

Pest analysis



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1.

Executive Summary From humble beginnings in the 1970s, Ecuador's shrimp industry expanded rapidly and aggressively, targeting vital coastal ecosystems in which to build gigantic shrimp farms. Today, Ecuador's shrimp industry occupies 500, 000 acres of former mangrove forests, salt flats and agriculture lands along the country's Pacific coast. After two decades of solid growth, in the early 1990s, viral diseases and challenges from the environmental community began to impede the development of traditional shrimp farming. Now, a new way to farm shrimp has evolved that protects shrimp from disease and protects the environment from shrimp farming, creating the possibility that shrimp farming could become the cleanest agriculture industry in the world! Xavier is a shrimp farmer and owns 150 hectares of shrimp ponds in Ecuador. Typically, he will sell his shrimp to a packing plant which will clean and froze the shrimp and either export the frozen shrimp directly or sell them to an exporter. The foreign processors will then prepare the final products to be sold to the distributors and retailers.

Upon learning about the chain his shrimp goes through, Xavier is now considering if he should try to expand into the value-added parts of the shrimp business. This paper presents a strategic external analysis on the shrimp industry using two tools, namely, PEST analysis and Michael Porter's Five Forces Model. Environment analysis is then summarised with the help of SWOT Analysis model. Global expansion in this industry has put forward many opportunities for future growth. Xavier's core competency and capability in the industry leverages competitive advantage for him. We have analysed the option of joint venture with foreign company which will help

Xavier to solve many international business problems and also give him edge over others by providing further expertise in processing and marketing, as well as required investment funds.

2. PEST Analysis PEST analysis is concerned with the environmental influences on a business. The acronym stands for the Political, Economic, Social and Technological issues that could affect the strategic development of a business. We have conducted PEST analysis of Ecuador's shrimp industry to assess opportunities and threats in the long run. Political Scenario External Environment Analysis Political factors affecting industry/firm operations are tax policies, employment laws, environmental regulations, trade restrictions, tariffs and political stability.

These factors are considered givens for an industry and contribute to decide the attractiveness of an industry. Ecuador is politically unstable. Despite its impressive wealth of natural resources and other advantages, Ecuador is impoverished as a result of years of political mismanagement and staggering corruption. As Ecuador's public sector is inefficient and suffers from endemic corruption the economy would benefit from increased privatization. To mark the progress in this area the government has made efforts to reform and streamline Ecuador's outdated tax system; tax collection accounts for an increasing share of government revenues.

Ecuadorian banks turned a profit in 2001 and 2002 for the first time in years. However, the financial system remains weak, with few viable banks and virtually no effective regulation. Internal Environment Analysis As ASIA became producer of shrimps along with Ecuador, world prices of shrimps fell

by 50% during the decade 1986-1996. But, at the same time the production increased to generate \$1500 – \$4000 US Dollar per hectare of shrimp pond. Due to unstable political situation, frequent power cuts might be real threat to expanding shrimp industry. This might become more vulnerable if Xavier also had to consider the packaging and processing of shrimps.

Xavier uses some form of prescribe antibiotics that are added to the ponds as the diseases appeared which may limit his market for shrimps. Its like a double-edged sword, it could help with the Chinese thing, but it could also lower the local demand. It is felt, shrimpers, as low on the political food chain as their prey, would never get the trade protections that farmers, sugar refiners and steel mills enjoy. Economic Scenario Economic factors affect the purchasing power of potential customers and firm's cost of capital. Typical examples of economic factors are inflation rate, economic growth, interest rate and exchange rates.

External Environment Analysis In 1999 and 2000, Ecuador's economy collapsed which was the reason for adoption of the U. S. dollar as legal tender. Today, all commerce is conducted in the dollar hence currency risk is absent. In 2002, Ecuador's economy expanded at a 3.

4% rate and the Central Bank projects that GDP will grow by 3. 5% in 2003. Interest rate was very high due to high inflation running in the region. When inflation was at 20%, interest rate was at 40%. The main reason for such high interest rate was probably due to low competition in financial sector in Ecuador. Faced with this situation, some businesses have to borrow money from other countries and had to return the same in US dollars.

Some business borrowed from Colombia and Uruguay, and always had a fear that if money is not repaid, then they may have to face undesirable consequences. Internal Environment Analysis Economically, on the global positioning level, the unforgiving economics of shrimp business is due to its seasonal activity and other natural calamities. The rhythms of nature are such that the first two weeks of the brown-shrimp season, in May, and the first two weeks of the white-shrimp season, in late summer, are when Xavier can hope to make most of his money. That number shrinks quickly.

On the other hand, the maintenance cost increases, especially fuel, groceries and storage on deck. For Xavier's case, he would completely drain the ponds to remove any plants and algae that had accumulated since and when the bottom of the pond was completely cleaned, he would then continue to use it. Although Xavier's method makes the ponds more sustainable, he still cannot control the weather. The principal buyer of Ecuadorian shrimp is The United States with a 42%, also other important buyers are: Spain, France, Italy, Netherlands, Belgium, etc. Exporters bought shrimps from packaging plants and then sold to processors in other countries. These exporters faced significant exchange rate risk and the uncertainty associated with exchange rates made exporters more vulnerable if they did not have prior knowledge of exchange rate market dynamics.

Social Scenario Social factors are demographic and cultural aspects of external macro-environment. These factors eventually affect customer needs and potential size of target markets. Typical examples of social factors are health consciousness, population growth rate, age distribution and career growth rates. External Environment Analysis Shrimp mariculture is profitable, <https://assignbuster.com/pest-analysis-analysis-paper-samples/>

but the profits usually are not earned by those whose interests are threatened and whose immediate needs are income and employment.

Shrimp farming does generate some employment, but the industry cannot be viewed as labor-intensive considering the small number of people employed per area unit of production. Most of those who find jobs are hired as unskilled laborers and guards, and wage rates for unskilled workers in coastal communities tend to be low, reflecting the opportunity cost of labor. The process of shrimp mariculture development contributes directly to low wages by reducing local opportunities through conversion of open access multiple use resources into privately owned property. Shrimp farming has destroyed an estimated 800, 000 hectares of mangrove forests in Asia and created improbable saline deserts in some of the world's wettest countries. In the United States, environmentalists are also concerned about the impact of shrimp farming on other species, such as turtles, and vegetation such as mangroves, the trees whose roots form a dense tangle that harbours marine life like wild shrimp.

Internal Environment Analysis Health concerns of people throughout the world were forcing them to eat more fish rather than shrimps. It becomes important for the shrimps industry to save shrimps from any disease and keep up the interest level of shrimp eaters. Xavier's family was opposed to borrow money from the banking system in Ecuador and hence was in dilemma from where to get the money from for their expansion.

Technological Scenario Technological factors affect the organization's capability to provider better products and services to its customers.

Advancement in technology, focus on R activities result into efficient product and services for an organization / industry.

External Environment Analysis Ecuador is highly receptive to U. S. products and services, which locally enjoy a reputation for high quality and reliability. For the most part, U.

S. standards are accepted, with relatively simple registration procedures required before entering the market. Internal Environment Analysis Xavier realized that shrimp ponds had a lifetime of five to ten years and it is important to save ponds from any algae and plant accumulation. Therefore, he designed the ponds in such a way that there was a constant flow of fresh water without allowing any shrimp to escape from the pond. Besides, to avoid the risk of disease through plant and algae, Xavier created special equipment through which the feed was given to baby shrimps.

This process also helped to identify the consumption of feed required for the baby shrimps in the pond as against to older method of casting the feed without knowing how much was consumed and how much was wasted in the water. Xavier created a public research institute for shrimp farmers which were funded partially by farmers and government of Japan and Ecuador. The institute helped the farmers to prescribe antibiotics for any disease which hit the shrimps from time to time. We feel that major technological challenge would be to keep the shrimp lifecycle cost low and increase throughput of each pond to achieve economies of scale. This becomes all the more important because sea food prices are dropping world over.

The overall objective of many experts and some environmentalists who are trying to work with the industry, is cutting production costs through increased efficiency and finding a market for eco-friendly products that will highlight the benefits of improved environmental practices. 3. Porter's Five Forces Model for Shrimp Industry The Porter's 5 Forces Model is a simple but powerful tool to understand where power lies in a business situation.

Appendix 1. With a clear understanding of where power lies, we can take fair advantage of a situation of strength, improve a situation of weakness, and avoid taking wrong steps.

We have analysed structure of the Shrimp Farming Industry in terms of collective strength of following five competitive forces. Rivalry among existing competitors (HIGH) •Intense competition is evident considering steady supply of shrimps on priority, quality control and varieties to match regional requirements based on consumer preferences. •Rapid and substantial expansion of shrimp farming in Asia and Ecuador, the world price of shrimp fell by 50% over 1986-1996. •The rivalry among existing competitors in the international market is very high. The firms are trying to diversify production processes. A large number of firms are competing for the same customers and resources •High storage costs and perishability of marine products intensifies competition for customers.

•Low switching costs increases rivalry among the numerous firms to capture customers increases •Supply and demand in the industry is so volatile that it will affect rivalry among firms •Marine industry is characterized by asset specificity which forces the firms to remain in the industry (exit barriers are high), even when the venture is non profitable. The Bargaining Power of

Buyers (HIGH) •Changes in consumer preferences pose more immediate threat to the industry. For instance according to researchers, Japanese consumers prefer shrimp from ocean as they taste better and were fresh.

•The industry brings substantial amounts of coveted foreign exchange in number of developing countries.

•Buyers have high bargaining powers. The supply chain right from manufacturers, distributors, retail chains and the end consumers enjoy high bargaining power. The industry largely caters to developed countries and consumers with higher than average purchasing power. •The global expansion of shrimp farming would depress shrimp prices in the future.

The exporters purchased the shrimp from the packaging plant and sold to processors in other countries. •Choice of seafood has been increasing due to technological improvements. The firm strategists have to keep in mind the possibility of fluctuation in demand. •Preferences of the customers keep changing due to increasing health awareness.

•Shrimp is a short duration crop that receives high investment returns and enjoys an expanding market. •Buyers have access to information regarding scientific improvements in the various countries exporting marine products.

•Customers like Retailers, Wholesalers, and Distributors etc. ave high bargaining power because of the short life of the products. Threat of Substitutes (HIGH) •Marine products are totally substitutable. For this same reason, demand is very elastic.

•Health concerns were leading consumers throughout the world to shift towards the consumption of more fish. •Hatcheries provide an alternative of

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producing artificial larvae. •Due to depletion in wild shrimp seed stocks great investments are being made in artificial seed production. •Environmentalists in the USA were concerned about the impact of shrimp farming on the environment.

Japanese started eating more FISH than shrimp considering health issues

- The threat of substitutes increases when deep sea fishing offers variety of substitutes. Bargaining power of the suppliers (LOW)
- Labor intensive industry
- Shrimp Seed suppliers enjoy high level of bargaining power due to depletion in shrimp seeds.
- Shrimp farmers face greatest risks, bearing the brunt of crop failure, rising production costs, falling prices and fluctuating exchange rates.
- All seafood items are seasonal. Rainy season is the breeding season and during this time supply increases.

Mechanized boats operate for 10 to 15 days at a stretch. Fishermen are unable to meet the cost of new technology fishing. •The firms purchase the products exclusively for exports and the purchase price offered by the firms to the farmers depends to a great extent on the price that the importers are ready to offer them. The shrimp farmers have lost their bargaining power.

- Commodity the farmers are not able to meet the high cost of transporting the products to better markets. And hence have no better option than to sell it to the nearest and highest bidder. Forward integration is not possible and there are absolutely no switching costs for the buyers of raw materials.

Threat of New Entrants (LOW) •Thanks to World Bank and many other large aid agencies which created huge export earnings for Asia, which accounts for 80% of the world's prawn trade •Cultured shrimp offer a more even, year-

round supply as compared to naturally available life stock scenario.

- Products provided are unique due to the Processes adopted.

 - Processes cannot be learnt easily since it involves a lot of steps which need a long standing to attain proficiency. Threat exist in the form of denial from developing countries on questions of hygiene, quality and food safety standard. While threat of new entrants is low within the domestic market, it is very high in the global market. •Vietnam whose major export markets for shrimp products are, Japan (31%), USA (23%), China and Hong Kong (5%), EU (16%), Asian countries (4%) and others (15%).

 - The industry has created employment opportunities for more than 3. 5 million people. Conclusion •While supplier power and threat of new entrants is low, power of customers, threat of substitutes and intensity of rivalry is high in Marine industry. The market structure of marine products is imperfectly competitive. •Full capacity utilization is impossible due to non-availability of raw material. •Highly dependent on consumer preferences which can change at any time •There is a limit to product diversification because the product is highly perishable.

 - It is a very dynamic industry and the profitability is unpredictable
 - Sustaining competitive advantage depends on the business unit strategies
 - There would be few business units with the facilities of value addition. The remaining major units are processing raw material for different markets.
- Exhibit 1. The analysis revolves around environmental issues and their effect on the shrimp industry. The industry has great potential for further

expansions. However both merits and demerits are associated with this rapid growing industry.

Steps must be taken to address the environmental and social problems shrimp aquaculture has created. The degradation of the farmers land and water certainly has an adverse effect on local communities. Mergers might, to an extent, cure the weaknesses of a single business unit and allow for larger inflow of capital, professional procurement discipline, reduced administrative expenses and to increase market share. 4.

Bringing Shrimp to the Consumer Market Shrimp Supply Chain The shrimp supply chain can be sub-divided a variety of distinct segments. Hatchery, nursery farms, shrimp farms are the primary producers, the manufacturers or frozen companies who process the shrimp into products ready to eat for further cooking are intermediate stage, and distributors, retailers/supermarkets who sale products to customers are the final stage of the supply chain. The shrimp farmers sell the shrimp to a packing plant, where the shrimps are cleaned and frozen. The packing plant either exports the frozen shrimp directly or via shrimp exporters in business. Hatcheries provide an alternative of producing artificial larvae.

The foreign processors who import or purchase these frozen shrimp, in turn process this frozen shrimp and sell the final product to distributors and retailers. The consumers are individuals, seafood and fast food restaurants & star hotels where quality shrimps are in demand to cater to the taste of their customers. The bargaining power of the suppliers does leave a severe impact as it discourages shrimp farmers from cultivating shrimp due to low

wage and market price. Shrimp farmers face greatest risks, bearing the brunt of crop failure, rising production costs, falling prices and fluctuating exchange rates. Manpower aspect is the key in this labour intensive industry. Shrimp Seed suppliers enjoy high level of bargaining power due to depletion in shrimp seeds.

The barriers on seafood safety and hygiene are very strict from exporters, especially the US, the EU and Japan. Considering the fast growing demand and globalization scenario, this attracts competition in view of steady supply of shrimps, quality control measures and varieties to match regional requirements based on consumer preferences. This rivalry or competition force does leave a big impact and defines the state of new entrants in the industry. The exporters, who play a dual role that of a buyer and a supplier, face impact of two forces that of the dual bargaining powers. On one hand the industry brings substantial amounts of coveted foreign exchange in number of developing countries, on the other hand, the exporters have to sell the frozen shrimp to a suitable processor who would buy for a suitable prize.

From this stage, consumers possess a very strong power as their preferences can effect the growth of shrimp industry on a larger scale. Cultured shrimp offer a more even, year-round supply as compared to naturally available life stock. The industry undoubtedly has great potential for further expansions. Some analysts and researchers suggested that “ Health concerns were leading consumers throughout the world to shift towards the consumption of more fish”. Also there is variety of other fish products used for flavouring against shrimp.

Such a threat of substitute force will definitely hamper the shrimp consumption by a large extent. The five forces do leave an impact on the entire supply chain of shrimp industry right from the shrimp cultivation stage to a finished product for consumption. However it has become a major challenge for the entire industry and at various stages of the supply chain to develop and maintain core competence. This industry has grown globally and every player has to retain their core competence and develop new technologies and strategies to sustain their position in this competitive industry. Principal buyers of Ecuadorian shrimp The principal buyer of Ecuadorian shrimp is The United States with a 42%, also other important buyers are: Spain, France, Italy, Netherlands, Belgium, etc. Today's world market for farm-raised shrimp continues to be characterized by strong product demand and all signs point towards the continuing expansion of the shrimp farming industry.

Many seafood buyers worldwide recognize that the farm-raised product is superior to the wild product in many instances. This is due to the farmers' ability to freeze shrimp on-site within hours of the harvest, locking in the freshness. In light of this, tremendous marketing opportunities exist for premium quality farm-raised shrimp. The three major markets for farm-raised shrimp are the United States, Europe and Japan. Today in major parts of Europe in countries like Spain, Italy and France Ecuador plays the role of major exporters of Shrimps Appendix 2.

5. SWOT Analysis We have carried out detailed background study of Shrimp Farming Industry in Ecuador. Also we have analysed the factors affecting the business and its growth through various perspective using PEST Analysis and <https://assignbuster.com/pest-analysis-analysis-paper-samples/>

Porter's Five Forces Model. SWOT Analysis model shown below summarizes various internal factors (Strength and Weakness) and external factors (Opportunity and Threat) affecting the strategic decision to be taken by Xavier in perspective of future growth of Shrimp Farming Industry in Ecuador.

SWOT ANALYSIS

STRENGTH

- Already established business
- Ample availability of resources
- In-depth technological knowledge for industry
- Well groomed laboratories and R & D facilities
- Tremendous problem solving capability
- USP in form of “ Feed” provided to shrimps
- High reputation in the market for quality of products

WEAKNESS

- Political instability in Ecuador
- Financial systems not strong in Ecuador
- High interest rates
- Opposition on borrowing finance from banks
- Lack of competition in the financial sector
- High level of corruption in Ecuadorian region making it unattractive option to borrow finance from outside
- Limited life span of shrimp ponds (5-10 Yr)

OPPORTUNITY

- Rapid and substantial expansion in the shrimp industry
- Bringing innovations by creating unique equipments for shrimp farming
- Advanced genetic analysis possible for better quality of Shrimp
- Possibility if Patenting drugs prescribed, research held by Xavier
- Diversification of industry from just shrimp farming to shrimp processing
- Low competition in domestic market
- Expanding business from farming to preparing products based on shrimp
- Marketing and Branding of his own products

THREAT

- Adverse effect of global expansion on prices
- Threat of substitute products i. e. fish
- Environmental hazards created by shrimp farming
- Huge initial investment required
- Underdeveloped financial systems
- Lack of continuous flow of power supply
- Foreign exchange risk involved in

directly exporting processed shrimp 6. Recommendations for the joint venture issues Joint venture is a strategic alliance in which two or more firms create a legally independent company to share resources and capabilities to develop a competitive advantage.

Typical rewards of joint venture are – Shortening of learning curve: Building tacit knowledge to expand into key markets, develop new shrimp dinner products, and improving productivity, can be time-consuming. Xavier’s small businesses typically gain lead time, share expertise, and lower costs by going into a joint venture especially when he is not exactly familiar with shrimp packing or processing businesses. Enhance Company Credibility: All businesses especially start-ups, including what Xavier wanted to do, struggle with building acceptance within the market and customer base. A key alliance with a larger known branded company can dramatically improve Xavier’s credibility in the eyes of the customers. Create New Profit Channels: Xavier’s business has limited resources and capital for growth, furthermore, Xavier is not considering borrowing from banks as a way to fund the new business. By formulating a joint venture with a solid and right partner, Xavier can expand fairly easily its sales force and distribution channel for low cost.

Build Competitor Barriers: A strategic alliance with several key players can erect impenetrable walls, keeping out competitors and maintaining high profit margins for Xavier. Once these ties are in place, it is difficult for competitors to unravel these relationships. Successful joint ventures typically follow a systematic process. The cost to form joint venture is low; however, the cost of not planning the partnership is high in terms of lost profits and

failed relations. We suggest following strategy to deal with joint venture issues.

Set Clear Goals: Xavier should know from the beginning what he wants to accomplish. Is it reduced product costs in terms of investment of machineries, expanded sales of the shrimp dinner products, or market credibility of his frozen shrimp? Xavier partners' goals may be different but complementary to his. **Find a Partner:** The best partnership is based on a mutual win-win relationship. Xavier should take his time to locate a company with an honest interest in joint ventures and a similar corporate culture where possible. As an example, if Xavier's business is focused on long-term customer relations and his strategic partner cares about gaining market share quickly, then the two cultures may clash. **Plan the Venture:** Xavier should map out his negotiation tactics and understand the legal aspects of the deal.

Keep win-win agreement in mind. Furthermore, he may want to get familiar with the legal system of the partner's operating premises as it may be of somewhat different from Ecuador. **Manage the Relationship:** Once a winning joint venture is formed, the real work takes place. A good alliance is like a marriage. It is built on communication, trust and understanding.

Xavier will still need to work hard at maintaining the relationship. **Business Level Strategy:** Following Integrated cost leadership/differentiation strategy is what we recommend to Xavier for enjoying successful joint venture. The joint venture firm would be able to quickly adapt to the environmental

changes and can learn new skills and technologies. This will make it possible to leverage core competencies more effectively globally.

The fundamental strategy to be followed should be produce products with differentiated features that customers value and provide these differentiated products at a low cost. Strong R&D efforts: Efforts should be made to focus biological and technical research on cost-minimization rather than on production-maximization so Ecuador's shrimp mariculture industry can remain competitive with Asian producers. These low-cost production technologies may emphasize greater reliance on locally abundant inputs like labor. Continuous research efforts will not allow Core Competency to turning into Core Rigidity.

New innovations, new ideas, new developments will sharpen the product quality and thus success of the joint venture. Long Term Goal: Other countries in Latin America may have greater potential for development of shrimp mariculture though national economic problems may slow growth in the short term Appendix 3. Currently all development of shrimp fisheries are activities reserved for cooperatives and very few private farms, it is likely that the current extensive system of shrimp mariculture will continue as the dominant production system. Appendix 4 indicates significant investment in Shrimp Farming Industry in Asia and Latin America. This will come as intense competition for Xavier's joint venture firm in future. On long terms Xavier will have to be prepared with business strategy to deal with such competition.

Research to be carried out External Analysis Xavier may need to carry out further research of the elements that make up the external environment.

These elements are •Demographics segment includes elements like at population size, age structure, geographic distribution, ethnic mix and income distribution. Economic segment includes elements like inflation rates, interest rates, trade deficits or surpluses, budget deficits or surpluses, personal savings rate, business saving rates and gross domestic products.

•Political/Legal segment includes elements like antitrust laws, taxation laws, deregulation philosophies, labour training laws, education philosophies and policies. •Socio cultural segment includes elements like women in workforce, workforce diversity, attitudes about the quality of work life, concerns about the environment, shifts in work and career preferences and shift in preferences regarding product. Technological segment includes elements like product innovations, applications of knowledge, focus of private and government-supported R expenditures and new communication technologies.

•Global segment includes elements like important political events, critical global markets, newly industrialised countries or countries that farm shrimp as well, different cultural and institutional attributes and cultural eating habits. Identification of Key Competitors Above this external analysis of factors it is immensely important to identify potential competitors in current industries and even the potential competitors in prospective industries.

Firm's ability to evaluate all current competitors and all potential competitors may directly affect its ability to develop a successful strategy. A step-by-step process is developed to help managers refine their competitor set until it contains only firm's important (current or potential) competitors as shown Appendix 5. 7. Summary In Ecuador, governments and private sectors

recognize shrimp farming as an important activity that makes significant contributions, including: •Employment generation; •Foreign currency inflow (through exports); Production diversification; and •Improving market networks and commercialization.

Limited factors for the future development of the shrimp – farming sector in Ecuador are as follows: •Environmental issues originating as a consequence of intensification and expansion activities •Conflicts caused by the deforestation of mangroves; •Climate phenomena, causing excessive and undesirable conditions affecting the quality of product (taste) resulting from the excessive growth of micro-algae; •Establishing control over reproductive cycle; Supplies of Artemia; •Supplies and costs of formulated feed; •Existing legal and institutional framework in the different countries; •Social conflicts and economical problems faced by countries; •Commercialization of products in international markets; and •Viral disease effects, particularly through the dissemination of tanks. The environment has a substantial impact on aquaculture, particularly in the region’s coastal areas. Pollution resulting from agriculture and urban activities, as well as being self-generated, has affected the environment. Also natural environmental disturbances represent a major risk to aquaculture enterprises.

Laws and regulations governing the environment and aquaculture in the region have often been complex and unmanageable. These need to be reviewed and simplified to make them easier to implement and enforce. A legal institutional constraint exists regarding the development of export-orientated aquaculture in Ecuador. Provisions for an “enabling environment” regarding aquaculture investment and expansion are not consistent

throughout the region. The openness of regional economies to foreign investment and the profit repatriation also differs greatly in the region. An important role of the state will improve the efficiency of the sector through the development of information systems which will support farmers and investors.

Trade-related issues will have an important impact on the future prospects of the export sector. Producer competition and consumer demands will intensify as production increases. Aquaculture production has demonstrated its capacity for providing great social and economic benefits for the region. The continued growth and development of aquaculture industries will play an important role in the future. Policy makers and commercial farmers need to be aware of new trends in production, technological improvement, quality issues and marketing strategies, both in national and international markets. The further development of marine and fresh water aquaculture in the region will depend on the success of competitive commercial integration strategies in the international field.

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Appendix Appendix 1 Appendix 2 Appendix 3 Appendix 4 Appendix 5