STRATEGIES FOR VIABILITY OF A NEW BUSINESS IN MARKET LEADER

MsCassianoBridi*

MsLuizEduardo Cardoso*

MsUiliamBiegelmeyer Hahn*

MsMarcia Rohr da Cruz*

DrMaria Emilia Camargo**

ABSTRACT

This study was conducted in a metallurgical state of Rio Grande do Sul having as main purpose to identify the ways in which the process is to choose the strategies that are adopted by the company to introduce a new product to market. In this case the product analyzed, at its launch, was the minibus. Was also analyzed from the interview what are the core competencies in the organization. Thus the data collection was conducted through interviews with the chief executive and the company was considering the launch held in the period between the years 2006 and 2008. We also carried out a review of literature on the subject with the intention of joining the existing theory with practice and daily life of the studied company. Among the key findings raised was possible to see that the company achieved a 30% increase in market share and a growth of 97% in sales with the minibus.

Keywords: corporate strategies, core competencies, industry of Rio Grande do Sul, minibus, market leader

* University of Caxias doSulMaster Business Management Programm

** University of Caxias doSulCoordinator of Master Business Management Programm

1 INTRODUCTION

When faced with a new opportunity, a company needs to make decisions that affect the entire environment in which it lies. In a proactive company, the corporate strategy is the main catalyst of this change. According to Mintzberg (2006) corporate strategy can define the efficiency of the company for a long period of time can assist in proper allocation of resources for the achievement of the objectives and expected can also set the company's image.

It is from the context of business activities of a market that the company formulates strategies for dealing with the environment and to influence it (Itami, 1987). Thus, a concise statement of strategy aims to characterize the range of products and services offered or planned by the company, in addition to markets and market segments for which these products and services are created and their channels to reach these markets.

This case study presents a formulation and implementation of a successful strategic leader of the transport market in the care of a market opportunity to launch a new product, the minibus. The theoretical framework developed a literature on corporate strategy and its importance to the company's decision, an analysis of core competencies that the company has and its importance to the strategy, beyond discussing brand strategies for launching new products .After a discussion of the research problem and methodology. The following case study is comprehensive, containing a brief history of the company with the collaboration of the interview with the director and, finally, we discuss the use of the strategy at crucial points of the case analyzed.

2REVIEW OF THE LITERATURE

2.1 Strategy as a competitive force

In an environment permeated by competition and rapid change of position of competitors, the formulation of strategies is the main mechanism of defense companies. When properly formulated, and provide a competitive advantage for the company, the strategy can be used to attack the market and competitors as proactive, acting before the competitors.

However, not only on competitors that the company should focus its strategic performance.Other forces acting on the market together as competitors. According to Porter (1998), there are five competitive forces that operate in the market and cause the company to formulate its strategy through observation and examination. In addition to the existing competitors in a given market, there are still new entrants, substitute products or services, the bargaining power of customers and suppliers. According to Thompson (2001), the intensity of these forces acting on the Market that determines the intensity of the profits of participating companies.

Furthermore, as Chakravarthy (1982), the degree of pressure on the five forces the company to lead to product innovation due to the fact that most companies affected by these forces to drive innovation efforts with limited resources. However, this investment must occur within certain financial limits according to the risk that the company goes down. Thus, in many companies, this pressure that automatically directs them to conserve financial resources (and not investments in innovation) in addition to investing in new strategies thereby offering less room for experimentation (Freel, 2005).

However, market orientation influences the innovation when the company is attentive to what happens in the market, picking up new ideas from it and increasing the motivation to respond to their demands (Lukas;Ferrel, 2000). Furthermore, market orientation increases the likelihood that innovations are more suitable to their circumstances, enabling the company to use innovation as a competitive tool (Gatignon; Xuereb, 1997). Already as Espallardo; Ballester (2009), guidance for marketing can be more important for product innovation in an environment of increased pressure from competitive forces, because these environments companies are under greater pressure to modify their products responding to market signals.

Ansoff (1977) defines as a common bond the relationship between products and markets, present and future where we can see the direction the company moves forward. This presents an array of products and markets new and current, called the vector components of growth, which has four possible strategic directions for the company to formulate its strategy according to industry analysis. Strategic decisions are focused on relating what products will be offered and in which markets. In the first quadrant, defined as market penetration (Product and traditional markets) is where intensifying efforts to market where the company operates.

In this case, the strategies can be exemplified as increasing the amount consumed or frequency of use of the product, the discovery of new uses or applications for users. So when a company has huge market share, the cost to increase this share rises and may destabilize the company financially. The second quadrant is classified as "product development" that are new to the same market where the company already operates.

In this case, the strategy is the development of new products and increases the already existing. The third quadrant is called "diversification" as they are created new products for new markets. Of the four strategies, the option is more risky because it represents new business areas for the product and knowledge of a new market. The fourth quadrant, called "market development", aims at seeking a new market for the company's current products. Strategies for such purpose may be expansion or new market segments.

However, Hunt and Morgan (1996) argue that competition is the tipping point of companies, stressing its importance in shaping strategy. Thus, to obtain the desired financial performance happens through resource advantage over the competition.

Barney (1991) identified a set of characteristics that identifies four strategic resources that are sources of competitive advantage, called resources. According to the author, the appeal to be a source of competitive advantage, must (1) be of value to exploit opportunities or neutralize threats in the environment, (2) is rare, it is not available for actual or future competitors, (3) be inimitable and (4) be irreplaceable.

However, this author comments on the ambiguity that only one resource can sustain competitive advantage (Barney, 1986). He refers to the difficulty of identifying and separating the real source of advantage, because it can be related to the discontinuity and uncertainty in the process of seeking advantage so that it can’t be identified by a competitor.

Owning a real competitive advantage does not guarantee the company that she can keep it for an indefinite period. Thus, Mintzberg (2006) states that will identify whether the benefit is based on resources or activities. Returning the focus of Barney (1991), Mintzberg (2006) cites the advantage based on resources should be inimitable and very expensive for imitation, should not show the causes of its excellent performance and should be based on the company's corporate culture also difficult to imitate. Moreover, the advantage based on activities directed to the methodology developed by the company different activities. In Mintzberg's view, the ideal method is a complementarity between the two.

2.2 Competences essential

Prahalad (1998), core competencies are the collective learning in the organization, especially with respect to coordinate diverse production skills and integrate multiple streams of technologies, and communication, involved in a deep commitment to working across organizational boundaries involving many levels of people and all functions. According to Prahalad (1998), also involves creating products that customers need, but not yet imagined, moreover, it is important to distinguish between core competencies, core products and also the final products.

According to Prahalad (1998), a core competence provides potential access to a wide variety of markets. It should be a significant contribution to perceived customer benefits of the final product must also be difficult for competitors to imitate. A dominant position in core products allows the company to shape the evolution of applications and end-product markets, and core competencies are formed through a process of continuous improvement and implementation which may involve a decade or more. A company that failed to invest in training of core competency will find it very difficult to enter a market that is emerging (Prahalad, 1998).

Citing Prahalad (1998), core competencies do not diminish with use. Unlike physical resources, which deteriorate with time, skills develop as they are applied and shared. But still need to be nurtured and protected, because knowledge fades if not used. They are the engine for new business development.

The battle to form competencies is invisible to people who are not deliberately looking for them. The competitiveness derives from an ability to form, at lower costs and more quickly than competitors, core competencies that provide products that can't be anticipated (Prahalad, 1998). The real sources of advantage are to be found in the ability to consolidate technologies in the corporate and production skills into competencies that enable individual businesses to adapt quickly to changing opportunities.

The skills are not strictly related to technology. They may be located in any administrative function. To develop basic skills in the long term, the company needs a systematic process of organizational learning and innovation (Fleury, 2003).

Woodward (1965) believes that every company has different proportions, skills related to three different functions: operations (production and logistics), product development and marketing (sales and marketing). Depending on the type of product / market, a function will be more extensive and have more power than other, in that play a general role in coordinating between the functions. The skills obtained during this critical function are the core competence of the company.

Identify the core competencies is a laborious task and highly creative. In addition to talking with customers, we must devote a reasonable amount of time talking with employees at all levels and types. It is felt that developing core competencies is very important and that the scenario requires that marketing momentum by firms (Gramigna, 2002).

For Porter (1996), the jurisdiction must be worked in both the indoor and in relation to the external environment. It is from this setting that industries and services reach an excellent level of skills.

Learn to relate the skills developed in-house production with the requirements of competitiveness demanded by the market is key to the survival of the organization in the market (Corbett; Wassenhove, 1993). In undertaking the study, the powers of production have a dynamic character and not just unique. The priorities can be changed according to customer's need. Various skills can be developed simultaneously without conflict of objective occurs.

Betz (1993) notes the importance of identifying core competencies when preparing the strategic planning and research programs, to ensure the development of these skills in the long term.

2.3 The brand strategy in support

The strategic effort of a company in an industry affected by the five forces can set the playing field of a given product by brand strategy. The choice of this strategy aims to set the market where it intends to act in order to obtain the best performance of sales.

According to Kotler (2000), a company has five strategic choices to deal with your brand to the market and competitors. Through the observation of competitive forces, the company already has existing brand can choose between (1) launching line extensions, (2) to launch brand extensions, (3) create multi, (4) creating new brands or (5) create marks combined.

The line extensions are new releases of additional items in the same category of products under one brand name and make up the majority of releases in the market. However, Ries and Trout (2003) warned, in this case for what they called "line-extension trap" where the brand may lose their identity due to the large variety of products under the same name confusing the consumer. The brand extensions are releases from the same brand, but in different product categories. An exception is made by Broniarcyzk and Alba (1994) indicate that the best result of this strategy is that both products sell well without the sale of one will not influence the reduction of sales of the other.

The multi brand strategy is characterized by the launch of additional brands in the same category of products and aims to (1) specific features to differentiate the brands, (2) more shelf space from the retailer, (3) or maintain brand new selling point for companies competitors. According to Taylor (1986), the ideal situation would be if the company's products did cannibalism with the competitors' brands rather than their own. And even with cannibalism, brands must generate profit.

The strategy of launching new brands happens when (1) is not appropriate to launch a new product category with the same brand, since it already has an identity oriented consumer segment to another, (2) or when it intends to launch new product category. Whether in any case, launching a new brand on a national scale requires large sums of investment.

The combined brand strategy is set to launch two brands known in one offering. The strategy may take the form of (a) combination of ingredients, ie, two marks together constitute a product, or (2) a combination of marks of the same company or (3) the combination of multiple ring where several companies sponsors come together to create, produce or sell a single product (Ruth;Simonin, 1998).

Brand strategy within an industry must comply with the other brands on the market and consumer behavior for the correct formulation. Watch the scene in the form of marks system belonging to a particular industry helps to create a strategy to position a new brand (Aaker, 2007a). According to author, the marks do not exist in isolation but in relationship with other brands of the system. Its role is to assist the other brands to avoid confusion or inconsistent use of identity.

The process of launching a brand needs to align business strategies. Understanding the business model helps to identify the business strategy and brand strategy. Aaker (2007b) suggests that the brand strategy needs to identify three elements of business strategy: the first is characterized as the scope of product-market which is where the competition occurs. That is, what should be the product that will be offered and what the market will be played. The second element is the value proposition offered to consumers, identifying the reason of sale or point differential. And third are the strategic assets that are used to provide a sustainable competitive advantage. Here may be included assets such as the R & D, the location of a distribution center or a brand.

3 METHOD SEARCH

The survey used for the preparation of this study is qualitative exploratory nature due to the fact of making a preliminary survey and researching the topic in question in this context. Thus, the case study addressed the strategic decisions of a large company in the metallurgical sector gaucho.

According to Minayo (1996), qualitative research encompasses the world of meanings of actions and human relations, a task that would not be possible by the use of statistical formulas and equations. According to Gil (1995), the goal of a research project is to enable greater familiarity with the problem, making it more explicit, and, in most cases, this research involves a literature review, interviews with people who have had practical experience with the subject studied and analysis of examples that promote understanding. Added to this, according to Hart and Bervian (2002), the literature seeks to explain a problem from the published references in documents.

According to Gil (1995), the case study is used because of its relative ease and simplicity for data collection, besides having a good applicability in situations where the object of study is known. Moreover, the case study is appropriately used when the researcher has little or no control over events (Yin, 1994).

This study was conducted as a single case, with the participation as an object of study a metal-mechanic company in the segment of the state of Rio Grande do Sulthrough this case was sought information related to their development process through strategic interview with the CEO the company and for which we designed a structured questionnaire with fifteen questions, being eleven open and four closed.

3.1 Problem of search

The company Alfa SA, in the late 90s, was faced with the entry of foreign competitors, offering a product that previously did not offer the same. This situation forced the company to develop a product to compete with imported ones. However, to produce this new product, it became necessary to change, since it was a counterpoint to the existing competencies of the organization.

3.2 Company history

The company Alfa SA, a fictitious name used, has an outstanding position in metal-mechanic and is inserted in the Brazilian state of Rio Grande do Sul, working with products related to transportation. Throughout these years has been trying to improve our products and processes to meet the unique needs of each client, thus, a great competitive advantage, because a lot of options is available to the market. Furthermore, the customization of products is giving it market leadership in its sector, with its traditional customers are concentrated in large groups that operate in specific segments and that are also over 95% of cases, as legal entities.

Another factor that should be emphasized is that the company Alfa SA uses a production system only for orders, also known as make to order, not producing to stock. This can also be considered as a characteristic of the organization, and the lead time of closure of the application medium, producing and delivering is ninety days. Added to this, the company Alfa SA has a portfolio that includes more than 250 products primarily produced upon request.

The very definition of the mission shows that the company has a business model geared to the creation and innovation of products offered, trying to adapt them to the needs of consumers.

The company has a hierarchical structure to support directed and which is structured in a macro approach, comprising the departments of human resources, engineering, manufacturing, supply and logistics, quality, administrative, financial and commercial.

3.3 Traditional business model

The company Alfa SA has since the 70's a commercial system that uses the figure of the sales representative. Altogether there are 15 representatives located in major capitals and major cities. This network of representatives is responsible for marketing all 250 products in the portfolio of the company, as well as the provision of after-sales services and spare parts. These representatives act in order to receive a percentage of sales made in the form of commission. Sales are sporadic, where in many cases, are the clients who own contact, often due to the difficulty in meeting the representative of the whole region adequately. Each year is drawn up prior commercial sales, based on market expectations and which stipulates how much each representative will likely be marketed in the year. However, there are minimum dimensions sales to be met by them.Although 40% of customers are located in large cities and capitals, the other 60% by geographical issues end up having their care difficult, resulting in a relationship not too close.

3.4 Historical context

In the mid-90s, after the opening of the Brazilian economy and consequently borders, the company Alfa SA began to suffer threats from competitors, especially from Asia, who were offering the market a product that until now, was not produced by any Brazilian company: calls vans, it is compact and economical products. This imported product began to compete directly with similar manufactured by the company he did not have to compete effectively, because they do not have the same characteristics of the Orientals. This threat of competitors, offering a product that the company did not offer, won in six months 20% of the domestic market, as well as all the imported product was being purchased by new customers, small businesses or individuals, it was offered on a large scale and prompt delivery.

This situation left the company Alfa SA in an uncomfortable position, so its board has determined should be developed a product that would compete with imports.

We tried to then develop a product that constituted a kind of barrier against imports, a weapon that current customers of the company could defend themselves. The released product, the minibus was designed within the philosophy of prompt delivery and to compete with the imported vans. For that amount of options was limited and the system of production to stock or make to stock has been deployed.At first, this new product using the same structure in the company, the engineering, manufacturing, logistics and trade. Sales representatives were responsible for marketing. Initially, the output summed up to about 20 units per month. Currently, the production of minibuses is more than 600 units monthly.

Over time, the company was realizing that the product was not only adapting to their traditional customers, but also a new market with new customers and new opportunities. The product was becoming an important model of care where it was not just a sale of goods, but a complete project.

According to the interviewee, executive director of the organization, it was consolidated into a great success, where the company not only recovered the lost market to competition, but also had won the leadership in this new market segment that arose.

However, this new product became, to some extent, compete with already established online company, which was constituted a dangerous situation for the organization. So in this particular scenario microenvironment often unfavorable in terms of economics and law, management realized that to further consolidate its growth, it was necessary to leave for other market segments. Figure 1 showsthemaindifferencesbetweentheproducts.

Characteristic	Products convencionais	Mini bus
Production System	Onlyonrequest	Producefor stocks
Delivery time	Between 90 and 120 days	Promptdelivery
Variability	Customized for theclient	Standardization
Business model	Traditional - genericrepresentatives	Network focused exclusively on product
Customer profile	95% corporate	60% individual

Figure 1.Comparison Products

Source: search

3.5 Dismemberment of the functional structure of the company

Given the differences in business, the company Alfa SA held, three years after the release of his minibus, that the structure no longer contained the two models simultaneously, so the decision was taken totally separate structures, including production, engineering, trade, logistics and quality. With this, the company could continue to follow the model which has always been accustomed to order production for large companies without harming the new model to keep in stock products for immediate delivery to smaller customers. A new structure, independent, was then created, and a new logo, that occurred a complete untying of the old company. The end result was still bound to the group.

After this break-up and to seek a competitive advantage for this new business by identifying the array of strengths and weaknesses, opportunities and threats, were established objectives and strategies for growth, and target your area of operation, consolidating its market leadership , as shown in Figure 2.

POTENTIAL	WEAKNESSES
Brand strength	Business modelwithoutinitiative
High level of customer service	Risk of competing with existing products
Market leadership	Default of some segments
OPPORTUNITIES	**THREATS**
Existenceofunservedsegments	Competitorswithstrongbrands

Figure 2. Matrix threats, weaknesses, opportunities and potential of the company

Source: Company

After analyzing a scenario that had the potential, from the design of effective strategies to be utilized in order to strengthen the weaknesses of the company so as to obtain the consolidation of market leadership, we determined the following objectives:

a) increase market share by 30% within 2 years;

b) be responsible for the growth in global sales of 20% in this period.

As these were ambitious goals and difficult to obtain, has designed a set of strategies to enable them.

4 ANALYSIS OF RESULTS

4.1 Strategies for the deployment of mini buses

4.1.1 Being a company increasingly market-oriented: guidance for identifying opportunities to be able to enter new market segments, niches reorganization of priorities, training and enhancement of sales network continuously and the development of products that meet the specific needs of each niche;

4.1.2 Market segmentation and deconcentration of the portfolio: seeking to diversify its portfolio, seeking to act on other niche and other markets. Also, when starting new markets, the company has the opportunity to use a strategy that allows the selection and pursuit of attractiveness, where you can define your potential markets and their portfolio of targeted customers, levels of attractiveness over which should act by means of marketing tools. The markets were divided as follows:

4.1.3 Strategic customers: comprising the largest group of customers and effecting the largest annual purchases and for smaller companies where the owners have sectorial representation. For these clients, should be worked on tools such as targeted visits and bonuses to purchase;

4.1.4 Shielding customers: it is a group that has a great brand loyalty, as evidenced by repeat purchases. This group should be preserved competition, because it generates a constant periodic revenue through new purchasing cycle. For these customers, the company tries to work the buying cycle;

4.1.5 Customers of commodity: customers are usually not translated into high profitability and turnover, but its importance lies in the potential activation of other businesses. In this case, the strategy is to work with prescribed maintenance actions aimed at representing higher volume and future potential for the brand;

4.1.6 Customers of competitors: are the customers that the company still doesn't answer, but that may be part of the portfolio;

4.1.7 Working with the model and the philosophy of retailing: this way, the brand can act with a positioning strategy similar to the retail; working attributes assortment, variety and availability of products "on the shelf" ready for delivery;

4.1.8 Establish an exclusive network and quality processes and sales teams: through an effective distribution network, sales could be strengthened with a much higher speed, allowing customers to purchase their products in an almost immediate, whereas with competitors is waiting for weeks. This network focused entirely on the product delivers lower costs, and work with monthly sales quotas, proportional to the potential consumer of each region;

4.1.9 Create and strengthen an independent brand: after the breakup of the corporate structure of the company Alfa SA, was essential to create a new logo to enhance the product, making it independent.

4.2 Business model for new product

To meet certain strategies, it was necessary to strengthen the network of sales because the company believes that a set of strategies has little use on the front line people responsible for the activities of seeking and maintaining customers are not adequately prepared and trained, with goals aligned with business needs. Therefore, the whole set of strategies should be consolidated through a strategy of final qualifying representatives. To this end, it is necessary that:

a) the representative to be turned into protagonists and not just an intermediary between the company and customers;

b) representatives have access to an appropriate set of technology and information;

c) the company acting jointly with the representative so that the same plan their strategies for the markets where it operates;

d) incentive mechanisms and measurement of stock returns of training to be deployed.

The current network of representatives for the Brazilian market currently has 65 sales offices located in various cities. Acting on a decentralized basis, the company has expanded its ability to serve customers located in the interior, enhancing the building of relationships and partnerships. According to director interviewed, the company has plans to raise the one hundred the number of representations by the end of 2012.

Added to this, the 65 representatives are focused on selling only the product in question. This unique sales network is regarded as a great advantage, because according to the same manager, the company gets bigger presence and coverage in virtually every country, in order to meet market demand and provide quality and flexibility that each customer demands.

Remember that the location of sales offices is defined taking into account studies on market behavior and growth projection for next year. Also, this spraying search prioritize proximity to customers, with the establishment of shops within easy reach. All representations have products for prompt delivery, plus the full line of replacement part.

To promote the improvement of the network, was established a training program called the Academy of Commercial Sales and providing the following training: ethics in sales, the company's situation, economic situation, communication, internal procedures, technical sales and marketing strategic plans.

4.3 Manufacturing strategy for the minibus

The company Alfa SA, for over 50 years, is opting for the production system to order or make to order. It is a strategy that seeks to meet the specific and differing requirements of each client. Because of this, the tendency is a repetition rate which tends to project zero. To get an idea, according to the engineering department of the company studied, in 2011, 95% of the projects that have made customizations demanded completely different and unique. Each project, depending on the degree of customization requires a design time, ranging from three to twenty weeks of engineering.

In relation to the production system to order, successfully adopted by the company, the respondent added that this is a great skill developed and which distinguishes it from competitors, and eliminate losses caused by excess inventory and obsolescence costs. According to the executive, the traditional customer profile, usually with large corporate purchasing power, allows the company to act this way because when you buy your product, is also implicitly accepting a delivery a little bigger, but it is perfectly justified by the customization required.

However, for the minibus, whose customer profile is different, immediate delivery is a key factor, as the capital of these consumers has limitations, and due to this factor, the return on investment needs to be immediate. As a result, the production of this new product in specific lines of assembly occurs in nearly level grades. Moreover, the reduction in the amount of optional contributes to the flexibility provided in the manufacturing process, which also allows maintaining a controlled supply of products, something not possible with their other products.Thus, representatives, according to their sales quotas, absorb this production.

4.4 Introduction of the new brand

According to the interviewee, the company believes that the brand has vital importance for business success. To this end, it is necessary that the same forward speed and the market confidence. Based on that, after detachment of the business structure of the company Alfa SA, designed a new brand that would represent this new product. This new brand was developed by a market research and sought to translate the expectations of consumers regarding the product.

Added to this, the company used tools for branding and communication through the development of specific materials for their representatives and customers. A magazine with a focus aimed at consumers and other categories related to business is released every four months, covering stories about the products, infrastructure, environment, behavior and different subjects.

Between 2006 and 2008, these instruments of disclosure, following established strategies for the period, emphasized the care with the design, targeting and distribution of the product in the market, through the implementation of a slogan. The main objective was to emphasize the importance of the product and its ability to meet consumer needs. It is noteworthy that a new slogan is launched to the market annually.

The results show that during the last decade, the brand has reached a stage of brand awareness that goes beyond business to business category of the most remembered brand and reaches the level of brands that give name to a category. According to the respondent, in the Brazilian market in all segments in which the products are marketed, the growing desire for the brand is a very important factor observed during this period.

4.5 Consolidation of objectives

As shown, for the period between 2006 and 2008, aiming to consolidate its market leadership were established ambitious goals. Through the improvement of internal factors, it was possible to increase revenue at levels above the average seen in the markets, increase its participation in competitive markets and contribute to high growth in sales of a company established as a company Alfa SA With a set of strategies designed with great care, all goals were surpassed.

Revenue from the minibus was up 93% between 2006 and 2008, as shown in figure 3, where in 2008, revenues from the product surpassed the $ 500 million.

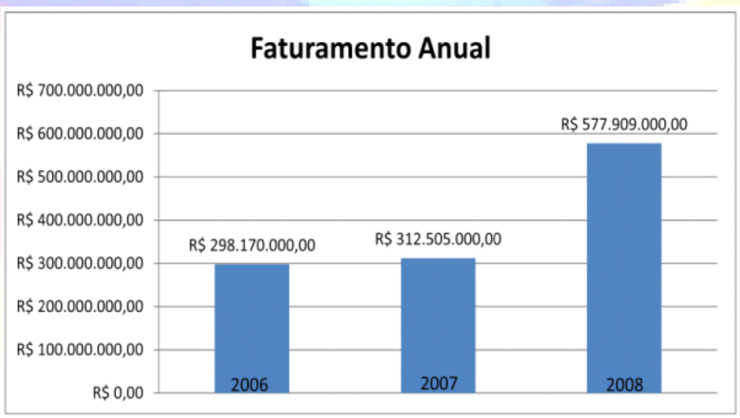

Figure 3: Product sales mini bus between 2006 and 2008

Source: Company

Regarding market share, the minibus got 30% increase over the analysis period, being responsible for more than 57% of the entire market. Figure 4 shows thisstatement.

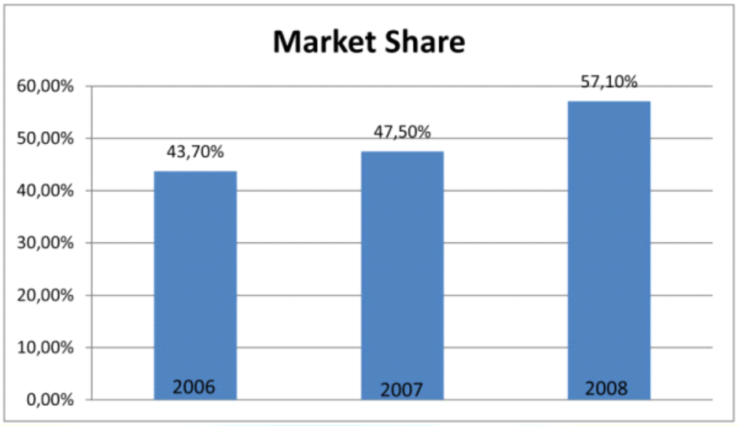

Figure 4: market share of mini buses between 2006 and 2008

Source: Company

5 FINAL CONSIDERATIONS

Each industry sector has a force structure with its own characteristics. From the analysis of the competitive forces of the configuration suggested by Porter is that the strategy is formulated. In the case of the company studied in this article, realize that they were two main driving forces in this market. Firstly, the new Asian entrants, entry occurred from the 90s, the economic movement called "opening of the Brazilian economy," taking advantage of the reduction of barriers to entry that the Brazilian government gave foreign investors to the domestic market. This attack brought back to the investor who has gained market easily as described in the case of the article, obtaining 20% of the domestic market in just six months. And second, the replacement product, manufactured in Asia to enter the country, which had no particular features competitor affected the market of similar products as manufactured by the company studied.

It should be noted, also according to Porter (1998) that changing the rules of the market led to a fundamental change in condition for the emergence of this new market in the country. The strategic decision made by the company to create a new product while maintaining its core competence is a result of these market changes. In the matter involving the replacement product, at first, there was a scramble for position on the part of the foreign product and that, in contrast, had a quick response from the manufacturer. Reacting to a changing market, the company sought to influence the balance of forces (Porter, 1998) with intent to change the framework of the market in their favor.

As Thompson (2001) and Porter (1998), one of the barriers to entry is access to distribution channels that the manufacturer, depending on the products already produced before this case, provided the new brand is in physical structure is in power. His 15 representatives spread across all regions of the country offer a spread abroad that the need to deploy their own resources or with allies. The marketing of this case scenario was designed considering (1) suppliers and customers in poor conditions of bargaining, (2) lack of substitutes, (3) relatively high entry barriers and (4) moderate rivalry among competitors that are ideal conditions for Competition indicated by Thompson (2001). Of these, one realizes that the conditions 1, 2 and 4 are realized and only the four conditions was not found in the market at the time of this case. That is, the company found very favorable marketing conditions for investment.

The analysis of the growth vectors of Ansoff (1977) allows you to view the company's activities in two main quadrants: a new product into a new market and an existing market. The company's performance in creating new product is the glimpse of a new opportunity in a market where the company already had core competence. The search market occurred on two fronts: (1) in the same market of a competitor, trying to capture customers and (2) and focused on new markets segments and sub segments (as seen in strategy 1.3 and 1.4).

In the case of the four characteristics of Barney (1991), we find that the source of competitive advantage used in business strategy discussed in the case is correlated with the characteristics presented. The exploitation of the opportunity on arrival of new competitors exploiting a field with virtually no competition coincides with the first characteristic. The use of the company's core competence in the manufacture of the product already manufactured with the technical assistance network and service spread throughout the country exemplify the other three characteristics because they are rare, to have advance experience in manufacturing, because they are inimitable (at least temporarily) because of the use of the network already deployed in the resale of the product before, and to be irreplaceable, since the advantage that this experience brings to the company in the form of profitability makes the difference a set of unique features.

In the analysis of Mintzberg (2003), the company's strategy is based on resources and activities. The resources are based on a physical structure of representation and technical assistance across the country and the different activities are those that the company has brought with it and still uses the previous product, which directed this distinctive competence to manufacture this new product.

As they Prahalad (1998) and Fleury (2003), core competencies are collective learning with reference to the organization and coordination of production skills. This is seen through the expertise and manufacturing excellence developed by the company and recognized by the market.

It is worth mentioning the fact that, without distorting their core competencies built over the years, especially the manufacturing system and through the total separation of business models, the company managed to create a compelling functionality to a product that customers do not yet know . Furthermore, as Skinner (1969), manufacturing can be a strong feature competitive since properly designed and operated, which reinforces the importance of the decision to divide the products according to their production.

Regarding the issue involving the decision to launch a new brand, the words of Collins (2001) can accurately summarize the central idea of the company's strategy. According to the author, "is not a goal to be the best, not be the best strategy, or an intention to be the best, and even a plan to be the best. It is an understanding of what may be the best. "The display frame of the five competitive forces also affects the analysis of brand strategy.

The strategy, launched a new brand - a brand of strategies defined by Kotler (2000) - is a result of this analysis. Thus, having identified an opportunity missed in a nascent and growing market provides a reason to launch a brand. The decision to differentiate the brand new the existing brand was taken due to not confuse the consumer with the new proposal. Even with the perception of a high investment in a brand new, the strategy proved to be correct.

In view of Aaker (2007b) on the three elements for brand strategy, we note that, by identifying the framework of the five competitive forces of Porter (1998), the scope of product-market is working successfully. The competition for the new brand took place in a different market than the previous product, focusing now on the individual consumer rather than corporate. The value proposition, the second element of brand strategy, was directed to special differentials such as prompt delivery, standardization and exclusive sales network. And the strategic assets used, originated from the company's core competence, may be found in the production system back to stock.

REFERENCES

A. C. C. Fleury. M. T. L. Fleury. Gestão e produção. Vol. 10, No. 2, Ago, 2003.

A. Gil. Métodos e Técnicas de Pesquisa Social. São Paulo: Atlas, 1995.

A. L. CERVO and P. A. Bervian. Metodologia científica. 5. ed. São Paulo: Pearson Prentice Hall, 2002.

A. Thompson and A. Strickland. Strategic management, 12 ed. New York: McGraw-Hill, 2001.

A. Ries and J. Trout. Posicionamento: a batalha pela sua mente. São Paulo: Pioneira Thomson Learning, 2003.

B. L. Simonin and J. A. Ruth. Is a company known by the company it keeps? Assessing the spillover effects of brand alliances on consumer brand attitudes. Journal of Marketing Research, February, 1998.

B. Chakravarthy. Adaptation: a promising metaphor for strategic management. Academy of Management Review, No. 7, 1982.

B. A. Lukas and O. C. Ferrel. The effect of Market orientation on product innovation.Journal of the Academy of Marketing Science, Vol. 28, No. 2, 2000.

C. Corbett and L. V. Wassenhove. Trade offs? What trade offs: competence and competitiveness in manufacturing.Strategy California Management Review, p 107-122, 1993.

C. K. Prahalad and G. A. Hamel.A competência essencial da corporação. In: C. A. Montgomeryand M. E. PORTER. Estratégia: a busca da vantagem competitiva. Rio de Janeiro: Campus, 1998, p. 293-316.

D. A.Aaker. Construindo marcas fortes. Porto Alegre: Bookman, 2007a.

D. AAaker. Estratégia de portfólio de marcas. Porto Alegre: Bookman, 2007b.

F. Betz. Strategic Technology Management, 2º ed. New York: McGraw-Hill, 2004.

H. I. Ansoff. Estratégia empresarial. São Paulo: McGraw-Hill, 1977.

H. Gatignon and J. M. Xuereb.Strategic orientation of the firm and new product performance.Journal of Marketing Research, Vol. 34, No 1, 1997.

H. Itami. Mobilizing invisible assets.Cambridge: Harvard University Press, 1987.

H. Mintzberg and J. Lampel and J. B. Quinn and S. Ghoshal. O processo da estratégia: conceitos, contextos e casos selecionados. 4 ed. Porto Alegre: Bookman, 2006.

J. Barney. Firm resources and competitive advantage.Journal of Marketing, Vol. 17, 1991.

J. Barney. Organizational culture: can it be a source of sustained competitive advantage? Academy of Management Review, Vol. 11, No. 3, 1986.

J. Collins. Good to great. Why some companies make the leap and others don´t. 2001.

J. Woodward. Industrial organization: theory and practice. London: Travistock Publications, 1965.

M. L. Espallardo and E. D. Ballester.Product innovation in small manufacturers, market orientation and the industry´s five competitive forces.European Journal of Innovation Management, Vol. 12, No. 4, 2009.

M. S. Freel. Perceived environmental uncertainty and innovation in small firms.SmallBussinessEconomics, Vol. 25, No. 1, 2005.

M. R. Gramigna. Modelo de Competências e gestão de talentos. São Paulo: Makron Books, 2002.

M. C. S. Minayo. O desafio do conhecimento: pesquisa qualitativa em saúde. São Paulo, Hucitec, 1996.

M. E. Porter. Como as forças competitivas moldam a estratégia. In: Montgomery, C. A. e , M.

M. E. Porter. Estratégia: a busca da vantagem competitiva. Rio de Janeiro: Campus, 1998.

M. E. Porter. Vantagem competitiva: criando e sustentando um desempenho superior. Rio de Janeiro: Campus, 1996.

M. B. Taylor. Cannibalism in multibrandfirms. Journal of Business Strategy.Spring, 1986.

P. Kotler. Administração de marketing: a edição do novo milênio. São Paulo: Prentice Hall, 2000.

R. Yin. Case study research: design and methods. Thousand Oaks: Sage Publications, 1994.

S. D. Hunt and R. M. Morgan.The resource-advantage theory of competition: dynamics, path dependences and evolutionary dimensions. Journal of Marketing, Vol. 60, No. 3, p. 107-114, nov. 1996.

S. M. Broniarcyzkalba and J. W. Alba.The importance of the brand in brand extension. Journal of Marketing Research, may, 1994.

W. Skinner. Manufacturig – missing link in corporate strategy. Harvard Business Review, may-june, 1969.