

Industry environment

[Business](#), [Marketing](#)



Industry Environment Task: Industry Environment Introduction One company that I am familiar with is the Adidas Company that deals in various sport appliances. The company has been facing stiff competition from other brands. Some of the emerging issues in the markets include the prospective for new products by customers. Other companies produce new products at a higher rate which calls for more effort by Adidas so as to ensure that they are at par with the competitors or outshine them. The company has devised various ways to deal with the changes in the macro environment such that it stays favorably competent compared to other companies. It has also put down strategies that would ensure that it maintains its state over a long and short term.

Nature of Competition

The nature of competition exhibited in the industry is a monopolistic competition. There are various competitors produce similar products but of a slightly different structural composition. The retailers exhibit the highest level of competition, which is typically fragmented. Competition on the football footwear records the highest rate followed by the athletes among the products of the company. This is more evident in the sectors dealing in customer service provision, brand name merchandise collection, pricing and friendly shopping procedures.

Changes in the macro environment

The sporting products industry experiences changes in diverse dimensions including prospects on new products. New products cost relatively higher than those already in the market. On the other hand, the products have higher demand compared to those already in the market. The suppliers have

control over their brands; they must market their products so as to create demand for them. This goes along with rivalries among the vendors dealing in different brands, which, is forwarded to the retailers.

Impacts of change

The changes in the macro environment have led to both negative and positive results in the operation of the business. To begin, prospects in new products have led to fair pricing as the products exhibit higher stock flow as compared to the initial conditions. According to Borowski (2011), competition from other brands and higher rate of introduction of new sporting products in the market has led to the production of more superior quality stock by the companies. The level of advertisement has also increased so as to maintain the levels of competence. This brings about more expenses as compared to the initial time before such changes were introduced.

Strategy for competitive advantage

Haig (2011) found the following: The Company is planning on specializing in quality brand production so as to win the customers loyalty and outshine their competitors. The adoption of traditional production of products on demand is also among the strategies put down by the company to compete favorably. Providing customers with the latest style developed with precise technology will also be a consideration to make. This would be ensures through improving on product assortment and soliciting for information on new products performance from the vendors. The business is also planning to use the current technology in a more appealing manner in order to reach customers. Collaborating with various football leagues in order to supply the materials they require under favorable terms.

Conclusion

This discussion makes it clear that change in the macro environment of a company is inevitable. What matters is how the company deals with the change so introduced. There are various considerations that an enterprise must make before making its strategies. With proper strategy, a company is capable of staying highly competent in among the others. Adidas Company is one of the companies that have stayed competent regardless of the changes in its macro environment.

Reference

Borowski, A. (2011). Adidas Marketing Strategy: an overview. Mittenzwei: GRIN Verlag.

Haig, M. (2011). Brand Success: How the Worlds Top 100 Brands Thrive and Survive. London: Kogan Page Publishers