

# K.PEABODY: CREATING ELUSIVE PROFITS

#### INTRODUCTION

The <u>K. Peabody: Creating Elusive Profits</u> case used in this paper focuses on a retail company namely the K. Peabody, with particular emphasis to its financial and operating issues. Hence, while the company has established brand equity complemented by dedicated customers, it gets low profitability and high cost structure.

## COMPETITIVE PRESSURES

Currently, the retail industry is quite saturated, and 'traditional' and new market entrants targeting for the market share. K. Currently, there is pressure on Peabody to reduce its prices, thus reducing overall profit potential.

### DIFFERENTIATION STRATEGY

K. Peabody should look for ways to provide customer value over time through new value innovate further through strategies such as providing exclusive products or giving superior customer experiences. This differentiation can create market niches that are appealing to the up market segment and which would actually justify the setting of higher charges.

### CONCLUSION

The K. Peabody: The case Creating Elusive Profits also helps to demonstrate the role of operational excellence and competitive advantage, as well as financial controls. Thus, K. Peabody can eliminate the problems of low profitability and achieve its sustainable growth if it develops the specified areas.

### RECOMMENDATION

This case is just a sample partail case solution. Please place the order on the website to order your own originally done case solution.

Resource: Visit <u>thecasesolution.com</u> for detailed analysis and more case studies.