

Target case study essay sample



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1. What microenvironmental factors have affected Target's performance over the past few years?

Microenvironmental factors that affected Target's performance over the past few years would include Company, suppliers, marketing intermediaries, competitors, and publics. Target is a discount retail store, but is known to carry designer wears. In terms of fashion, designer clothing is known for being expensive and more qualified than normal; however Target has made partnerships that have facilitated their costs. This at the same time allows prices to be flexible and low. Marketing intermediaries are another important factor in the Target's performance given to the fact that they are responsible for spreading the word of good service and quality to others. Competitors influence as well because of the pricing and product strategies that they may apply and that could eventually affect Target's sales. Wal-Mart as a competitor is the low cost store, which lures customers in and would get most of the attention, through the consumers assuming that they have a cheaper and better buys. Media publics is also a huge influence in Target's dynamic, media publics spreading this through news, features, and editorial opinions had a large affect to Target's performance.

2. What macroenvironmental factors have affected Target's performance during that period?

Macroenvironmental factors that affected Target's performance during that period would include economic, technological, and political. The economic environment has definitely affected the development of Target's revenue; this was explained in the 2008's crisis impact with a recession and inflation.

As Target was at a decline of 10 percent in sales and falling, the investors lost 85 percent of their investments in the company. Advancing in technology is a factor being successful in a business, so when it progresses and hits the market, customers would visit Target or their nearest retail store. The political factor was that there was a political instability, which in return affects the company and limited its sales during the recession.