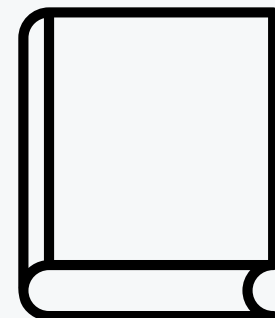


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**Praktiker**

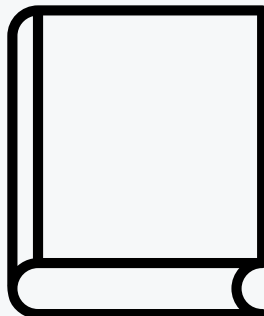
**Why did  
Praktiker  
fail?**



**Many are convinced:**  
**Their low-cost strategy had**  
**left margins too low!**



**This is wrong**



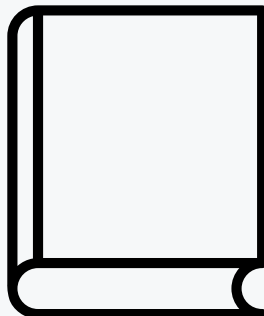
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**Praktiker**

**Test purchases have shown:**

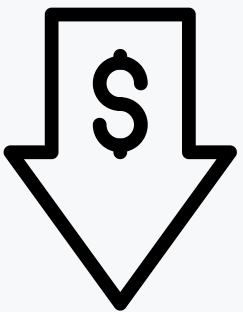
**Praktiker was not actually  
cheaper than other  
DIY chains**



Praktiker had very successfully **positioned** itself as "cheap/inexpensive"

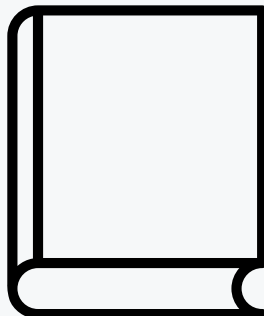


"20% on everything (except for pet food) is to this day a **legendary slogan** in German advertising



In customer surveys Praktiker was regularly identified as the most "**inexpensive**" provider

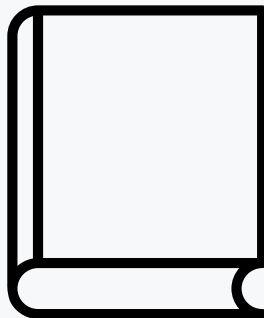
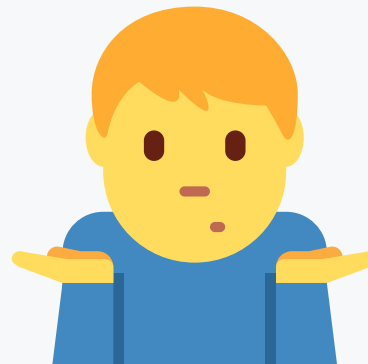
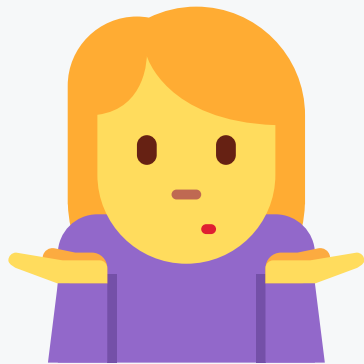
The chain had reached a **perceived unique position**



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Then why did Praktiker **fail**?

**"Cheap" is not a core need  
for customers of  
DIY stores**



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# DIY stores are for the most part a "High-Involvement" type of business

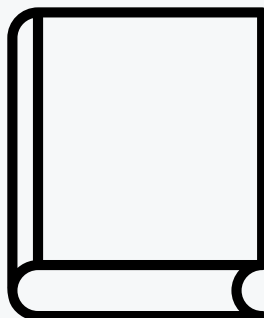


The **core need** is to have created something by yourself.



It is not the price that counts, but **quality, competence and emotion.**

The focus on "**cheaper**" did  
not meet those **needs.**

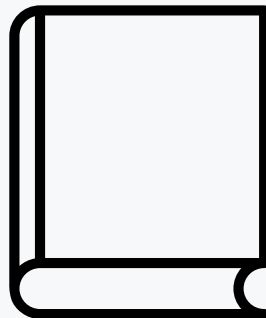


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**A consistent focus is not  
automatically successful ...**



**... if it does not serve the  
core customer needs!**



# More in the book

