

Summary canadian tire

Business



The social environment deals with the demography (baby boomer, ages 45 to 65) and the consumers trend and this is an opportunity to the industry. Economic environment deals with the influence of the economy on the industry "people wealth the ages 54-65 generally earned higher income, and has higher level of home ownership" Bargaining power of suppliers: in this case the power of supplier is low.

As it is common for retailers to change suppliers frequently if their product were not selling well" Bargaining power of buyers: the wholesale buyers in this industry i. e. as Wal-Mart, Canadian tire etc. have a lot of power in this industry because they buy in large quantity and has the power to influence price. The other small retail who are just two third have "limited shelf space which means they only carry a small selection of items and ordered in small volume".

This buyers have backward vertical integration as they have the ability to become suppliers ' many large retail chains also opened sourcing offices in Asian countries, bypassing intermediaries by buying directly from local manufacturer. Threat of new entrant: the barrier to entry of the furnishing industry market is low as manufacturer have moved their business to Asia which is a low base production therefore making the market easy to enter and retailers have direct access to the manufacturing companies.

Rivalry among competitors: rivalry is high due to the fact that competitors are not differentiated from one another as these forces firms to compete based on price rather than uniqueness of offerings, ' many new entrant coming in' ' five major competitor have a combined shares of percent of the

market' therefore making competition high for the competition. Threat of substitute product: based on the case, there's no concrete information as regard substitute product. Attractiveness of Industry: the industry is not attractive because the percentage shared "percent" is not much.

Also the five forces works to undermine the profit potential hence, the profit potential is not strong therefore making the industry unattractive. Resources Tangible Location: Toronto "there are so many luxury home in Toronto" Warehouse: keep inventories to sell Retail store Website Employee Interest free loan from shareholders Manufacturing facility Intangible business Vision and mission of the owner 'I want to be the best, most recognizable name in my category, I want to be innovative in new designs and to be price competitive Capabilities The firm produces and sell light furnishings.

Does the firm have dynamic capabilities? Yes they have dynamic capability. They are able to produce customized lamps for different people.

Competencies/ Firms competitive advantage (result of competencies)

Superior innovation: they have the ability to produce new designs and reduce short runs of customized lamp (page 4 paragraph), the window that allow people see the production process is considered as values to consumers.

Superior efficiency: "have the ability to identify and fix quality issues without having to wait the 6-weeks" Identify Resource Based View for west lake (BRIO) Valuable: yes (superior innovation/superior efficiency) Rare: yes (superior innovation/superior efficiency) Difficult to imitate: Yes it is difficult to imitate Organized to exploit: yes they are organized to use The resource

based view we can say from the BRIO that the strategic resources are sustainable STRATEGY The west lake industry has a business level strategy which is a differentiated strategy: West lake lamps and lighting are generally mid to premium price' ' generally retailing for between \$50-80 therefore they are not competing based on low cost. They are differentiated because they are unique in their offerings as they manufacture, sell on whole sale and retail and also on the internet so this is different.

Identify the firm organization culture Top to bottom What decision should Bowman take using the concept? Alexis; based on the RIB and BRIO bowman should maintain its sustainable advantage. Achaean: profit in short run and loose on the long run Risky: external environment and company analysis, based on current sale, control the game not the game control u and they will keep coming. Michael: mission and vision of the owner, loose hold on some market place. Dill: this Just offer for wholesale and will affect the wholesale, retail and internet Olla: Stick to the plan because of the reputation of the organization over the years and sustaining the business. In conclusion, Bowman should stick to the plan and not take the proposal.