

Market overview essay

[Business](#), [Industries](#)



Market overview Current businesses are forced to build economic and political connections that usually take the form of transfer of funds, goods, and people across state boundaries. This aspect of connection has also seen collective sharing of ideas and principles which have resulted to increase in the speed of change, vagueness, doubt, and unpredictability in business undertakings Nordstrom is found to be a major organization offering the best customer service it normally works as a store in the United States with a goal of selling of clothes, accessories, jewelry, handbags cosmetics and furnishings for homes. This organization has also responded well in terms of new technologies that come up as a result of globalization. The company has utilized the use of online marketing and also incorporated the use of new technologies in production and operations activities which have seen significant increase in productivity and thus attaining the company's goals. The company generally has responded to globalization by opening subsidiaries in many countries having its centers for distribution in Ontario, California, Portland, Oregon Maryland among others. Thus increasing its market share and hence profitability of the company. (Dow Jones 1994) Due to these changes in contemporary business, there is emergence of new opportunities and strengths that businesses have to take advantage of them in order to increase their productivity of their operations. However, there exist new threats and weaknesses to modern businesses which makes of the operations of these businesses more cumbersome and hence if not carefully taken care of may lead to reduction in productivity and hence a decline in revenues of businesses.

(Dow Jones 1994)Marketing In the Nordstrom CompanyMarket StructureThis is the nature of a particular market with reverence to rivalry within a particular industry. There are various types of market structures and include; perfect competition whereby there are many sellers who specialize in the production of homogenous goods and services, monopolistic competition which takes the form of big number of autonomous businesses with undersized percentage of the market share in the industry, oligopoly which involves many small businesses who are recorded to possess around 45% of the overall market share within a particular industry, oligopsony which involves numerous sellers and less number of buyers in a given market., monopoly which take the form of single seller of the goods, and monopsony which takes the feature of only a single buyer in whole market.

(Anthony 1998)The Nordstrom takes the form of perfect competition market this is because there are a number of companies who deal with the production and the selling of the same types of products the Nordstrom company deals with, Since this perfect competition translates too many sellers and many buyers in the market place, competition is stiff and sometimes businesses practices unfair competition in order to gain a larger market share in the market place. For example Nordstrom strives to increase of sales of the numerous products, thus for a business to succeed it must employ good competitive strategies that will foster growth and ultimately the success of the business. In perfect competition the market forces determines the prices of the products and services therefore private business engaged in the pharmaceutical prescribed drugs will have to come up with strategies that will conform to the this market structure. Under this the forces of supply

and demand takes the centre stage and prices are determined at equilibrium point. SWOT analysis is always emphasized in order to get rid of unnecessary shortcomings that involve business transactions.

Using the SWOT analysis technique, business environment examination is very crucial and can be divided in to two types of analysis; the external environment analysis and internal environment analysis. This management report critically examines the analysis of internal and external influences in contemporary business and with particular regard to Nordstrom Company. This will entail thorough analysis of the strengths, weaknesses, opportunities, and threats this Company undergoes in line with the ever increasing ambiguity and uncertainty that may come up due to effects of globalization and ever changing business environment. (Dow Jones 1994) Internal Factors Internal environment is an aspect of business environment analysis that discloses the strengths and weaknesses that may be encountered during business transactions. The main objective of any business is to maximize profits in order to give the best feasible proceeds to owners for their funds they have invested in the company. Therefore the Nordstrom Company depends on its internal aspects or components for efficient and effective operations. According to latest research an organization should critically manage and monitor the key internal elements which includes; physical facilities and equipment, financial stability, human resources, production and operations, and market capability. The above key internal elements depending on how the organization utilizes them may result to either strengths or weaknesses of an organization.

(Brassington 2000)StrengthsStrength is said to be a particular ability or distinguishing proficiency that a company has and can utilize it in order to perform better than its competitors and hence attainment of its strategic goals effectively without much difficulty. Nordstrom Company has a strong brand name of its products which helps the company to have a competitive advantage over the other organizations. As the second biggest company with the best customer service, Nordstrom has a diversified to many countries in the world. Due to this diversification, the company has managed to collect more revenue from the sales of its products. (Dow Jones 1994)Nordstrom has more employees in its all investments globally. The company has diversified much because of its best marketing strategies that the company uses. The employees are said to be competent enough to perform their marketing responsibilities, for example, the sales staff are constantly trained to adapt to changes brought about by globalization. The company has the best distribution channels in the industry which has been a strength that has significantly helped the company to cope with completion and thus dominate the market for a long time.

The other strength associated with Nordstrom Company is that it has the ability to identify the market segments and hence the competitive position of the company and has in the process developed workable marketing strategies. The company has networked well and it is for this reason that the company can compete with other companies. The amount of revenues generated annually has been attributed to the success of the company in coping with competition in the local market and the international market.

(Brassington, 2000)Weaknesses: A weakness is any feature of the company

which may deter the company from achieving its objectives or goals. Usually, it covers the firm's assets, resources, and capabilities. Latest research indicates that Nordstrom Company is recorded to be facing few weaknesses which if not taken care of it may hinder the company's success. The company has also been associated with the weakness of lack of commitment on the side of its employees. (Anthony 1998) According to research conducted among the employees it was evidenced that there is a habit of reluctance by employees on fulfilling their duties.

The report suggested that the employees have a weakness of being aggressive because they have an attitude that the company's products are already doing well in the market and they only have little to do. This weakness is mainly associated with Nordstrom sales and marketing staff, because they have been reluctant on using aggressive methods of attracting and retaining their customers. Reports suggest that they have not come up with suitable marketing strategies to cope with the ever increasing competition in the industry. (Robert and Allan, 1981) External Factors An external environment analysis reveals the organization opportunities and threats which are either current or potential. External factors are usually divided into micro and macro environment. Micro environment is about actual and political transactions used in a firm and its environment in day to day activities of a company that include; customers, suppliers, intermediaries among others. On the other hand macro environment is about external higher order forces which do not affect an organization dealing as yet or directly but may do so in the future.

External factors may include; economic, technological, competition, political/legal, and social-cultural factors. However, external environment of a company may be explicitly explained when opportunities and threats of the firm are considered. (Robert and Allan, 1981) Opportunities An opportunity is an attractive venture for a company's operations which if exploited will lead to a significant upward change with desired results such as increase in profits margins and growth. An opportunity in this dimension can be defined as any event, development, or a feature of the external environment which creates conditions that are beneficial to the business. Another dimension is that of equivalent access opportunities to utilize any new technologies and resources in order to increase their productivity; under this the Company has been utilizing the advancement of technology to enhance the quality of its products in order to attract large number of customers. The company has been putting into consideration the two assumptions of customer's intention to capitalize on utility and manufacturers endeavor to make best use of profits in order to fully understand how perfect competition structure operates. (Anthony 1998) In this case I would prefer to buy the Nordstrom stock since it has proved to be practicing the better marketing practices and the products are always maintained to be of good quality.

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