

BS 600552 Case Study – Dog Pool

Introduction

This document introduces the case study for the Business Strategies module 20/21. During the module you will work as a consultant to complete a strategy project for your client Natalia Duron. The situation facing Natalia is described below. Other information will also be released to enable you to complete the project. You will also have access to videos with Natalia and Chris.



Case Study

Your client is Natalia Duron, the founder and Managing Director of Dog Pool (DP). DP is a popular 'dog sharing' service that is experiencing rapid growth. Through the DP service, Natalia has commercialised the innovative idea of 'dog sharing'. Dog sharing allows people without dogs to enjoy some of the benefits of owning a dog; at the same time, the service allows busy dog owners to share the upkeep and care of their dogs. Both sets of customers get a lot of value from the service and the dogs love it too!



Using DP, a dog owner (DO) can connect with a non-dog owner (NDO) in their locality. The NDO may walk the dog, look after the dog for an agreed period of time, or even use the dog as a therapy dog for an elderly or ill relative. It means those without dogs can enjoy dogs, and those with dogs can share their dogs and the costs of ownership. It all works through online postings on Facebook.

Welcome to Dog Pool!

Dog Pool grew from Natalia's love of dogs and passion for animal welfare. She hates to think of dogs sat at home bored. She previously worked for an animal charity in Mexico City, where she grew up, to help stray dogs in the city. Her passion has created some controversy though; once she chained herself (and her two black Labradors) to a metal fence in a zoo in protest at the conditions there – the police had to remove the whole fence in order to resolve the incident!

With dog ownership on the rise in the UK (it is thought that around 10 million people own dogs), Dog Pool has quickly established a user base of around 5,000 people after its establishment in 2015. 'Dog poolers' create income for the company, and now pet food brands and other companies are approaching Natalia for sponsorship and brand deals. She



would rather just help the dogs than deal with the business side of things, but she wants to see the business grow. She feels it's making a contribution to the lives of people and dogs. Rapid growth has created some problems for DP. The IT platform, over which the company has only limited control, is one of the major issues.

DP is run via a private Facebook group. Once in the DP group, users can post information to find local people and dogs to pair up with. Natalia personally checks the users to establish their credentials before they are permitted entry to the group. This is a time-consuming process – it now takes up several hours each day! She is interested in automating part of this process, but is not sure how to do it. 'Dog poolers' pay a regular fee to use the service; this has created a consistent income stream for the company.

The current IT setup poses a potential threat to the business. It is possible Facebook could change the service arrangements, close down the group or charge some kind of a fee. Natalia is considering moving Dog Pool to a new IT platform and also innovate the business model. DP is thinking of engaging with a mobile app development company to discuss a mobile-based IT platform.

Natalia has not done much research into competitors, but she knows there are some established businesses that are similar to DP. She would like to know more about their business models – should DP operate in the same way, or go in a different direction? You will be provided with more information about competitors.

Natalia is advised by Chris, who is a local consultant and data scientist. He has experience in tech start-ups and is particularly interested in business analytics. He advocates a rigorous and technical approach to running the business, and originally came up with the idea of moving to a mobile-based IT platform.



Chris and Natalia have been collaborating successfully for over two years now, but they do argue about the direction of the business from time-to-time. Natalia's intuitive and passionate approach sometimes frustrates Chris who is more profit-driven.

Initial SWOT analysis

Chris has created a draft SWOT analysis to facilitate some clear thinking about the business. Though the analysis is not thought to be complete, or even accurate, we can share it with you as a *starting point* for a more thorough evaluation of the company's strategy.

<p>STRENGTHS</p> <p>Established, engaged and growing user base who believe in Natalia</p> <p>Passionate and credible owner</p> <p>First-mover advantage to some extent</p> <p>Limited competitors at present</p> <p>Current IT platform – Facebook</p>	<p>WEAKNESSES</p> <p>Current IT platform – no control over Facebook</p> <p>Monetisation model needs developing</p> <p>Business model needs developing</p> <p>No control over dog sharing activities</p> <p>Inefficient process regarding joining</p>
<p>OPPORTUNITIES</p> <p>Long-term trend towards dog ownership – capitalise on this</p> <p>Better monetisation using a mobile app / subscription model, or similar</p> <p>Deals with dog food brands and other companies</p> <p>Additional services possible</p>	<p>THREATS</p> <p>A competitor moves into the market with a website or mobile app</p> <p>Facebook removes the group or changes arrangements</p> <p>Free local services become available for dog sharing</p> <p>Communities develop their own groups</p>