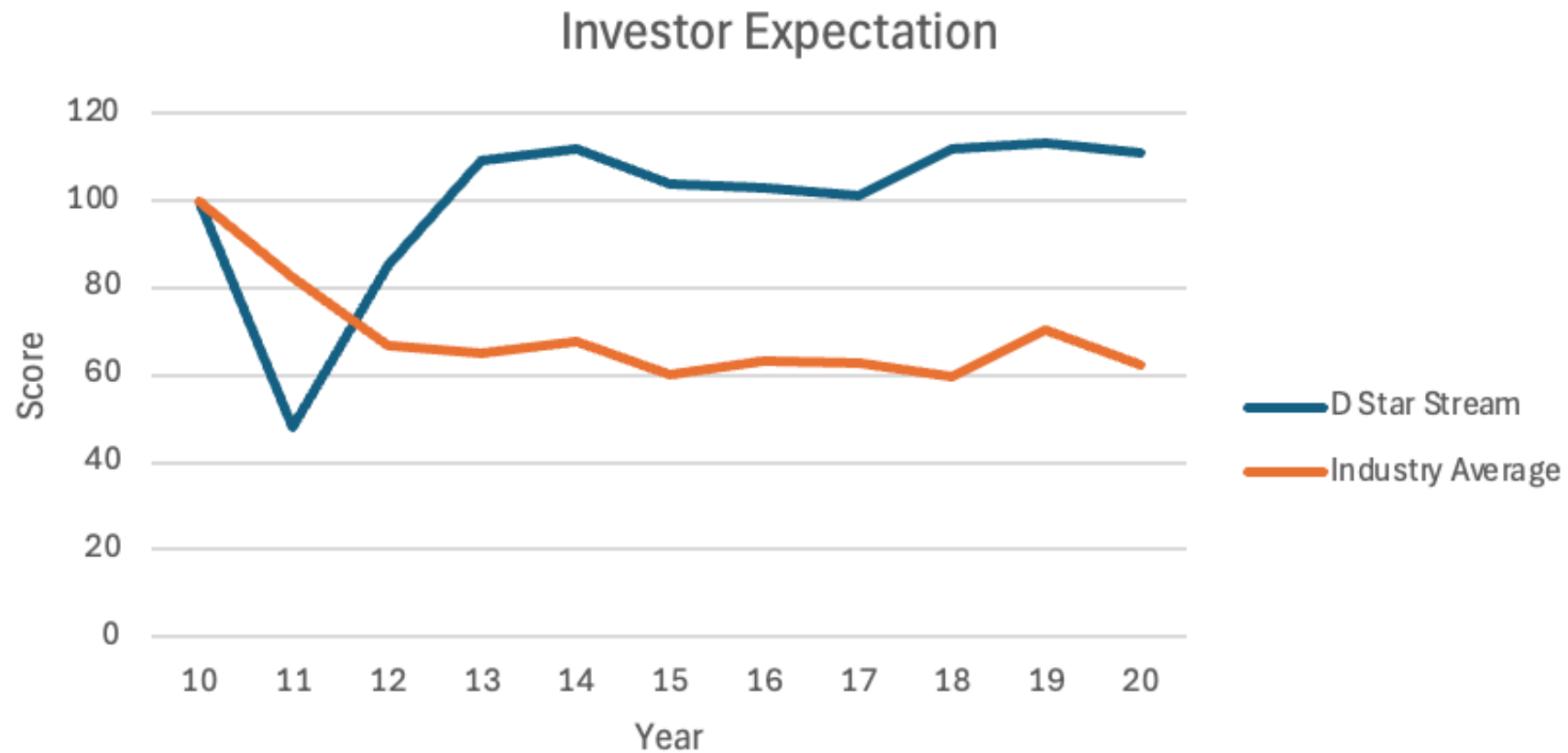
# Industry Evolution Concerns



# Industry Evolution Concerns (Cont.)



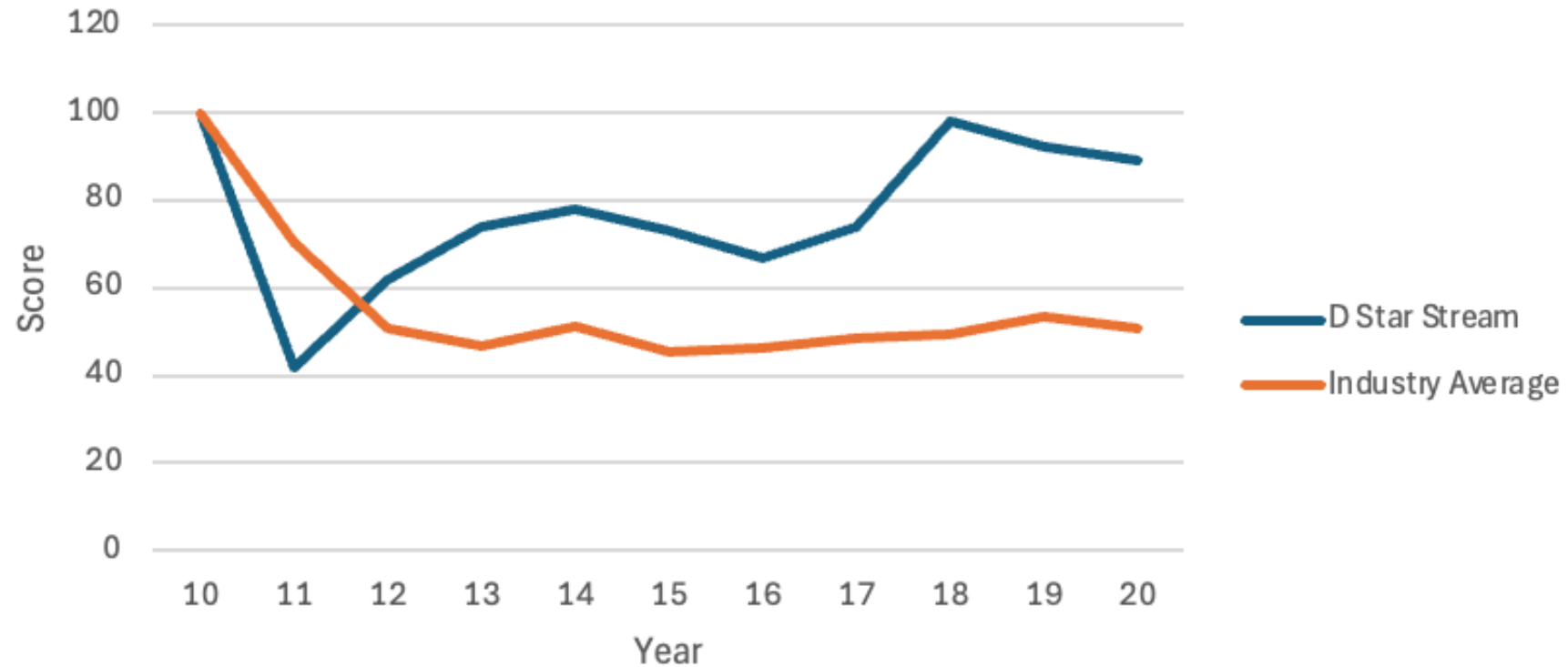
# Results



Note:  
Year 18: 1st  
Year 19: Tied for 1st  
Year 20: 1st

# Results (Cont.)

Best-In-Industry



Note:  
Year 18: 1st  
Year 20: 1st

# Results (Cont.)

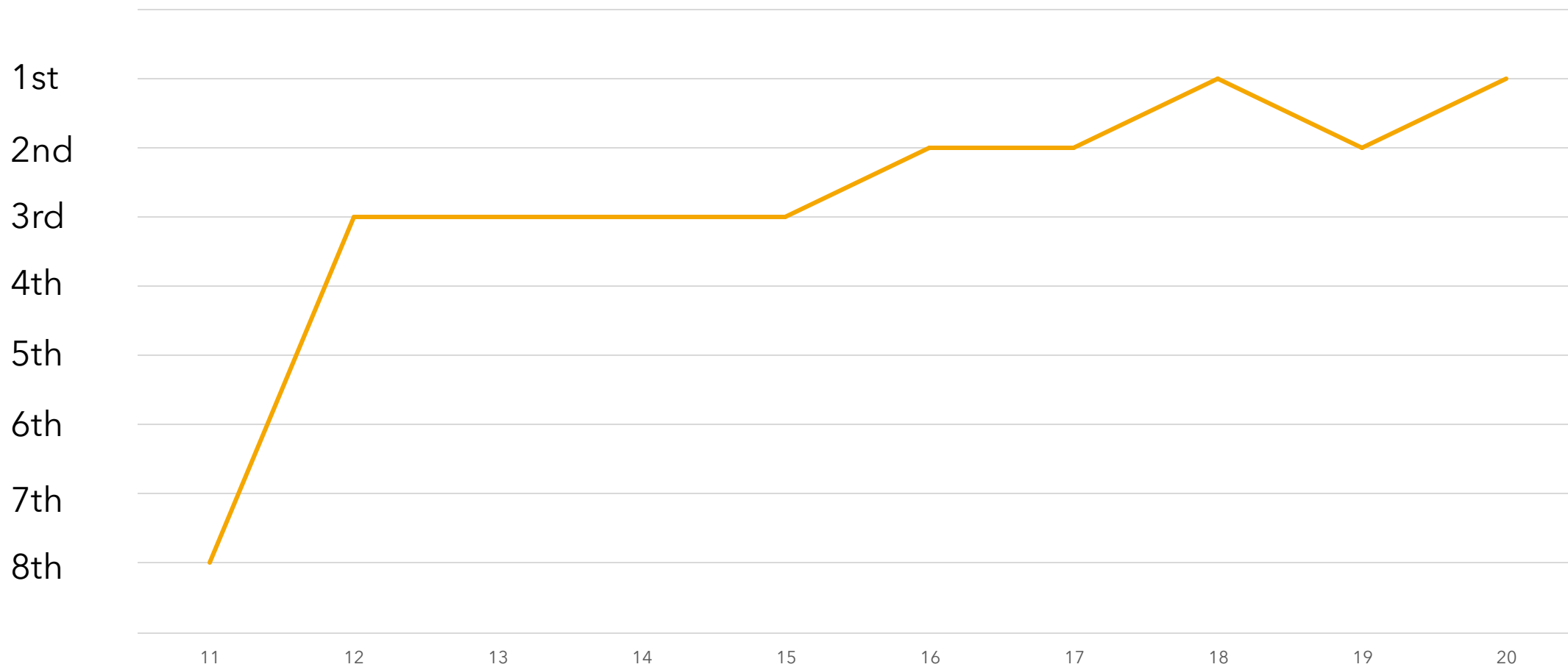
Weighted Average



Note:  
Year 18: 1st  
Year 20: 1st

# Results (Cont.)

Placement Over Time





Future Position

**Potentially at risk.**

**However...**

# Future Position



Strong hold on celebrity endorsements



High operating profit margin



Highest total assets



Consistently won CSRC award

# Potential Improvements



Shift to all in-region production



Offer additional rebates



Lower cost of labor



Thank you!

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