

Matsushita Electric Industrial Co. Ltd.

Panasonic Computer Co.

Though we are a major company in the field of electric home appliances, in the field of personal computers we are a weak company facing many difficulties. Fortunately, the patronage of so many customers has made the "Let's Note" a popular product. This success makes us value our users even more.

(Mr. Chicago, NiftyServe FPANAPC #8 Conference Room,
September 14, 1997)

1. The success of a notebook computer in which users participated in development

In the summer of 1996, one sub-notebook computer¹ created a stir in the market. This was the "Let's Note"² model sold by consumer electronics giant Matsushita Electric. This notebook computer was the company's first popular product in its PC business. Yet, two months after its release, the computer had disappeared from store shelves. Growing numbers of customers wondered if production had been suspended early, but a new model appeared in October. The new model solidified the product's position as the leader in the lightweight notebook computer market.

After repeated new model changes at a rate of roughly once every three months, the company gave the "Let's Note" its first full model change in June 1997. The new "Let's Note"³ was released. The people in charge of the product at Matsushita Electric stated, "The first generation "Let's Note" was a success because it incorporated the views of shop personnel. The new "Let's Note" has fully incorporated the views of the users."⁴

The boost provided by users was a major factor in the success of the "Let's Note". Matsushita Electric got immediate feedback on user dissatisfaction and requests, and these were reflected in measures to solve problems and next-term product development. The company always viewed with great interest the active

Masataka Morita prepared this case with assistance of Prof. Jiro Kokuryo of the Graduate School of Business Administration, Keio University as the basis for class discussion rather than to illustrate either effective or ineffective handling of an administrative situation. Copyright © 1997 by Keio Business School. English version was made in March 1999.

¹ Referred to as portable or lightweight notebook PCs

² The official model name is the AL-N1T512

³ The official model name is the AL-N2T515

⁴ FPANAPC (1997), "Let's Note Navigator", Softbank