

Examples of environmental and social impacts of business marketing essay



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This assignment involves five tasks and each task has their objectives. The first task talks about the impact of the different types of environment on business organizations. These environments includes: Economic, Political, Social, Legal, Technology and Competitive environments. The second task is about developing a plan to translate the gains in sports to gains in business and economy, which also shows: Mission statement, Objectives (SMART), Strategies, Tactics, Milestones, Duties and responsibilities that the business will carry out and finally, monitoring and evaluation techniques.

On the other hand the third and fourth task tells you about 1. marketing and communication, 2. Finance and budgeting. Both includes: marketing objectives, marketing strategies, communication objectives, communication strategies, how will this plan be financed and develop two years income statement for this plan.

So overall all this assignments is informing you of how to construct your own business and to make it successful at the end to receive good profit and to learn about all the positive and negative impacts on a business.

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TASK ONE

DESCRIPTION: Analyze the Jamaican business environment and the impact of these environments on business organizations.

ECONOMIC: Economic environment on business is good but needs improvement for it to be success. According to (unknown, 2011) “ doing business 2012, Jamaica is ranked 88th out of 183 economies. The overall

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score is 3 points lower than last year, reflecting declines in six indicators. According to the most recent Enterprise Surveys (2010), the top 3 obstacles to running a business in Jamaica are Tax Rates, Electricity, and Access to Finance. 55.5% of firms in Jamaica own generators in order to deal with frequent power outages and shortages. According to the World Bank's Governance Indicators (2010), Jamaica is rated around the 60th percentile for the Government Effectiveness, Voice and Accountability, and Regulatory Quality indicators. It is close to the 40th percentile for the Rule of Law and Control of Corruption Indicators. Jamaica's economic freedom score is 65.1, making its economy the 58th freest in the 2012 Index. Its score is 0.6 point lower than last year, with losses in six of the 10 economic freedoms including business freedom and the management of public spending. Jamaica ranks 12th out of 29 countries in the South and Central America/Caribbean region."

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In agreement with (Smith, 2012) "Quote that Overall process for starting a business has been streamlined, but licensing requirements are burdensome and cost over twice the level of annual average income. Although the labor market remains underdeveloped and relatively constraining, restrictions on work hours are flexible. Most prices are set by the market, but the government regulates the prices of a number of goods and services. Inflationary pressures have been quite high".

POLITICAL: The political environment has both a negative and a positive impact on business organization. According to (Bothma) "The political environment in which the firm operates (or plan to operate) will have a

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significant impact on a company's international marketing activities. The greater the level of involvement in a foreign markets, the greater the need to monitor the political climate of the countries business is conducted. Changes in government often result in changes in policy and attitudes towards foreign business. Bearing in mind that a foreign company operates in a host country at the discretion of the government concerned, the government can either encourage foreign activities by offering attractive opportunities for investment and trade, or discourage its activities by imposing restrictions such as import quotas, etc. The implications of government ownership to a company marketing abroad might be that certain sectors of the foreign market are the exclusive preserve of government enterprise or that the company is obliged to sell directly to a state trading organization."

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Political environments also include crime rate, death, scamming and others have a negative impact on both the country and business organization. On further notice according to (Bothma) " In either case, the company's influence on the market is greatly reduced. Similarly, if an exporter is seeking to establish a subsidiary in a country where there is a high degree of state influence over the factors of production, the investor should bear in mind that marketing activities in the country concerned may be restricted and that the so-called controllable elements of the marketing mix will be less controllable. Of primary concern to an exporter should be the stability of the target country's political environment. A loss of confidence in this respect could lead to a company having to reduce its operations in the market or to <https://assignbuster.com/examples-of-environmental-and-social-impacts-of-business-marketing-essay/>

withdraw from the market altogether. One of the surest indicators of political instability is a frequent change in regime. Although a change in government need not be accompanied by violence, it often heralds a change in policy towards business, particularly international business. Such a development could impact harshly on a firm's long-term international marketing programmed."

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SOCIAL: Social impacts on business organization can be among any form of businesses. According to (Kumar, 2008-2012) " Family is basic part of society from the birth of a person and up to death, he lives in family so personal decision of buying and selling of goods are affects from family. In the culture of a family, it may happen that parent does not allow using any product , and then sale of such product will decrease, so businessman must analyze different families' needs. Many occasion of family like marriage of any family member, can increase the demand of goods. Educational institutions: - Educational institutions are also main part of societies. They provide good knowledge, education, awareness, thinking what should students buy or not to buy. Suppose if a student is habitual to drink the tea and if his teacher advice him that this is harmful to his health after his guidance students can avoid drinking tea after this the sale of tea will decrease.

Religion: - Like family and education institution, religion is also effects the business socially. Religion means the system in which group of persons trust in God. They believe that there is one supernatural power in this earth and its name is God. Different religions have different principles, rules and

regulations in which they sacrifice to use some products and to eat some food, in Hindu religion, they never use leather products. They affect the sale of leather industries. So, businessman must analyze the targeted audience and after listening their religious thoughts, he should produce the goods.”

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A Company Has Many Environmental and Social Impacts – Positive and Negative.....

Examples of environmental and social impacts of business include:

Environmental and Social impacts

In According to (Raynard & Forstater, 2002)

“ As a producer, a company has an impact on its environment (e. g. through pollution and effluent, use/misuse/overuse of water and energy resources, misuse/overuse of land and natural resources. As an employer, a company has an impact on the lives of its employees (e. g. provision of health services; mainstreaming gender and equal opportunity into the workplace; occupational health and safety standards; treatment of migrant labor). As a consumer of raw materials, a company has an impact on its physical environment (e. g. contamination of drinking water, desertification, and degradation of land). As a neighbor, a company interacts with other businesses and families which are located in their community (e. g. awareness raising and educational campaigns; foundations for community projects and schools; contribution to conflict and land disputes; use/misuse of public goods, such as lake or river water).”

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Also according to (Raynard & Forstater, 2002) “ As an operation, a company has an impact on its community (e. g. odor; human, animal, and plant effects from toxins and hazardous wastes; indoor air quality; smog) By creating jobs and providing income, a company contributes to the economic development of a community (contribution to wealth disparity; addressing youth unemployment; raising standards of living). As a role model, an environmentally responsible business can be an example of good practice (e. g. waste management, use of alternative energy). A company can act as an example of good practice (e. g. human rights, cultural diversity).”

LEGAL: Legal environment impact on business organizations fundamental and legal aspects that affect business in some form of way. However in agreement with (MS03 Economic And Social Environment, 2011) “ The legal environment refers to the principles, rules and regulations established by the government and applicable to people. These regulations come through various legislations. The government has passed and enacted various Acts. Now due to globalization of economy, it became necessary to make changes in these Acts.”

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In the legal environment impact on business all business should carry out their duties of paying their taxes but according to (MS03 Economic And Social Environment, 2011) “ The first challenge, how to navigate from here to there arises as both public and private institutions struggle to plot a course through an increasingly inconsistent environment where experience

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is rapidly devalued and familiar landmarks no longer serve as guideposts. Never before has the institutional terrain been changing so quickly or have industry boundaries so malleable. Never before have competitors, partners, suppliers and been so indistinguishable.”

TECHNOLOGY AND COMPETITIVE ENVIRONMENTS:

Technology has a serious impact on business environments. In this generation technology is key to a successful business you have to have all the right tools and equipment to make the work much easier to get each daily task finish on schedule/ time. According to (Tim & Richardson, 2010) “ Technological is the only one part of the world of business. The technological environment could be something as simple as whether or not vendors use Interact to receive payment, or do you have to pay cash. The technological environment also covers road and rail and ocean transportation as well as communications.”

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Also in agreement with (Tim & Richardson, 2010) “ The ability of a company to be competitive also includes access to high speed communications – some parts of the world have highly developed fiber optic cables, other parts don’t even have land lines for phones. In some parts of Africa, technology has been delayed for decades, but when it did arrive, they skipped directly to cell phones without even bothering to put in telephone poles and land lines. One of the key characteristics of the technological environment is that the infrastructure is very expensive. It is usually a national government who

funds the projects that allow telephone and cell phone networks to be constructed. The degree to which a region has an advanced technological environment is often related to the health of the economic environment which would contain the companies that are making money, and paying taxes, to support the government funds spent on the infrastructure.”

The competitive environment builds up the economic it keeps profit rising and it is a good influence in some extend to the customers. In according to (Tim & Richardson, 2010) “ The Competitive Environment is, perhaps, the most important of the 6 Environments that influence a company involved in marketing, business, International Business or e-commerce. The degree to which one attends to the “ other” environments is a consequence of the intensity of the Competitive Environment.”

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Also in agreement with (Tim & Richardson, 2010) “ If the Competitive Environment is intense, meaning

you have a lot of companies trying to

- copy your product and knock off your designs,
- sell below your price
- use your same themes for advertising
- paying better wages to employees

- sell a slightly different product that can be substituted for yours. it will be necessary to

o utilize every resource in the technological environment,

o attend to all the considerations of the social/cultural environment

o carefully analyze trends in the economic environment

o monitor political movements and upcoming changes in the regulatory environment

o prepare contingencies for threats from weather extremes and the geographic environment. If the Competitive Environment is not intense, then you don't have to use the latest technology, because your customers will not be drawn to anybody else, you do not have to worry about the language considerations of the Social/Cultural Environment, because you have no competition that will provide better service."

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TASK TWO

DESCRIPTION: Develop a plan to show how you will translate the gains in sports to gains in business and economy.

Development of this plan is build and Art Gallery:

Aim: The main aim of this business is to gain a lot of experience in accounting so that the proprietor can become competent and be a good business person.

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Description of entity: The name of the entity is Forever Art Gallery. It will be located at 35 Main Street Ocho Rios. That choice of location is chosen because it is eye catching to consumers.

Capital: Invested \$280, 000 into the business in which \$200, 000 was a loan from Life of Jamaica and \$80, 000 from personal savings.

Market: Sell arts to the upper class and to those who can afford.

Join contract with Sunset Jamaica Grande Hotel so they will be able to display the products and to sell them.

Grand opening of the business

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MISSION STATEMENT

The mission of the gallery is to inspire, uplift the stars of humanity when the greatness of arts come to life.

OBJECTIVES (USING SMART)

The main objective of a business is to set a standard or aim to how you want your business to be successful.

Specific: Managers will ensure that the employees are trained to develop excellent customer service skills.

Employees should ensure that they carry out their duties in a professional manner in order to sell the business.

Owner will control the share capital and all the decisions of the business.

At the end, purchases quality arts for the gallery to be exhibited and sell.

Measurable: From November to April there should be 80% high in the selling of arts.

Achievable: With the tourist season and an excellent amount of customers it should be a success.

Realistic: Sales of growth and the possibility of sales for the business.

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Timely: Training of staffs should take 6 weeks, purchasing of arts (2 weeks) receive in 1 week then manager decides all that needs to be done in order to be ready for the tourist season.

STRATEGIES

Some strategies on improving the art gallery are:

According to (unknown, About. com. fine art, 2012)

“ Cut over head: Cut out unnecessary expenses”.

“ Become a private online dealer: Many people are getting comfortable with online business”.

“ Reorganize: Trim the excess and make your gallery stronger”.

“ Be innovative: Stand out from your competitors”.

Art emotions: The art should send a message of what you are feeling.

Marketing: The realness of the art can tell who will benefit from owning the art.

Brand: The brand must define your art and it should be unique.

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TACTICS

For the planning of a business tactics should be included. Some tactics for the business are:

Try to exclude your physical life which means it should be all about the business.

Make friends first and sell after.

Create your own business magazine which tells about the business.

Show interest when serving guests.

Promote other items that your competitors do not have.

MILESTONES (INCLUDES SUMMARY OF EVENTS AND DATES)

A milestone is basically a plan which is designed for monitoring and measuring the business work performance.

Some milestones that will put the business out there and to get more customers to make more profit are:

Sales on Auctions at a lower cost buy any two and get 15% off for another one. Date November 9, 2012.

Cocktail party customer appreciation day. Guest speaker Brian Williams and Guest artist Freddy McGregor. \$2500 presold and 3500 at the gate. Date December 10, 2012.

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Outside hotel piece at Sunset Jamaica Grande. Arts will be display at the hotel and others can bring in their art to sell but have to give the business a percentage profit of it. Date February 12, 2013.

DUTIES AND RESPONSIBILITIES

Receiving clerk

Maintenance and management of receiving area to ensure that receiving area stays clear at all times.

To request and monitor all purchase orders for impending receivable. File all purchase order matching them with the invoices and operating within the invoices and operating within confined details or specifications of each purchasing order.

Responsible for receivable of all items/products purchased into the property.

Examine the quality and soundness of all receivable, paying special attention to expiration dates.

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Cost Control

Preparation of daily reports

Prepare circulating inventories and weekly expenses.

Production stocks inventory as schedule

Prepare journals

Review receivables

Sales

Revenue aspect of the business

Conduct pre-convention meetings

Possess a detailed understanding and awareness of existing markets.

Display firm and aggressive negotiating business techniques.

Provide signage for group event and post in respective areas for direction and information.

Review final billing with manager

Maintains an awareness of competition and being knowledgeable of their strengths, weaknesses and customer base.

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Reception

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Perform telephone operator duties as required.

Ensure all payments are received and recorded in the computer and receipt printed for customer.

Manager

Manage the employment process

Budget preparations

Monitor personnel to ensure that all customers receive prompt, cordial attention and personal recognition.

Accounts

Deals with profit and loss

Bank statements

Payroll

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MONITORING AND EVALUATION TECHNIQUES

Monitoring: Making sure that the business is up to standard. Check daily revenue and labor cost, regular check up on the business to see if everything is in good condition.

Monitor the building to ensure that every physical aspect of the place is in checked.

Monitor the staffs observed their attitudes towards work and their performance throughout the operation.

Make sure all meeting, conference and activities are set in order so it may operate smoothly.

Record information so that it can be useful for the future.

Send out memo about the result of monitoring and evaluation.

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TASK THREE

DESCRIPTION: Develop marketing and communication strategies to show how the plan will be communicated to the stakeholders identified and other external stakeholders.

MARKETING OBJECTIVES

Assist tour operators regarding rates/queries and negotiating group rates.

Delivers prompt responses to the clients.

Operates in compliance with all local, state and federal laws and government.

MARKETING STRATEGIES

QUESTIONNAIRS

Do you like art?

Yes No

What kind of art do you like? _____

Who is your favorite artist? _____

Have you ever been to any art gallery? Yes No

If yes which one _____

What is your age group? _____

Where do you live? _____

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Get an artist that is well known.

Observation of other art gallery to see what is their weakness and strength.

Observation to see which art sells faster.

COMMUNICATION OBJECTIVES

Communicate with clients providing detailed and precise information on rates and respective pricing for special events.

Communicate with social network so that they can advertise the business.

To provide information to stakeholders

COMMUNICATION STRATEGIES

Some key factors of communication strategies are:

According to (KnowHow Non Profit, 2012) some communication strategies are:

“ Help us achieve our overall organizational objectives

Engage effectively with stakeholders

Demonstrate the success of our work

Ensure people understand what we do

Change behavior and perceptions where necessary.”

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TASK FOUR

DESCRIPTION: Finance and budgeting.

HOW WILL THIS PLAN BE FINANCE?

This plan will be finance by a starting capital of \$280, 000. The \$200. 000 loan invested to the business by Life of Jamaica and \$80. 000 from savings account. In the success of starting the business the loan will be paid back using the profit it had earned if the entire plan goes accordingly.

DEVELOP TWO YEAR INCOME STATEMENT FOR THIS PLAN

\$

\$

\$

Sales

81000

Less: Return inwards

9000

Net sales/ Turn over

72000

Less: Cost of goods sold

Opening stock

Add: Purchases

47000

Less: Return outwards

14000

33000

Add: Carriage inwards

Net Purchases

33000

Cost of goods available for sale

Less: Closing stock

33000

22800

10200

Gross profit c/d

61800

Add: Discount received

Total Gross profit for year

61800

Less: Expenses

Rent

10000

Staff

10000

Total expenses for the year

20000

Total net profit c/d

41800

Ending November 7, 2013

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The Balance Sheet

O. Llewellyn

Balance sheet as at November 7, 2013

Fixed Assets \$ \$

Computer 30000

Total Fixed Assets 30000

Current Assets

Stock 22800

Debtors 17000

Cash 100000

Bank 160000

299, 800

Less: Current liabilities

Creditors 24000

Working Capital 275, 800

305, 800

Financed by:

Capital 280000

Add net profit 41800

321, 800

Less: Drawings ____

New Capital

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CONCLUSION

I have concluded that in order to start a business you have to analyze what is going on in your country first then develop a business plan to carry out the

different duties and responsibility. Creating your own plan teaches you a lot of things in order to make the business successful.

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