

# The core business of carlsberg malaysia



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Carlsberg Brewery Malaysia Berhad is one of the fastest growing and best-known beer brands in Malaysia. It also is the market leader in the beer market with share of over 50%. The key business activities of Carlsberg Malaysia are production, sales and distribution of beer. Innovation and newly developed products will first of all be within the beer category but Carlsberg's core competences are within malt- and cereal-based beverages. Since its inception, Carlsberg Malaysia has substantially increased production of the Carlsberg range of products. In addition to Carlsberg Green Label - the undisputed leader in the local beer market, the range also includes Carlsberg Special Brew, Carl's, Carlsberg Ice Beer, Royal Stout, Jolly Shandy, Nutrimalt and Tetley's. Carlsberg Green Label is Malaysia's No. 1 beer brand with the highest brand equity for a beer brand in Malaysia. It is also the 1st in Asia to launch the Carlsberg Club bottle - an innovative high quality, sleek shaped and Carlsberg embossed logotype bottle. Carlsberg Green Label has achieved great demand, with leading sales in virtually every nation. Besides that, Carlsberg Malaysia's SWOT analysis are including with strengths, weaknesses, opportunities and threats.

Firstly, the strengths of Carlsberg Malaysia are that brand image, quality, strong financial position and distribution network. Carlsberg Malaysia has a well-known name, which is No. 1 beer brand in Malaysia and the international brands of Carlsberg Malaysia are popular among wealthy Malaysian consumers and tourists alike. The brand name of Carlsberg Green Label is extremely powerful asset for the company, in order to help the company to occupy an optimal position in the beer market. Alternatively, Carlsberg Malaysia is investing in ICT (Information and communication on

technology), in order to create more effective market strategies. By using in ICT, the advancement in information and communication technology has helped Carlsberg raise productivity and efficiency to cope with the demand for its products. In addition, Carlsberg Malaysia has an incredible distribution network, which reason for its large market share with over 50% market shares in the Malaysian beer market. With the strong distribution network of Carlsberg Malaysia, they are confident to boost the sales and popularity of beer brands as one of the best beers for its premium image, taste, quality, and reputation throughout the World. Not only that, Carlsberg Malaysia also contains experienced and financially powerful, in order to be protected from the fluctuating fortunes of the Malaysian market.

Secondly, the weaknesses of Carlsberg Malaysia are exposure to the changes in foreign exchange and regulatory changes. Carlsberg Malaysia is designed to provide information that is generally effects on its cash flows and equity with effects of a rate change. Besides that, the cost of beer brands in Carlsberg Malaysia is getting higher, due to the consumption tax. Carlsberg Malaysia is face a largely Muslim population in Malaysia, the government has used the alcoholic drinks industry as a source of revenue generation and accordingly excise hikes are large and frequent. In addition, another weakness of Carlsberg Malaysia is that Carlsberg Malaysia does not efficiently place its optimum level of emphasis on its SBUs. There is wastage of resources.

Thirdly, Carlsberg Malaysia is facing the opportunities of new market, new technology, brand positioning and increasing trend of entertainment lifestyle. For opportunities of new market, Carlsberg Malaysia is moving into <https://assignbuster.com/the-core-business-of-carlsberg-malaysia/>

new market areas, such like Thailand and Indo-China. The beer consumption and the quantity of demanded are considered high in Thailand and Indo-China. If Carlsberg Malaysia has moved into beer market in Thailand and Indo-China, the sales and production of Carlsberg Malaysia will growth with slightly with the high beer consumption and quantity of demanded of beer. Alternatively, new advanced technology is also one of the opportunities for Carlsberg Malaysia. Carlsberg Malaysia could invest more advanced technology, or developments in the beer brewing processes. It will help Carlsberg Malaysia in order lead to cheaper and more efficient production in the future. Additionally, the increasing trend of entertainment lifestyle especially alcohol also is the opportunity of Carlsberg Malaysia. The alcohol consumption will follow increasing at the same time. Therefore, the sales of Carlsberg Malaysia will be increased due to the high quantity demanded of alcohol. Moreover, Carlsberg Malaysia could be obtaining more sponsorship proposed by non-competing organizations, which induces brand-positioning opportunities.

Lastly, the threats of Carlsberg Malaysia are that competitors, substitute products, and taxes. The key competitor of Carlsberg Malaysia - Guinness Anchor Berhad is slowly but steadily catching up with Carlsberg Malaysia in term of campaigns and brand image. And, Tiger Beer has recently launched a new advertising campaign with celebrity events and endorsements, along with its new logo. As Carlsberg Malaysia want to counter the competitors in Malaysian beer market, it has to improve the marketing expertise, such as advertisement in media and promotions for festival seasons. Besides, one of the substitute products of Carlsberg Malaysia is soft drink which is the most

popular thirst quenching choice for Malaysian. For example the threats of substitute, Coca Cola has an incredible distribution network which is with large market share. As the result, it will totally affect on the sales and productions of Carlsberg Malaysia. Not only so, the threat of Carlsberg Malaysia is that the rising in alcohol tax in Malaysia. As alcohol tax is raised, the increase in price would totally lead to decrease in sales volume, especially concerning the loss legitimate sales in favour of smuggled beer. Furthermore, Carlsberg Malaysia is facing the threats of promotions. The Malaysian government has banned on advertising in media, including the internet. With this action by government, it will affect the efficiency and effectively of publicity in Carlsberg Malaysia.

Carlsberg Malaysia SWOT Analysis reports which include an internal and external strategic assessment of Carlsberg's strengths, weaknesses, opportunities and threats. These comprehensive Carlsberg Malaysia SWOT Analysis reports provide the strategic analysis of the company's business and operations. Each report takes positive or negative findings from any internal analysis (i. e. strengths or weaknesses respectively) and positive or negative findings from the external analysis (i. e. opportunities or threats respectively) of Carlsberg Malaysia. As the result of Carlsberg Malaysia SWOT Analysis, the strengths are actually being able to protect the weaknesses in the company. Besides, Carlsberg Malaysia is also able to protect the threats faced from the competitors and government. In addition, Carlsberg Malaysia could boost up the sales and production with the opportunities. Therefore, Carlsberg Malaysia is believed that it will continue

to do well in the future as the company leverage on the some projects in order to deliver strong growth.