

HOW TO SURVIVE & THRIVE IN COMPETITION ?

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Auto Tyre Concepts

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- Quality
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Competition



Competition

Situation	Demand	Supply
1	I.I.T IS NEED X NOS STUDENTS PER YEAR	100 X NOS OF ELEGIBLE STUDENTS APPEAR FOR COMBINED ENTRANCE TEST
2	GOVERNMENT OF INDIA HAS A DEMAND FOR X NOS OF I.A.S OFFICERS EVERY YEAR	1000X NOS OF ELIGIBLE CANDIDATES APPEAR FOR THE PRELIMINARY EXAM
3	THE INDUSTRY NEEDS X NOS OF WORKERS WITH SKILL SET A	0.5 X NOS OF CANDIDATES WITH SKILLSET A ARE AVAILABLE
4	DELHI HOUSE HOLD NEEDS X TONS PER DAY OF ONIONS	DUE TO POOR CROP & TRANSPORTATION HIT BY FLOODS ONLY 0.2X TONS PER DAY IS ARRIVING IN DELHI

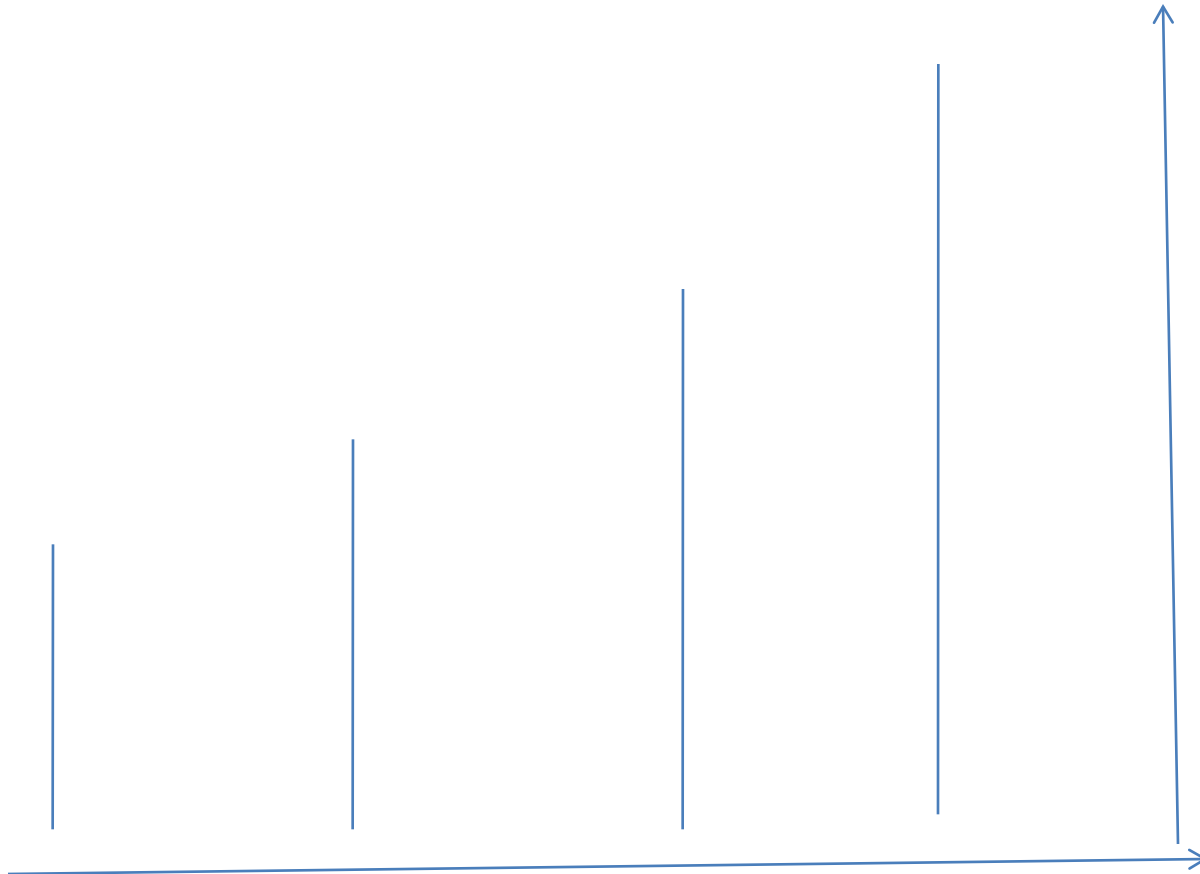
Competition

- Demand $>$ Supply – Sellers Market
 - Opportunity for New Entrants till balance in demand & supply
- Supply $>$ Demand – Competition Intensity
 - Proportional to Gap in supply & demand
 - Elimination of Weaker Players
 - Innovations for Customer Delight
- Demand = Supply State of Equilibrium

Consequences of Competition

- Situation where supply exceeds demand
- Balance in demand & supply by elimination of weaker suppliers
- Threat of existence to all Individuals & organization
- Opportunity for growth

Consequences of Competition



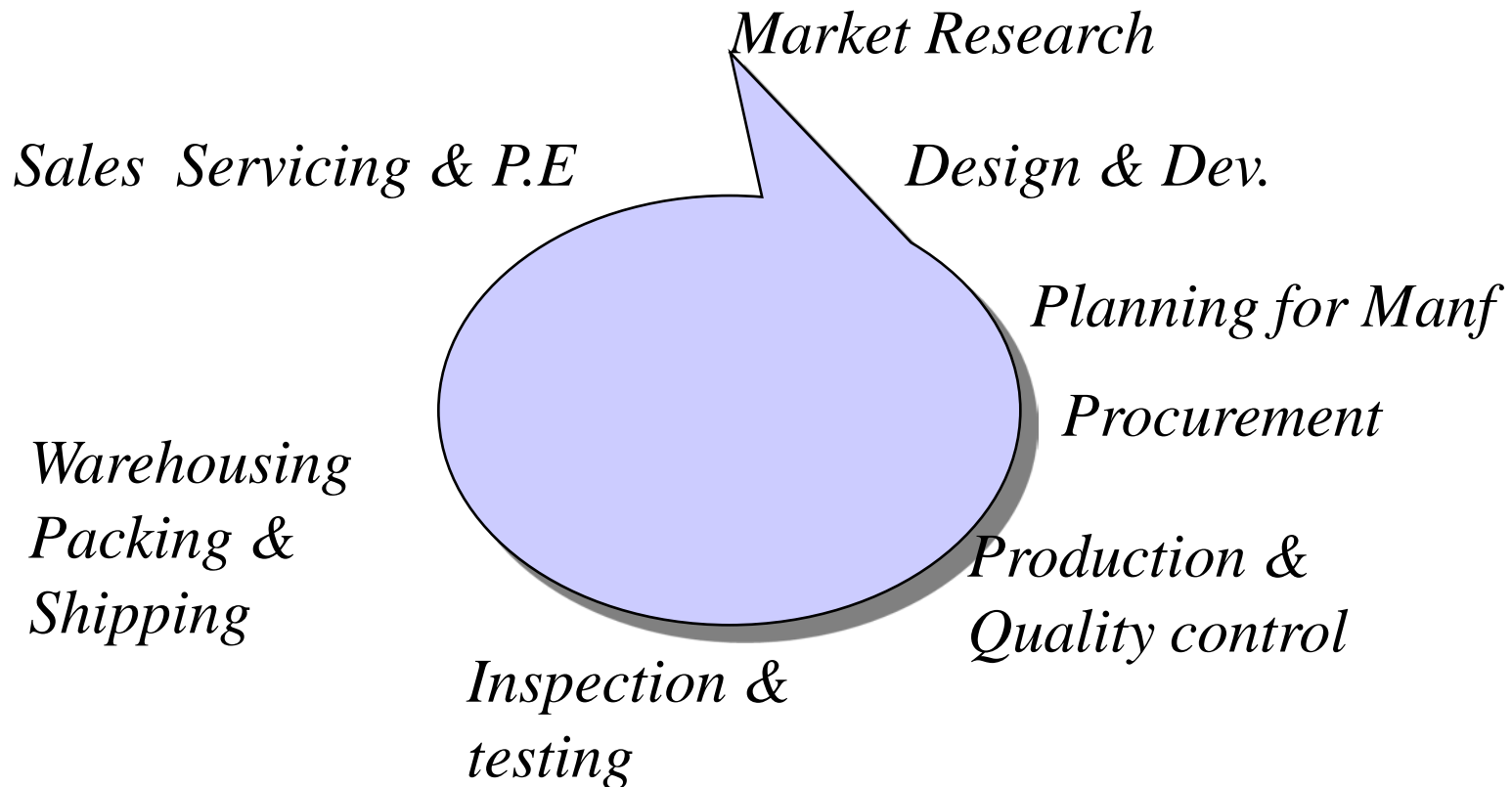
Survival Factor

- Any organization will continue to exist as long as there are customers for the Products and or Services offered by it at Prices higher or equal to the total cost
- Customers pays for products & services which offer best value for their money
- Customers derive value from the Quality of Product or Services
- Survival Factor \longrightarrow $QUALITY^*/ COST$
- * AS seen by the *customer*

Quality & Cost

- **Quality** : Totality of *characteristics & features* of the product & or services required to *fully satisfy stated as well as implied needs & wishes of the customer.* *Flying Object*
- **Cost** : All costs associated with, identifying customer requirements (defining Quality), designing ,developing ,manufacturing , testing, delivering, products & providing pre & post sales services to the customers

Universal Spiral of progress in Quality



Summary

- Competition – Supply > Demand
- Survival Factor – Quality* / Cost
- Quality – Customer Needs - A Flying object
- Keep Track of Customer Needs
- Follow Spiral of Progress in Quality
- Re engineers business processes to cut costs