

Chupa chups strategic management analysis essay sample

[Business](#), [Strategic Management](#)



1) Company background

Eric Bernat is the inventor of Chupa Chups. In 1956, Bernat proposed the commercialisation of his idea, the first sweet with a simple ball and a stick of wood and the success was immediate, in spite of the high price. In 1967 Bernat created the first foreign factory in France. Salvador Dalí, who in hardly one hour invented the famous yellow daisy to which the success of Chupa Chups is attributed, created the design of the logo. In the same year, The Company replaced the stick of wood by the one of plastic, more hygienic and safe. Bernat created another factory in France and began the international expansion of the company. Now, Chupa Chups is distributed successfully everywhere of the world. Every year, Chupa chups company sales anywhere in the world more than 4, 000 million units of chupa chups lollipop.

2) Recent problems

THE barrier to Growth

One barrier to growth in the confectionery market over the review period was a global decline in the 0-15 year-old population, which constitutes the main consumer base for a wide range of products, including bubble-gum, lollipops and chocolate with toys.

Keep the leadership

The company regulates employment and refinances debt to be able to adapt to the downfall of sales

In accordance with the actual patter of global downturn of consumption the Spanish candies' multinational Chupa Chups is now realising that its sales in the world are losing pace.

3) Situation audit

The Chupa Chups Group is one of the world's leading suppliers of confectionery products, with year-on-year sales increasing at a rate of more than 10 percent. The Chupa Chups Group owns factories in Spain, France, Russia, China and Mexico, with current projects in Brazil as well as commercial companies in Spain, Germany, the U. S., Brazil, Russia, England, Japan, South Korea, Canada and Australia. Chupa Chups specializes in diverse confectionery products which have been developed using their own technology and marketed under the brands: Chupa Chups, Smint and Crazy Planet. The Chupa Chups Group's international business is especially important, particularly because 92 percent of the company's revenue comes from outside of Spain.