

PELOTON INTERACTIVE INC.

INTRODUCTION

New York based <u>Peloton Interactive Inc.</u> has indeed transformed the conventional types of fitness exercising to advanced types interlinked with technology which is a system that offers its customers top notch fitness equipment as well as a device which teaches people how to exercise.

BUSINESS MODEL OVERVIEW

The company has extensively relying on direct selling of fitness related products including exercise bikes and treadmills and host of other trainings through a subscription based model that delivers the classes live and on demand. Combined with the piece of hardware and digital content, the company has built strong customer base in the segment putting it in the league of connected fitness players.

MARKET SATURATION

The major problem that the company has is the issue of market segmentation, where the current market is mainly composed of the upper-middle class. Indeed, in the long run, as the penetration in the super premium satiation segment in fitness classes rises, there would be the need to find growth opportunities or pursue economies of scale or cost by Aubrey, 2018.

CONCLUSION

In this context, Peloton Interactive Inc. has to be wiser and remain in the leaders' rank in the connected fitness market, avoiding market saturation, competition and supply chain issues. In this case, the proposition the company has to offer its spectral services sets it on track to sustaining itself for a long time since it has expanded its offerings and enhanced operations.

RECOMMENDATION

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