

Threats of the film industry



The main threat for the film industry now-a-days is PIRACY. Where hackers sell the duplicate CD's and DVD's. Online piracy has also come into action and every illegal download cost to the film industry is huge. It is obvious that people get attracted to the internet as it is free. Online piracy is could impact the film industry losing up to \$460m (275 million pounds) annually according to leading motion picture studios and distributors report. Technology is playing a key role where things became more easy and simple. A recent report estimated around 144, 000 films is downloaded every day across the world. The main piracy is done with the help of camcorders in the theatres.

The recent box office hit AVATAR was the most grossing film in the cinema industry as well as the most pirated film. AVATAR was downloaded 500, 000 times in its first two days in theatres and almost 1 million times in first week of release. (www. torrentfreak. com)

To prevent this threat for film industry government is taking necessary steps with the " FEDERATION AGAINST COPYRIGHT THEFT (FACT) ". It was established in 1983. The primary purpose of FACT is to prevent the UK's film and broadcasting industry from being infringed. FACT closely works with UK police, HM Revenue & Customs, UK border agency, Serious and organised crime agency and the other agencies. FACT assess, analyse and report the threats. It plays a key role in ensuring that the awareness is created among people about the growing piracy.

FACT works in three key areas:

Online Piracy - This focuses on distribution of illegal films.

Prevention of recordings in theatres – Over 90% of piracy is originated from copy recorded in theatres.

Hard goods piracy

<http://www.guardian.co.uk/business/2003/oct/21/film.filmnews>

<http://www.fact-uk.org.uk/site/about/index.htm>

Question 2:

SWOT ANALYSIS:

SWOT is a tool which is used to evaluate Strengths, Weaknesses, Opportunities and Threats of an organisation. Strengths and Weaknesses are considered to be internal factors of the organisation and Opportunities and Threats are considered to be external factors. This method identifies internal and external factors which are favourable or unfavourable in achieving an objective.

http://en.wikipedia.org/wiki/SWOT_analysis

INTRODUCTION OF IKEA:

IKEA (Ingvar Kampard Elmtard Agunnaryd) was founded in 1943 by a 17 year old Ingvar Kampard in Sweden. He grew up in a farm called Elmtaryd in a village called Agunnaryd. IKEA comprises of initials of the founder's name and the place where he grew up. In 1920s Kampard started selling match boxes to his neighbours by buying them in bulk at Stockholm and reselling them at very low cost. It later expanded by selling flower seeds, Christmas tree decorations, pencils and pens. In 1940s he discovered furniture designs

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with self assembling concept and now IKEA is the world's largest furniture company which is famous for its flat-pack designs at low prices. It sells Accessories, bathroom and kitchen items. IKEA has also actively participated and has partnerships with social and environmental projects.

http://www.ikea.com/ms/en_US/about_ikea/the_ikea_way/history/2000.html

<http://en.wikipedia.org/wiki/Ikea>

SWOT OF IKEA OF IKEA HELPING TO DEVELOP SUSTAINABILITY:

IKEA's business strategy is based on sustainability and environmental design. To attain its goal of sustainability IKEA has launched a new business plan which combine social, economic and environmental issues.

SWOT analysis will help IKEA to reach its objectives by identifying and evaluating Strengths and Weaknesses which are within the control of IKEA like production, marketing, finance, human resources areas of the organisation. Opportunities and Threats which are out of control of IKEA like social, economical, political, technological, environmental issues outside the industry.

If IKEA is able to create opportunities by countering the threats and by addressing its weaknesses with the help of its strengths then it will achieve the goal of sustainability.

<http://www.ikea.com/webapp/wcs/stores/servlet/DisplayPage?layout=memberOffers&storeId=7&id=-20&catalogId=10103&localStore=12003>

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<http://www.thetimes100.co.uk/case-study-swot-analysis-sustainable-business-planning-110-368-3.php>

STRENGTHS OF IKEA:

Any aspect which adds value to product is considered to be a strength of the business.

IKEA's Strengths are as follows,

Its vision to provide better life for its customers and employees.

Its promising global brand value and range worldwide.

Its strong concept of providing wide range of products at low prices.

IKEA has strong customer confidence level to buy IKEA products from any store.

IKEA extracts chemicals and substances which are harmful to the environment and people.

IKEA is completely against child labour and also keep an eye on its suppliers to avoid child labour by doing frequent visits without information.

IKEA is working together with UNICEF to save the children and provide them with education and better future.

IKEA has introduced an IKEA FAMILY CARD which benefits its customers with which they get discounts on the products like furniture, mobile phones and also reductions in restaurants.

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As a member of FAMILY CARD customers can save up to 60% on mobile phones purchase and get offers in restaurants like free Tea and coffee.

This range of offers and products in IKEA makes customers visit them again and again.

WEAKNESSES OF IKEA:

<http://www.clik2complaints.co.uk/Ori-others/ikea3.htm>

<http://www.thetimes100.co.uk/case-study-swot-analysis-sustainable-business-planning-110-368-5.php>

Any organisation should identify and acknowledge its weaknesses will improve the product or service of the company. This also helps the organisation to set objectives and create new strategies.

IKEA's Weaknesses includes,

IKEA's concept of offering low price products should be balanced with its quality. It should constantly concentrate on quality in every step of production.

It should always differentiate its products from its competitors.

Its global business makes it difficult to control quality and standards worldwide.

It should always try to keep good relation with its stakeholders and consumers which again is a difficult task because of its size and scale.

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There are complaints from the customers that their orders include items which are not necessary for them.

Items of wrong material, size and fabric are delivered to the customers.

A poor customer services and improper staff coordination.

The complaints from customers are spoil the reputation of the company.

IKEA has to concentrate on improving its services by appointing right staff in right place. Orders need to be taken with all the specifications and confirmed by the customer before delivering the order.

OPPORTUNITIES OF IKEA:

Opportunities arise with the strengths of the company. IKEA focuses on environmental based business. IKEA educates its customers to support recycling and reusing of the products and also aims that recycled products are not used in developing a new product. IKEA wants to give its customer a sustainable life.

Advantages of Opportunities of IKEA through its sustainability,

The demand for greener products which do not harm the environment is growing.

Demand for products with low price is growing because of the current financial conditions. Customers prefer trading in cheaper price.

Being sustainable is IKEA's image which helps to keep good relationship with stakeholders, consumers and press.

IKEA sources the products from countries like China, India and Pakistan which enables IKEA to offer products at competitive prices.

IKEA plays a major role in supporting for charities like world wildlife fund and UNICEF.

IKEA's aim to reduce energy use and carbon footprints and use more renewable energy has a growing demand.

THREATS OF IKEA:

For any organisation, competitors and new entrants to the market are the main threats. Threats are always external like political changes, environmental and economical. IKEA can use a particular strength and overcome the threat.

There are many other companies in the same market and IKEA should try to attract the customers with special offers and reduced prices when compared to others.

IKEA should make better use of technology and resources to gain economies of scale which gives them competitive edge and also enables to offer products at lower prices and puts barriers for new entrants entering the market.

IKEA's biggest strength is offering products at cheaper prices which create strong customer base in tough financial times and depressed retail market.

Its products are also famous in the market for its good quality among the higher budget markets.

CONCLUSION:

IKEA's strengths offering products at low prices, impressive designs and use of technology and resources can counteract any weakness or threat and create opportunities in the market. IKEA belief in doing good business makes it a sustainable business in creating better everyday life for its customers and employees.

Question 3:

IKEA TO FULFILL SOCIAL RESPONSIBILITY

IKEA took part in several projects for development of society. Most of the projects were related to children welfare.

In association with UNICEF, IKEA initiated child rights program in India. The aim of this project was to prevent child labour by addressing root causes like poverty and illiteracy.

IKEA also supported UNICEF in emergency programmes like earthquake in Pakistan and 2004 Tsunami affected countries like India, Pakistan, Sri Lanka and Maldives.

IKEA supported UNICEF in providing immediate needs like food, bowls, sleeping bags, towels and bed sheets.

It also took initiative for earthquake affected children in providing quality education and safe drinking water. Nearly 10, 000 earthquake-affected boys and girls between 6-11 ages were benefited with education and hygienic facilities.

These are some social activities of IKEA as a global brand and have good command on social responsibilities. In addition, IKEA also actively participates in addressing environmental issues as a responsibility. It believes in creating healthy society. As part of this it encourages its customers to support them for recycling or reusing the used products. It pays attention on less usage of water and carbon footprints. IKEA can continue its partnership with UNICEF and try to help whenever needed. It can show its concern in every possible and fulfil its social responsibility

http://www.unicef.org/corporate_partners/index_25092.html

TASK 2:

Question 1:

INTRODUCTION:

Charles Lazarus is the founder of Toys" R" Us. In 1948, he turned his dream of creating children oriented business into reality. He started a baby furniture store, Children's bargain town in Washington. On public demand he started selling toys. The first toy that he started selling was cradle gym. Later he expanded to tricycles, books and other toys. After 10 years, Charles opened his own store in a supermarket model which helped the customers to pick products of there own choice. In 1980, he opened his second store and named it as Toys" R" Us which attracted parents and kids. In 1984, the company began to expand internationally. It started opening the stores in countries like Singapore and Canada. Later more than 700 stores were opened in 33 countries outside United States. The company branched out into children's clothing business and opened the first store in Paramus, New

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Jersey and Brooklyn, New York named Kids" R" Us. Although it closed its branches in 2003, it still remained committed to apparel business and continues selling designer and private label boys and girls clothing through Babies" R" Us stores.

<http://www2.toysrus.com/about/ourHistory.cfm>