



Business Analysis Report - Frog Design

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FoB- Business Analysis- 2814BI112A- resit

1 PREFACE

This report encompasses an in-depth analysis of Frog Design for the assessment of Fundamentals of Business course as lectured by Edwin van der Sleen.

This report fundamentally comprises of an initial context analysis of the current company's infrastructure, identification of possible issues in the business and also identification of appropriate approaches to tackle these issues. This will be carried out and enabled by the Business Model Canvas (BMC) and its nine elements.

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2 INTRODUCTION

Frog Design has defined its goal as: 'Design and innovation that advances the human experience'.

Frog Design is a global and strategy firm. Their passion is to transform ideas into realities. They transform business at scale by creating systems of product, services and brands that provides a better experience. They partner with clients to evolve organizations, advance the human experience and also anticipate the future.

Frog Design offers a great amount of services that increase their customers' understanding and knowledge of the future. The services they offer are: experience strategy, growth strategy, product realization and product and service design.

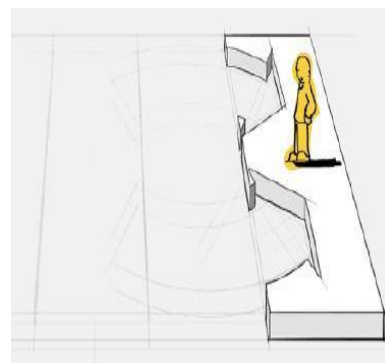
This business analysis report will be identifying the issues of the business and identifying and proposing viable solutions.

3 BUSINESS MODEL CANVAS OF FROG DESIGN

Each block consists of the Business Model Canvas. It will consist of the current business strategy and also the enabling the arching view of the complete situation in which Frog design stands.

3.1 CUSTOMER SEGMENT

Frog Design focusses on large-scale companies and multinationals with a bigger economic edge. Frog Design does not target cooperations that may cause divide within the consumers for example: political, ethnical or religious split. Instead the focus lies on top, professional level companies.



3.2 VALUE PROPOSITION

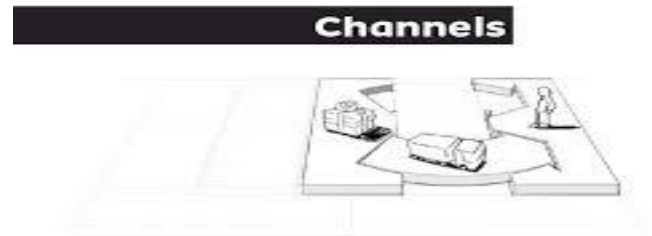
What are you offering them? What is that getting done for them? Do they care?

Frog Design aims to deliver services which improve the customers' experience, while maintaining the human aspect. Frog Design builds its business with the help of their experienced and diverse team that has a strong drive to come up with innovative concepts that will succeed in its target market.



3.3 CHANNEL

Frog Designs` current channels are via their website "FrogDesign.com" and seminars or speaking sessions. In the speaking sessions, they show their experience and knowledge to their customer segments. And via their website, you would be able to contact Frog Design.



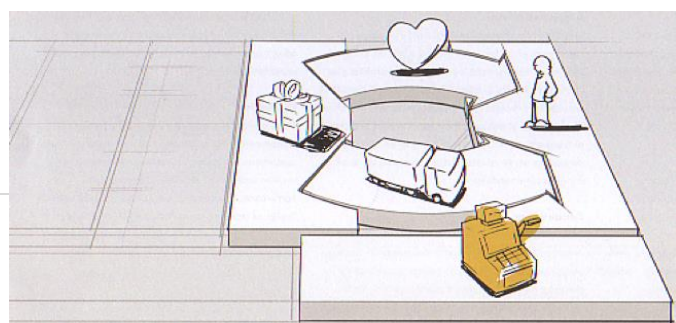
3.4 CUSTOMER RELATIONSHIP

The relationship within the customers and Frog Design is not the strongest part of the company because they do not have customer retention. A personal, automated, acquisitive or retentive customer relationship should be developed further.



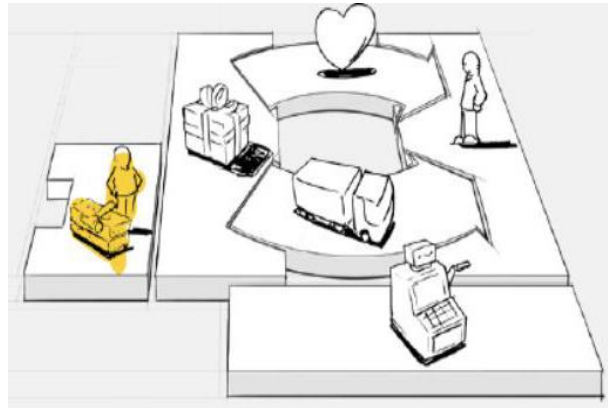
3.5 REVENUE STREAM

The cost of the particular project is fully dependent on its labor and the number of workers required for the job. Each project is then divided within a milestone which represents the current phase of the project. With each milestone being met a payment has to be fulfilled by the customer. In other words, Frog Design is project based.



3.6 KEY RESOURCES

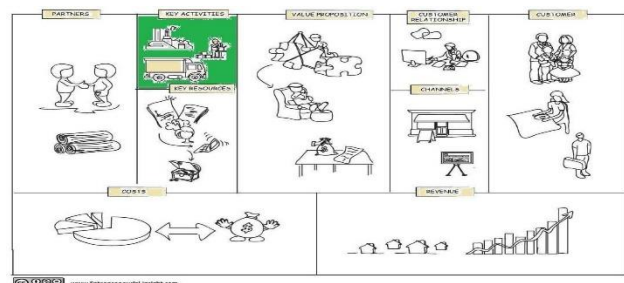
The main key resources are the employees because without them there will not be production or also people who think of a way to design the product. Technology is also an important resources for Frog Design because without having the right technology and also the knowledge from the experts to see their idea come into reality.



3.7 KEY ACTIVITIES

Key resources and the key activities are closely connected because they provide the customer with the value proposition. The key activities for Frog Design would be recruiting new employees that would be able to increase the companies know how, planning, researching and most important networking.

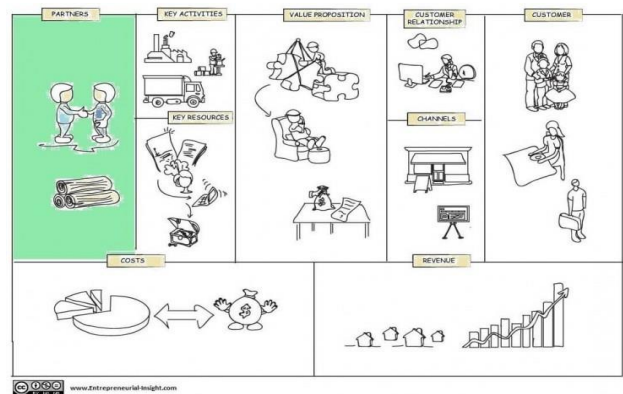
These are all important because with networking, Frog Design would be able to broaden its market to potential customers and also expanding their brand globally.



3.8 KEY PARTNERSHIPS

Frog Design partners with a lot of companies. But I outlined some of the most important in order to sustain the elements of the BMC. The partners are;

- Innovative companies or organizations like TED, POPTECH and many other organizations which can aid in arranging speaking sessions for creating awareness for Frog Design.
- Institutes like higher education schools to be specific Universities can be a key partner in aiding Frog Design to look for new employees with lots of potential.



3.9 COST STRUCTURE

This building block represents all the costs that Frog Design uses:

3.9.1 Fixed Cost

These are Frog Design business expenses that remain the same regardless of the volume produced by the business.

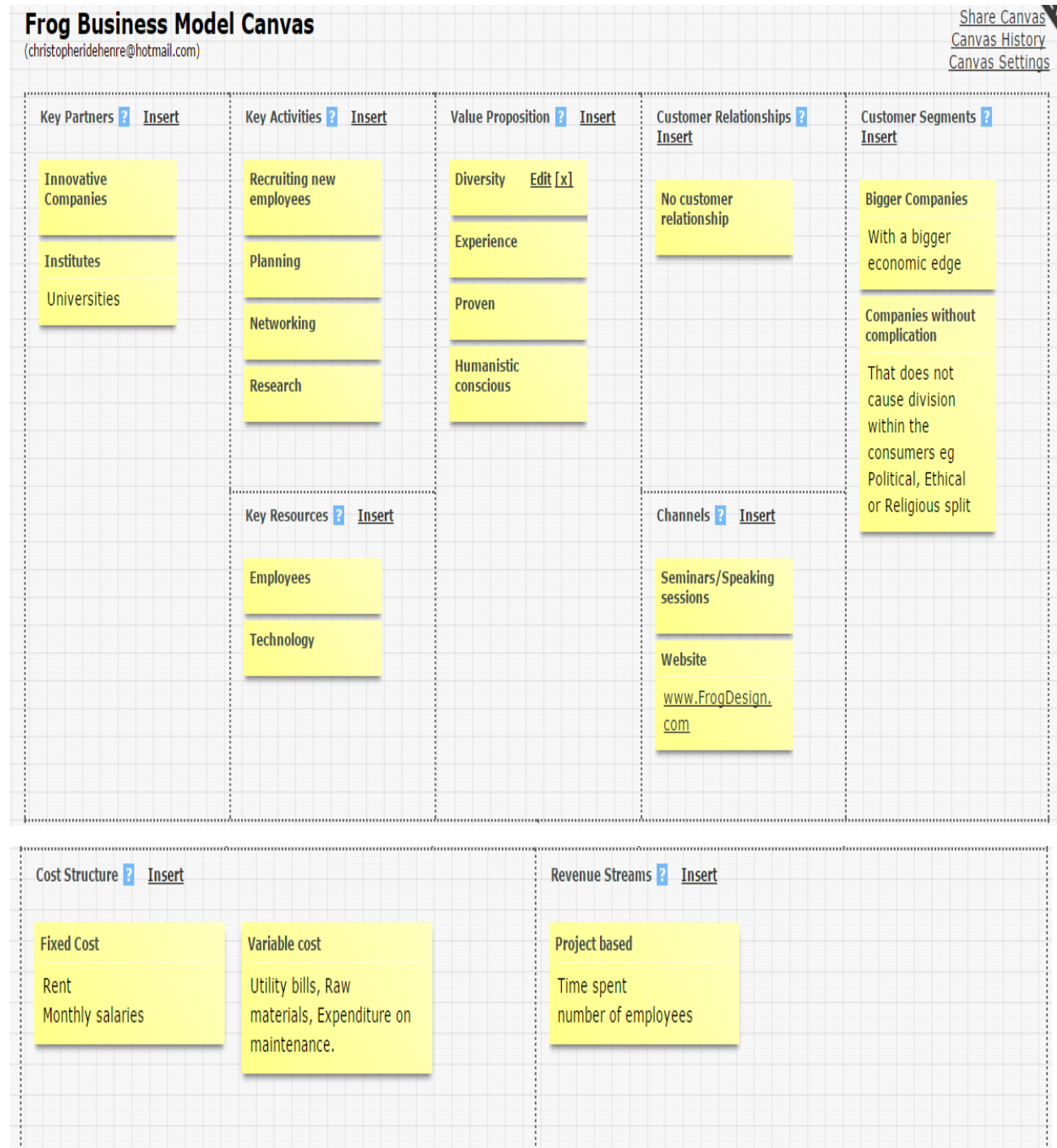
- Rent: This is the money Frog Design pays to the government for usage of the building in which they are producing the products from.
- Monthly salaries: This is the amount of money that the employees get monthly for working in a particular department. Although the monthly salaries changes, it does not change for a fixed period of time.



3.9.2 Variable Cost

This cost are heavily dependent on the volume of output Frog Design produces. Below are some of the cost Frog Design pays; Utility bills, Raw materials, Expenditure on maintenance.

4 BUSINESS MODEL CANVAS



5 ANALYSIS ON THE BUSINESS MODEL CANVAS

After creating the BMC, I believe I am well equipped to provide my feedback for Frog Design.

5.1 FEEDBACK

- It is clear to see that employees have substantial impact on how Frog Design operates;
- Projects are an important source of income because, depending on the type of project, they can determine how much they can charge the clients;
- Frog Design targets bigger income companies without ethical, political or religious split;
- Frog Design has established major distribution channels which are used in a highly effective manner;
- I believe that customer relationship is not the strongest suit of Frog Design;
- I can conclude that Frog Design allows their experience proven track record to generate interest and eventually client buy-in.

5.2 LINKING THE BMC BLOCKS TOGETHER

Below, I will detail a clear connection between the various BMC blocks for Frog Design:

5.2.1 Figure 1

Customer Segment	Channels	Key Partners
Large-scale Companies	Seminars/Speaking Session	Innovative Companies
Companies without Complication	Website	Institutes: Universities

NB: Figure 1 show that in order for Frog Design to attain their targeted Customer segment, they first have to go through the channels either via seminars or speaking session for the key partners and decision makers to have awareness of Frog Design.

5.2.2 Figure 2

Key Activities	Key Resources	Value Proposition
Recruiting new employees	Employees	Diversity
Planning	Technology	Experience
Networking		Proven track-record
Research		Humanistic conscious

NB: Figure 2 shows that the key activities have a direct impact on the key resources which ensures that the value proposition is delivered to the customer segments.

5.2.3 Figure 3

Cost Structure	Revenue Streams
Fixed Cost: <ul style="list-style-type: none"> • Rent • Monthly Salaries 	Project Based <ul style="list-style-type: none"> • Time spent • Number of employees
Variable Cost <ul style="list-style-type: none"> • Utility bills • Raw materials • Expenditure on maintenance 	

NB: Based on Figure 3 above, the clear connection between Cost structure and the Revenue stream is highly evident.

6 PROBLEM IDENTIFICATION

In this chapter, I will be identifying and enlightening on the problems as found based on my initial analysis of Frog Design. These may cause the company major drawbacks – or already is a drawback - in the future. These are outlined as follows:

6.1 MAIN PROBLEMS

Large-Scale Companies are now creating their own products, services and strategies themselves

This is a problem because Frog Design focuses on the bigger companies as their target market. It is safe to say that this is a major risk in this modern technology advanced age where new innovators from university are graduating with innovative ways of creating products and developing out-of-the-box strategies.

These companies can now easily employ young innovators instead of outsourcing to other companies like Frog Design. Asides from hiring, these large-scale companies are also relying on the expertise of their staff; which eventually eliminates the need of companies like Frog Design.

Frog Design does not have sufficient customer relationship

After in-depth study on the information provided from Frog Design, I can come to a conclusion that they are lacking in the customer relationship policy. Established customer relationship can generate retentive revenue because if clients are satisfied with Frog Design, they can come back to work with them on more projects. More revenue can be generated for Frog Design through client referral to their partners or joint-ventures companies.

Looking for new employees

One of the problems I mentioned above was “**Large-Scale Companies are now creating their own products and services themselves**”. It is directly linked with this problem because in order for these companies to make their own products and services, they need to expand its resources remarkably by hiring young professionals and innovators in the field directly to join the company. The focus could be on talented students from the University and Higher Institutions, depending on the employment policy.

Direct Competitors/Threat with their Customer target

This problem is also linked with the problems mentioned above because, if these large-scale companies and multinationals cannot rely on their staff’s expertise or cannot find the right individual, then the next step would be to look into poaching employees from Frog Design. This could pose as a direct threat.

7 POSSIBLE APPROACHES

In this section, I will be discussing the different approaches that Frog Design can utilize to tackle the problems stated above.

7.1.1 Large-Scale Companies are now creating their own products, services and strategies themselves

1. Target SMEs and startup companies:
 - By **also** targeting smaller companies and start-ups, it doesn't eliminate this problem in its entirety. However, it reduces the risk. It is less likely that SMEs and start-ups would have the expertise within the company to develop products, services and strategies;
 - It is also unlikely that these SMEs and revenues would have the capital to expand by hiring new employees.
2. Target companies with complication:
 - This may mean Frog Design getting out of their norm and belief by also targeting companies with ethical, political and religion issues so as to create awareness. In essence, these are the kinds of companies that require the services and expertise of Frog Design the most.
This however might not eliminate the problem that the Frog Designs' target market will be looking to create their own product themselves.
However, this will create awareness and opportunities to generate customers.

7.1.2 Frog Designs does not have sufficient customer relationship

Investing in Customer care:

- This would mean there would be a department entirely dedicated to establishing substantial customer relationship. They would ensure to make customers satisfied and look for new ways in **keeping** them happy.

7.1.3 Looking for new employees:

Sponsor youngsters with potential to school:

- This is a smart way of creating loyalty within employees but also knowing the employees capability in school because Frog Design would be tracking their progress and development.

7.1.4 Direct Competitors/Threat with their customer target:

Increased Remuneration system:

- This means a reward for employment in the form of pay, salary, or wage, including allowances, benefits (such as a company car, medical plan, and pension plan), bonuses, cash incentives and monetary value of the noncash incentives. With all of this, it will be difficult for an employee to not feel satisfied with Frog Design;

8 SOLUTIONS

As a conclusion, this chapter details and analyses the solutions from the problems mentioned in chapter 6 and highlight multiple approaches to each problem to the final part of the analysis report, offering valid and valuable solutions.

8.1 LARGE-SCALE COMPANIES ARE NOW CREATING THEIR OWN PRODUCTS, SERVICES AND STRATEGIES THEMSELVES:

8.1.1 Target SMEs, Start-ups and companies with complications;

This approach might seem wrong at first because it is going against everything Frog Design stands for. However if Frog Designs’ target market starts producing their products themselves, Frog Design on the other hand can focus on developing ideas to creating awareness to other consumers.

The proven way this can be done is by organizing various sessions and conferences. During these sessions, other companies (including SMEs and companies with complications) that have never heard of Frog Design would gain awareness. It is also recommended to discuss controversial topics as this would prove as encouragement for companies with complication to approach Frog Design.

PROS	CONS
+Increase Revenue	-Loyal customers might reduce
+Create Awareness	
+Gain new customers	
+Advertisement	

8.2 FROG DESIGNS DOES NOT HAVE SUFFICIENT CUSTOMER RELATIONSHIP

8.2.1 Customer Care

This approach will tackle the problem of Frog Designs’ relationship with their customers. This team would not just be about the regular customer care as everybody knows it to be. This will be more of an after sales team whereby, after Frog Design is done with the project they are designing then the customer care comes in to receive feedback on the product and thus far, and they try to keep in touch with their former clients.

This will not only develop relationship with both companies, it will also generate revenue for Frog Design because, and the former client whom they have worked with for example would have the assurance to work with Frog Design on future projects.

PROS	CONS
+Increase revenue	-More employees
+Increase relationship with customer	-Extra salary
+Increase customers	

8.3 LOOKING FOR NEW EMPLOYEES

8.3.1 Sponsor children with potential to school:

At the first look at this, people might think there is no way this can be an option because of the money spent on that particular individual. But just imagine Frog Design having a young smart and knowledgeable group of innovators who knows how everything works in the company but are also loyal to the company because Frog Design sponsored them through university. They will be highly invested and treat the work place like it is their family business.

PROS	CONS
+Loyalty	-decreased income due to the fees payed when the employees were in school
+Increase revenue when the employees start working	
+Longevity	

8.4 DIRECT COMPETITORS WITH THEIR CUSTOMER TARGET:

8.4.1 Remuneration system

Frog Design can get the competitive edge over the customers through remuneration because if for example an employee is working very hard, Frog Design can give that employee a perk or an employee of the month reward – all the while making the employee feel like they are part of something great.

Frog Design can also take their employees every Friday for recreational activities after work like sporting event or for drinking at the bar. This would create a great atmosphere at work and also make everybody feel comfortable at work. If Frog Design does this, it will be hard for employees from Frog Design to feel the need to leave to other companies for lack of being adequately compensated.

PROS	CONS
+Conducive working environment	-More investment in existing employees
+Competitive edge	
+Loyalty	

