

Case Study:

Helping one of the world's most beloved brands thrive in a rapidly evolving business climate



The Challenge

A multigenerational, closely-held family-run business experiencing difficulties staying on top in a fiercely competitive environment.

The client's CEO and Chairman chose Point B to help, due to our unusually high customer satisfaction ratings. Our national team flew into Nome, Alaska, and immediately set up a strategy office to start delivering value on day one.

Unlike competitors, the client's business model is based entirely on belief by the world's children. While this does pose unique challenges, our team found the client to be struggling with the same issues that hobble many organizations, large or small: employee engagement, customer experience, data and analytics, cloud transformation and regulatory compliance.

"We've been in this business for a long time, and we're experts at delivering sugar, spice AND everything nice. But we also operate in a dynamic, ultra-competitive environment that puts pressure on the whole organization. Point B has been instrumental in helping us to live our values, but also to compete and win in our markets."

LEADING WORLDWIDE CHRISTMAS LOGISTICS COMPANY

How we helped our client become a break-through company

Employee engagement: We found weaknesses in communication among elves. This was creating a barrier to addressing a pressing competitive need for the elfish workforce to embrace Agile production methods to reduce costs and improve quality. Point B led a process improvement sprint that smoothed the way to harmonious integration of new methods while respecting the elves' culture that values high quality and customer satisfaction.

Customer experience: The customer has embraced new technologiesⁱ that the client must master and innovate in order to create the customer loyaltyⁱⁱ that is required for continued success. Point B exposed the

reality that making fun toys is no longer enough; many of today's customers want sustainable production methods and fair trade policies so they can enjoy a guilt-free holiday. Point B helped the company respond to these trends early and often.

Cloud transformation: Elves are good at making toys, however business technology is not their core competency. The elfish IT leadership tends towards reactive response, and deploys ad hoc solutions under the stress of peak production. The result is a tangle of legacy systems and obsolete open source tools that are not secure and barely work. And while the client's PR firm, Rudolph Worldwide, did an excellent job of crisis management, some still remember 2013, when Ukrainian hackers were able to access over 3 million "naughty or nice" records.

Find out how Point B can help you achieve your vision. Visit pointb.com or contact us at insights@pointb.com.

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Data and analytics: While Point B research shows that more than 50 percent of people across all demographic segments profess belief in the client's business model, deeper data analysis shows that the median age where the customer's belief fails is as young as eight years old. Through sophisticated data analysis, Point B recommended which segments to target and which messages would resonateⁱⁱⁱ, ensuring that healthy demand will continue indefinitely.

Regulatory compliance: The client is also facing new EU regulations issued this year, the AIPRPPF (*Accord International Pour la Reduction des Pollutants de Poussière de Fête*). This means that the client may have to rethink production. Fairy dust, which has reliably powered their operation for decades, faces gradual decline as particulate regulations tighten up globally. Point B analyzed the client's business needs and developed a comprehensive compliance plan so that they can avoid costly enforcement actions while the company transitions to a zero-emissions energy source.

ⁱ Globally, in 2016, the CEO received links to over 12,000 Pinterest pages vs. the traditional letter, which are down 9.7% Y.O.Y. and long term, this trend will accelerate.

ⁱⁱ Organic growth in followers of the client's CEO's Twitter feed increased 11% in the 3rd quarter of this year alone.

The results

Our multidisciplinary team of business experts have built a path to sustainable growth while respecting the culture and capabilities that have made the client one of the world's most beloved brands.

Point B helped the organization address a multitude of issues that were holding back the company. Employee satisfaction has been transformed, customer relationships have been improved, technology has been modernized and made more effective and the compliance posture is now robust. And every critical decision is now informed by accurate and timely data.

Holiday happiness key performance indicators are showing positive deltas across the board with a 17 percent improvement in the critical metric of milk and cookie quality. The client has a new confidence and a muscular competitiveness to thrive in the coming years.

Happy Holidays from Point B!

ⁱⁱⁱ Only 4% of adults over 18 profess belief, but 98% of parents found their children's belief in the Client's CEO to be "very important" to family satisfaction. This segment can be the primary belief driver despite no longer believing themselves. The real-world brand power of imaginary characters.