

Hp: swot analysis

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This paper seeks to explain the details of a SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis of Hewlett-Packard Company. Widely recognized as HP, it is one of the largest computer manufacturing companies in the world. Hp is an information technology company and it is known mostly for its printers and personal computers.

SWOT Analysis, is a strategic planning tool used to evaluate the internal and external factors affecting the company in a bid to achieve its objectives (Turner 2002). In this case, strengths and weaknesses represent the internal environment for example policies, personnel, finance and so on. Opportunities and threats refer to the external factor or those factors that the company has no control over. For example socio-cultural factors and technological factors.

Strengths: HP commands a large market all over the world. Hp gets number one rating worldwide in personal computers and printers according to market research firms Gartner and IDC reported in January 2008.[1] Besides this, there is high customer loyalty amongst users of Hp which shows Hp's reputation in the market is quite good. Modernized technology is also a major strength for Hp. The company recently introduced a service-oriented architecture (SOA) which allows the company's products and consultants to work in both Java and .NET. This technology is unique to Hp compared to major computer companies like IBM and Microsoft.

Weaknesses: The pretexting scandal which was caused by a member of the board of the board leaking confidential details regarding HP's long-term strategy in January, 2006 caused a stir in the management. Another company could have used the strategy at the loss of Hp. Laying off workers

after the Compaq merger also took with it some of the skill the company had.

Opportunities: The level of technology in the world is going up by the day. In the electronic age, at least every home has a personal computer. As the population grows, the demand for computers grows. Another opportunity for Hp is liberalization of geographic markets. Third world countries are getting industrialized by the day. What this means is that since technology is one component of industrialization, liberalization spells out new markets for their products. There is also change in consumer tastes for example embracing digital technology.

Threats: One of the biggest threats to any company is competition. Hp faces competition from other major players in the technology field as well as new and upcoming companies. Major companies competing with Hp for market domination include Dell, IBM and Apple. Another challenge that has faced Hp is the circulation of counterfeits which have gone far in destroying customer loyalty. Recently Hp has noted increased number of refilled or remanufactured cartridges that are presented as original Hp but are sub-standard. As the world embraces technology there need for constant innovations in technology to maintain markets. Like every other industry, Hp faces the government policies challenges. Hp has to put up with new laws, tax changes among other government policies.

Primary activities of hp include manufacture and supply of computers and related accessories. These include laptops, pc's, printers, Ink, toner, paper, monitors, and scanners among others. Hp offers its services to small and medium businesses, homes, and government, healthandeducationfacilities.

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Among its support activities are Business support, consumer support, Hp instant support and driver and support alerts. Stakeholders can obtain help any time from the company's website and the Hp customer care centers at any given time.

Bibliography

Turner, S. Tools for Success: A Manager's Guide. London: McGraw-Hill, 2002

Gartner, <http://www.gartner.com/it/page.jsp>, 2008

Hp, <http://www.hp.com>

[1] <http://www.gartner.com>