

The current environment and operation



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The market is a major factor that determines the success of any business. As such, accessing the market for opportunities is a very important activity.

There are several untapped opportunities in the market that can be of great positive impact on relevant business organization. Besides, there are also various factors that limit organizations from realizing these opportunities.

Market audit is a structured review of the business marketing activities (Ross 1991). Through a market audit, the organization keeps track of its activities to realize if the set goals are being met. It also keeps track of how the internal and external factors affect the business. As such, the marketing department is put on alert, thus helping the company in risk preparedness.

Below is a market review of Safaricom Company.

Organizational Objective

Safaricom is a company in Kenya. It is a company that exists to offer mobile services to its customers (Ross 1991). Among the services offered include communication services, money transfer services and availing internet services to its customers. The company is one of the most successful mobile providers in the country. It has one of the best marketing programs that have seen it maintain its position in the value chain. Another factor that has advantaged the company is its centralized position. It is positioned in the country's capital that is fairly centralized. This has advantaged the company as it has an easy access to most parts of the country. It is easier to operate from the centralized position as compared to other places. The company has a marketing program that has achieved a lot in terms of expanding its business. The program emphasizes more on advertising the company. This is seen in its involvement in various activities in the society. It also runs a

number of commercial advertisements on local media houses (Stern & El-Ansary 1992). Its extensive involvement in activities in the society has won the company a good reputation that has transferred into a wide customer base.

Current environment and operation

It is very important to consider the working environment when determining the position of a business. This is one area that was put in consideration when determining the position of the Safaricom Company (Dan 2009). As stated earlier, the company is contrary positioned in the country's capital. This position assured the company an easy access to vital business aspects. Organization's marketing environment is made up of various aspects of business. These include; internal and external environment, the micro-environment and the macro-environment.

Internal environment

Internal environment comprises of various aspects such as employees, office technology, wages and finance SWOT. An analysis of the company's internal environment shows various marketing processes of the company. The company has a net staff of about 3, 000 employees with a higher concentration in the company's headquarters in the country's capital. Its employees are professional qualified personnel from the local learning institutions (Hamel 2000). This hiring of professional expertise has won the company a wide customer base due to the high quality of their out put (Dash & Andrew 2008). Customers have gained trust with the mobile network provider as their services are to standards due the influence of its high ranking staffs. The company is also under the leadership of a high ranking C.

E. O. who is of American origin with experience in managing and directing a firm. With the experience and adequate education, he has instilled a positive influence in the company. He has also seen the company through innovative programs that have further improved the position of the value chain.

Another aspect of internal environment is the employee wages. Wages are a factor that affects most business organizations. This is because of the modern living standards that have gone so high. Employees are sensitive on the wages they are given (Gioia & Sims 1983). Poor wages have seen most companies experience staff strikes. However, organizations cannot pay large sums of money to impress their employees. As such, the issue of wages becomes a sensitive part of any corporate. At Safaricom Company there are a few issues related with the staff wages. It has a human resource department that looks into the issue. The employees are paid in accordance to their qualifications and their rating at the company (Gioia & Sims 1983).

The company has office equipment. Compared to other similar organizations in the country, the company has the most modern equipments. Most of its office activities are computerized. The customer care department is the biggest beneficiary of this computer program. This has reflected in the good customer care services offered to its clients. The services are fast and efficient. The company also runs a money transfer program that uses the computer technology (Jack 2009). In other words, the company enjoys good reception due to its efficiency that is made possible through the use of modern technology such as use of computers.

The micro-environment

External customers, agents, distributors and suppliers make up the micro-environment of an organization. Competitors are also part of this environment. This is the environment that comprises of external factors. As stated earlier the company enjoys a wide customer base and because of this, external customers of the company have positive influence on the company. Most of new customers subscribing to the company services are influenced by the testimonies of the already existing customers (Dan 2009). Most of these old customers have testified for the quality services offered in the market. The good customer reception is also attributed to the diverse advertisement done through various local media houses (Gordijn 2002). The company gets involved in various activities in the society such as sponsoring recreational activities. It also sponsors students in various learning institutions and absorb them upon completion. These involvements in the society have helped build a good reputation for the company which has won the company customers' trust.

The company works with a number of suppliers and distributors who are hired locally while others are in partnership with the company. However, the company is selective when deciding whom to get into partnership with. As stated earlier, it enjoys a good reputation in the society and therefore it struggles to maintain the good image (Bent, Mette & Søren 2002). The company once entered into partnership with a controversial card printing firm that largely tarnished its image. This did great harm than good to the corporate, a condition that the management do not wish to repeat the same mess.

SWOT Analysis

Safaricom's SWOT analysis shows various internal and external factors affecting the company either positively or negatively. There are various strengths, weaknesses, opportunities, and threats experienced at the company. A comprehensive analysis presents these factors in two groups; internal and external factors.

Internal factors of the SWOT analysis include the strengths and weaknesses factors that are internal to the organization. The strengths of the company include factors such as good customer reception (Bent, Mette & Søren 2002). As stated earlier, the company enjoys a wide customer base. Some of the factors that have contributed to the good reception in the market include their good services and good customer care program. Customers feel recognized and appreciated as they are listened to whenever they have a problem. Similarly, the company is so innovative and always first with new attractive services. A good example of these innovative services that have had a great impact in the society is the money transfer services called M-Pesa (Neal 2008). This is apparently the most successful program offered by the company. With the service, people can register and send money to friends and family world wide at affordable prices upon a click of a button. Customers can also run accounts in which they store money and can access it through various agents all over the country. The service has changed the lives of many state citizens especially the low earning categories. Due to this impact, the company has won the trust the local people who want to be associated with the service making the company put more emphasis on the program to ensure that it is running through out.

Lack of adequate knowledge in use of some modern office equipment is some of the weaknesses the company experiences. Being a mobile operator, most of its activities are computerized. However, there have been cases of temporary suspension of some of its services. This has been attributed to lack of adequate computer technician at the company (Neal 2008). There have been frequent job advertisements for computer technicians at the company indicating that the company is in a shortage of these experts. Despite the success of the money transfer services, the program is the most hit with this problem of expert shortage. The program experiences frequent suspensions or delays. However, the problem can be controlled through organized workshops that will see employees acquire the technology know-how of operating the equipments.

On the other hand, external factors of SWOT analysis include opportunities and threats presented by the external environment (Shankleman 2009). There are various untapped opportunities in the market. For example, the company can get into partnership with local banks and come up with a program that enables customers to access their bank accounts through their phones. Similarly, they can link their bank and m-pesa accounts, that is, they can bank and withdraw money from their bank account through their phones.

The company has a number of threats. The most outstanding one is competition from similar companies in the country. Despite the good reception, the company rates are very high. This has scared away potential customers from subscribing to the company. Another factor affecting the company is that other similar companies in the country have come up with

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similar money transfer programs that have fairer rates as compared those of Safaricom. This poses the challenge of competition from these copy-cat companies.

PEST Analysis

A PEST analysis is another important part of the market audit. A PEST analysis of Safaricom Company shows how the company is affected by the political, environmental, social and technological (Ross 1991). The company is affected by a number of political factors. However, the country enjoys a good political stability with a few cases of instability rarely reported. The main political influence to the company is the government involvement through tax regulation. The company has high rates for its services.

However, some of the rates are regulated through the country's bureau of standards. In addition, the government maintains various positions on market ethics (Treanor 2008). However, the company seems to be less affected by this as it is among the most influential companies in the country.

There are a number of economic factors. Considering the state of a trading economy in the short and long-terms, the company enjoys good interest rates due to the good economy (Ross 1991). On the other hand, the company faces a few social-cultural factors. The dominant religion is Christian, a factor that advantages the company.

In conclusion, Safaricom is one of the most influential companies in Kenya. It is a company with a good managing team that knows how to tap the slightest opportunity in the market. However, there are a number of minor

factors both internal and external that have affected the company in one way or another. These factors can be controlled through various strategies.