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MIPUF.ES: MANAGING FOR GROWTH

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MIPUF.ES: MANAGING FOR GROWTH ¹

One morning in January 2016, Francisco (Paco) Mirasol was heading the weekly meeting to analyze sales progress at Mipuf.es. Mipuf was one of the leading companies in design, manufacture, and marketing of poufs², beanbags, and ottomans in Spain. Its sales were 70% online.

Although sales had grown significantly, Paco estimated that in recent months, the growth rate had slowed, and he was quite concerned. A few days earlier he had told a business associate:

"We just have to grow faster. We must double our sales between now and 2018. If we don't, we will be in an awkward middle position and we will hang by a thin thread."

While he saw multiple growth opportunities, he was not clear on which ones to pursue. He could identify medium and long-term advantages for each one. In the short-run, however, his main limitation was the scarcity of financial resources.

BACKGROUND

In 2005, Paco had met a pouf manufacturer from South America. In Spain, this product was known, although sales were not developed. At that time, the country was immersed in a construction boom leading to massive growth in furniture and home accessories. Paco had a background in sales and key account management both working for independent companies and self-employed in his own business initiatives.

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² A pouf is a soft seat, usually without a backrest. It is typically made of a soft filling material, upholstered with a stiff fabric that can be made of different materials, such as leather, cloth, plastic, etc. It is usually stuffed with polystyrene beads.