

# [I. to experience demand overlap typically because](https://assignbuster.com/i-to-experience-demand-overlap-typically-because/)

I.         Other Industry FactorsA.   Consolidation= A strategy to maximize market share in a declining industry in which firms buy out competitors and merge the two shares of the market. B.    Convergence= A process by which formerly distinct industries begin to experience demand overlap typically because of advances in technology.

C.    Strategic Groups= A group of firms which implement a similar strategy within a specific industry.     II.         Internal AnalysisA.   Value Chain Analysis= Are the internal actions a firm takes to transform raw material and other inputs, are transformed these inputs to a finish product or service for the consumers. 1)    Supply Chain Management= seeks an effective flow of supply chain process, supply chain is a combination of network activities and resources to create a product, and to distribute to the consumers.

2)    Operations= A process where a company can create inputs into outputs for their customers. 3)    Distribution= Companies will decide which retailer’s stores will receive the product to sell. Very few companies will sell products directly because this can be a highly cost.

4)    Marketing and Sales= A company to promote a product or service, and forecasting their sales. 5)    After-sales Service= Getting feedback from their consumers, so that companies can improve their product or services if needed. B.    Stakeholder Analysis1)    External Stakeholders: ·      Customers, suppliers, alliance partners, creditors, unions, communities, governments, and media. 2)    Internal Stakeholders: ·      Employees, stockholders, and board members. C.

Financial Ratio Analysis1)    Profitability Ratios= Describe the profitability of a firm. We have: gross margin, return on assets, return on equity, return on invested capital, return on revenue and dividend payout. 2)    Activity Ratios= Measure the efficiency of business activities. We have: Inventory turnover, receivables turnover, payables turnover, working capital turnover, fixed asset turnover, and cash turnover.

3)    Leverage Ratios= Describe how a firm manages its debt. We have: debt to equity, debt to assets, interest coverage, long term debt to equity, debt to market equity, bonded debt to equity, debt to tangible net worth, and financial leverage index. 4)    Liquidity Ratios= Indicate various measures of asset liquidity within a firm. We have: current, quick (acid test), operating cash flow, cash to current assets, cash position, and current liability position. 5)    Market Ratios= Refers into the stock performance of a firm in the market. We have: book value per share, earnings-based growth models, market-to-book, price-earnings, price-earnings growth, sales-to-market-value, dividend yield, and total return to shareholders.