

PromenAid

A Power Grip Solution

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The Issue

How can PromenAid stimulate and manage growth?

Key Success Factors

1. Increased reach to influencers
2. Focused target market
3. Increased brand recognition and product awareness

Recommendation

Attack and grow the residential market for the PromenAid handrail.

The plan

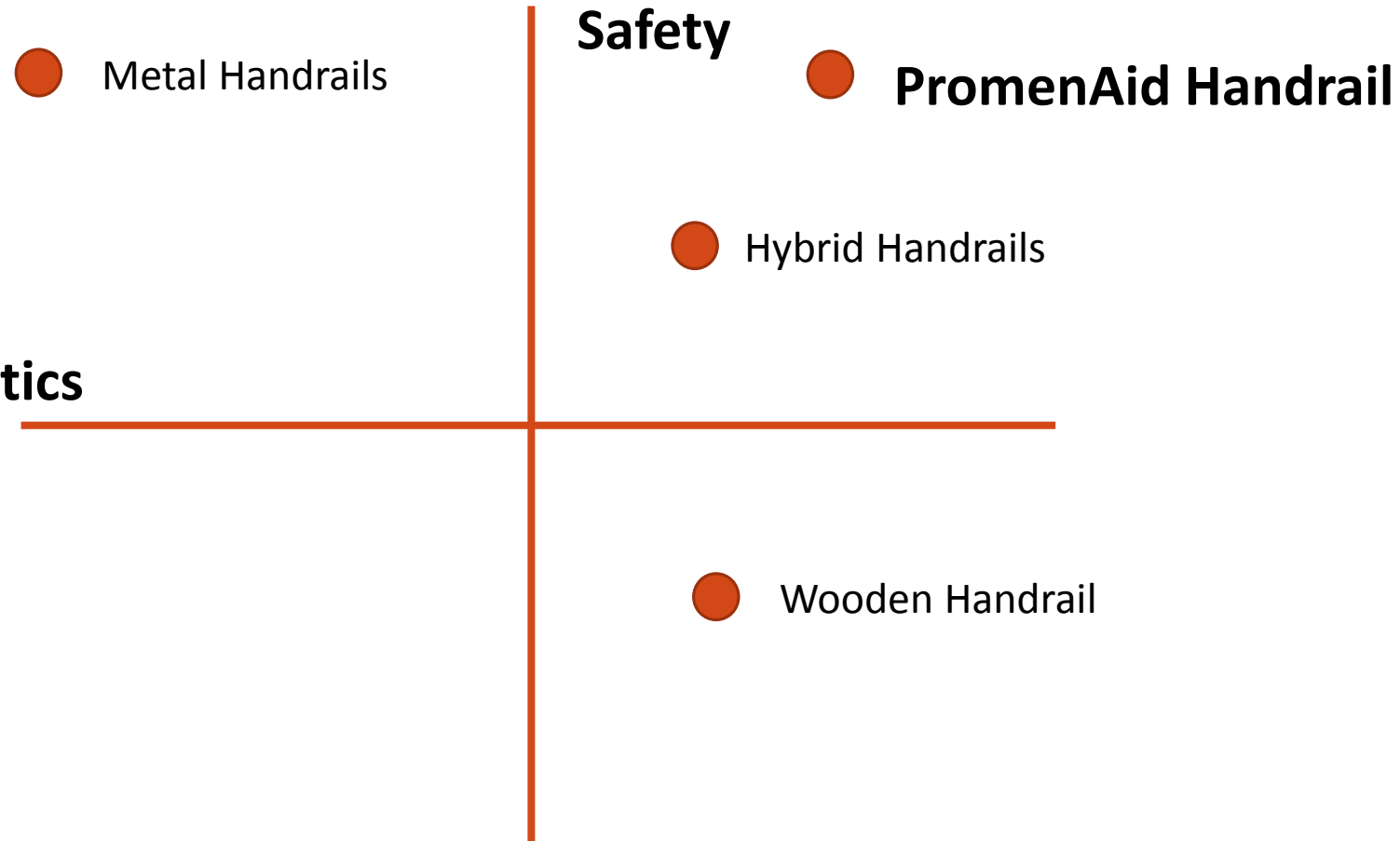
- **Upgrade IT infrastructure to support growth**
 - Purchase off the shelf software and hire an IT manager
- **Create targeted online ads to stakeholders of the user**
 - Reduce the stigma of owning a railing
- **Become a recommended product of recreational therapists**
 - Promotional offers and direct marketing
- **Exploit the DIY ability of product**
 - Be able to sell the product off the shelf at retailers and online

Current Situational Analysis

Value Proposition

- Patented design – ADA certified and code compliant
- ‘Do it yourself’ product – Easy to buy and install
- Innovative product features – Power grip and sexy design
- Well made product – durable and warrantied
- Focused market growth – General residential and specialty residential segments

Differentiation Map



PromenAid handrail is very unique and is well differentiated from its competitors.

Price-Value Curve

Price



Metal Handrails



Hybrid Handrails



PromenAid Handrail



Wooden Handrail

Value

PromenAid handrail is positioned well to focus on the DIY residential market.

SWOT

Strengths

- Innovative Product
- Attractive Product
- Management Experience

Key takeaway: accomadated the customers needs

Weaknesses

- Lack of focus
- Small product portfolio
- Poor brand and product recognition

Key takeaway: improving distribution channels

Opportunities

- Ageing baby boomers
- Helicopter parenting

Key takeaway: targeted residential market

Threats

- Growing competition
- New buildings coming with preinstalled handrails

Key takeaway: expand into commercial markets in the future

Alternative Analysis

Alternatives

1. Focus on the residential market and the DIY ability of the product
2. Joint Venture with a contractor
3. Buy out competitors
4. Product expansion

Alternative 2: Joint Venture with a contractor

- + Assured returns
- + Less volatile future
- - Less profit
- - Does not address the issue of brand awareness and product recognition

Alternative 3: Buy out competitors

- + Quick and assured results
- + Expansion of products and thus increased target population
- - No increase product awareness
- - Unsustainable growth

Alternative 4: Product expansion

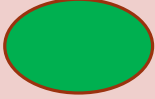
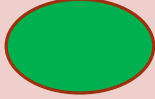
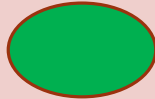
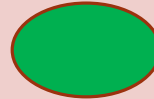
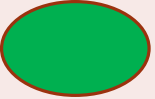



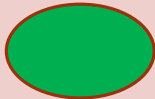
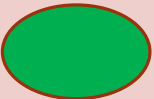






- + Aligns well with owner's core competency
- + Widens targeted market
- - Time and resource consumption
- - Lesser marketing resources per product

Alternative 1: Focus on retail chain for residential market

- Run advertisements on digital platforms for the stakeholders of user
- Collaborate with independent hardware chains
- Leverages the core competency of owners and existing product
- Target market is 34 million private households
- Favourable decision criteria (Affordability, Aesthetics, Ease of Installation)

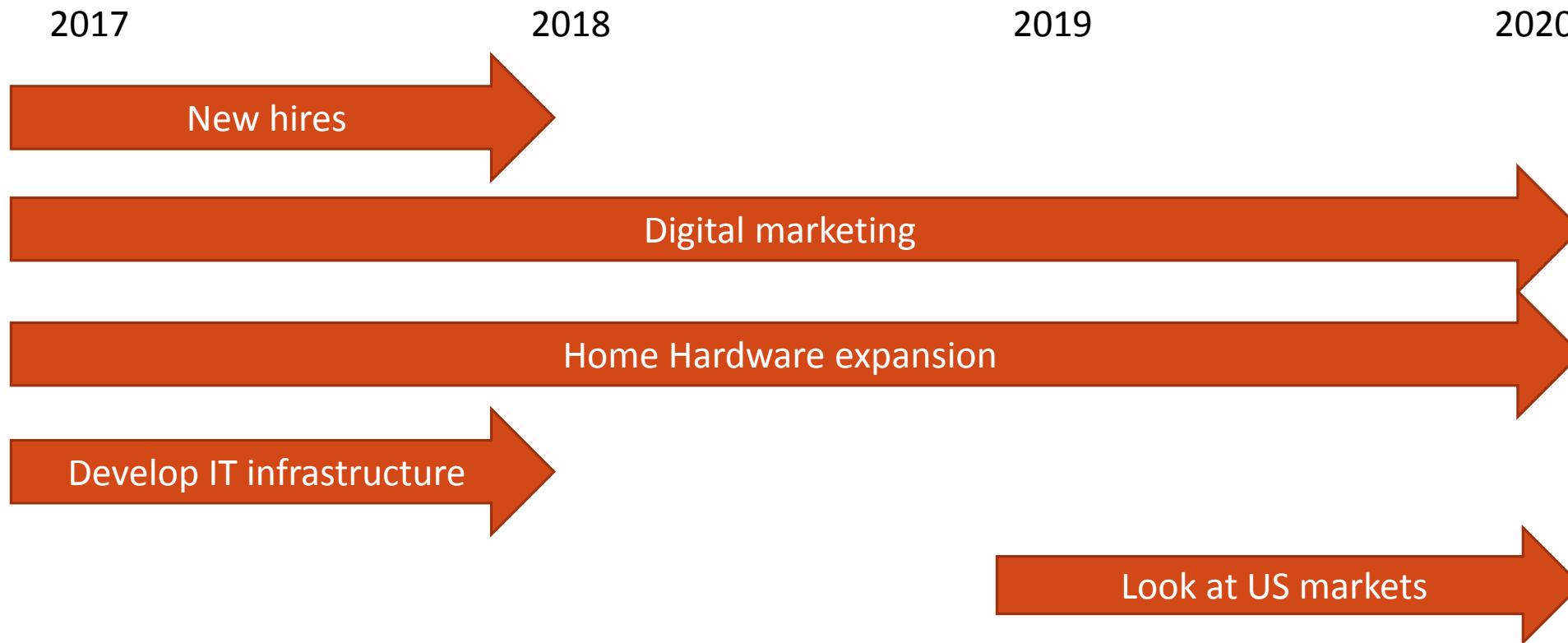
**Buy PromenAid Handrail for your mom at Home Hardware
or at Amazon!**

Decision Matrix

Alternatives	Growth Potential	Product Awareness	Financial Impact	Timeliness
Residential Market with Retail Chain				
Joint Venture with a contractor				
Buy out competitors				
Product expansion				

Implementation

Implementation



Implementation - Year 1

- 50 Home Hardware retail locations
- 5000 occupational therapist's recommendations
- Hire an occupational therapist representative
- Buy an off the shelf IT infrastructure
- Hire an IT manager
- Develop a digital marketing campaign
 - Focus on the stakeholder of the user
- Hire a social media manager

Implementation – Year 2

- 150 Home Hardware retail locations
- 10000 occupational therapist's recommendations
- Use the data collected to focus the marketing campaign
 - Evaluate on the basis of conversion rate

Implementation – Year 3

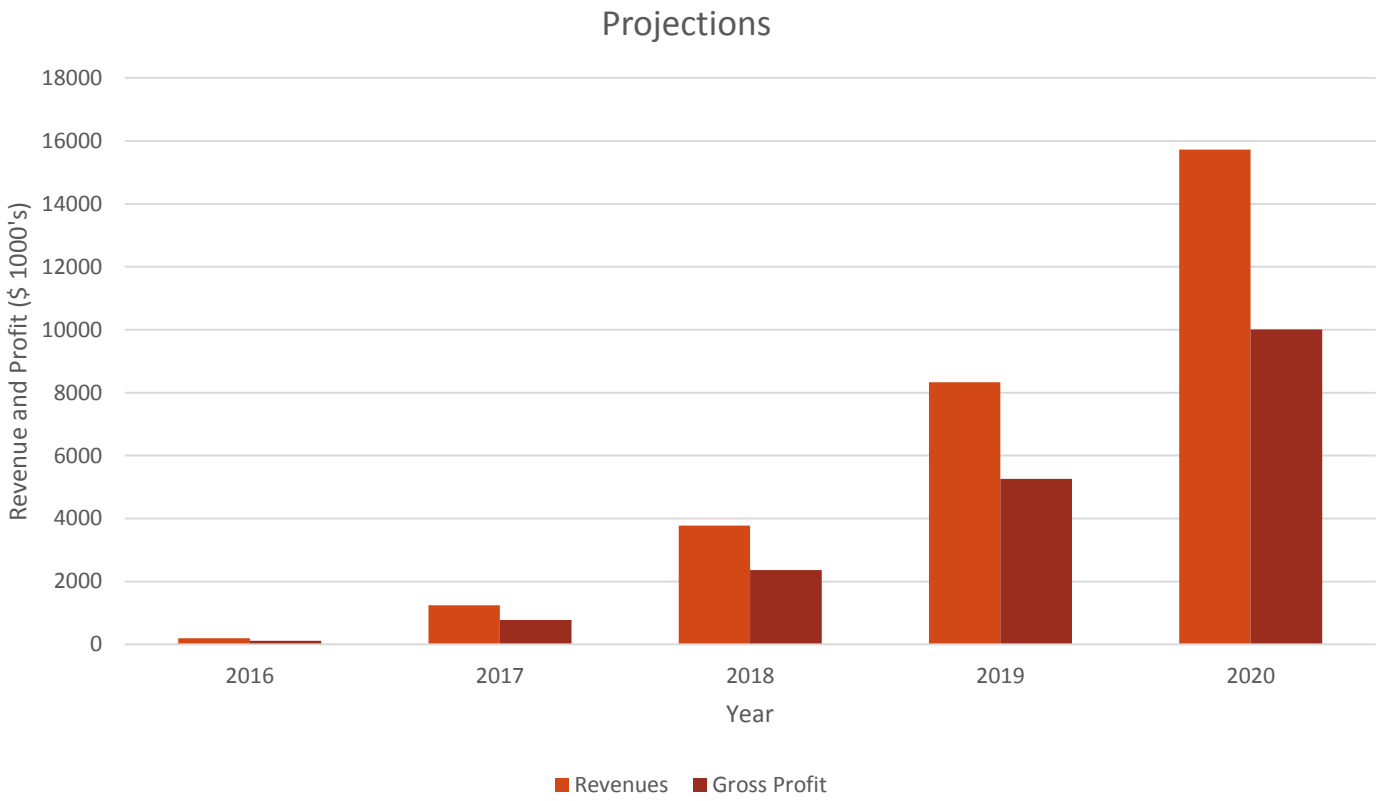
- 300 Home Hardware retail locations
- 25000 occupational therapist's recommendations
- Evaluate the success of Home Hardware and look into US expansion
 - If store numbers have been met and sales are strong

Implementation – Year 4

- 550 Home Hardware retail locations
- 50000 occupational therapist's recommendations
- With continued expansion the IT infrastructure will need to grow as well

Financial Analysis

Projections



Costs

Salaries	\$120,000
New Hire Salaries	\$250,000
IT Infrastructure	\$50,000
Digital Marketing	\$250,000
Direct Marketing	\$100,000
Travel	\$25,000
Total	\$795,000

Risks and Mitigations

Medium probability – Stigma preventing new sales

If the stigma of “being weak” because you have a handrail in your home is more difficult to overcome.

- Continue marketing focus on the stakeholders of the user, emphasising the dangers of falling
- Use advertising to emphasise that not falling is not weak

Medium Probability – Can't keep up with the demand

With successful implementation of the plan, sales are exponentially higher than what is expected.

- Increase production while maintaining product value
- Hire new FT employees to manage and eliminate the bottleneck
- Hold more inventory and increase safety stock reserves
- Customer retention for backorders

Medium Risk – Direct competition

A competitor releases a very similar product to the PromenAid handrail.

- Increase marketing budget – focus on the benefits of the PromenAid handrail
- Ensure product does not violate current patent
- If possible, acquire the company

Key Takeaways

- 16 Million in revenues by 2020
- Focus on the residential market
- Promote to the stakeholders of the user
- Sell in independent hardware stores
- Become a recommended product of recreational therapists

Thank you
