

# Capstone assessment for round 1-4 (ferris company) report examples

[Business](#), [Company](#)



At the end of round four, Ferris company made a profit of \$3, 872, 090. This implies that the company had no loss, which results from the insufficient margin caused by low prices and high cost structure. The high profits suggest that the company did not have excess expenditures in selling and advertising. According to the analysis the company had a good margin and it was getting good returns from the sales.

Ferris Company had an emergency loan of \$2, 504, 096. The company should therefore watch the management of its cash flow. The cash flow represents how money flows into and out of the checking account. In addition, Ferris had no point for inventory. This suggests that they experienced competition from other companies and it did not satisfy at least ninety five percent of the demand they generate across the entire product line. The company may have turned away the customers because of under-production.

The stock price of the company fell last year by \$-13. 99. The stock price of the company could have been affected by debt, asset base, dividend policy, a number of the outstanding shares and its performance. Due to the competition that the Ferris experienced from other companies, profit made was very low. In order to avoid making losses and promote stronger customer satisfaction, different strategies could be employed.

Differentiation strategy that will ensure that customers are provided with commodities of unique characteristics and features at affordable prices.

Besides, product design will be tailored towards customer's needs and tastes; achievable through focusing on high customer service, products of high quality, strong management skills and advanced technological features.

Adequate and effective implementation of strategies will lead to better results. The company will expect a profit of above \$15, 892, 163 with good returns in sale attaining a contribution margin of above 30%. Due to the high profits, there will be no emergency loan the stock price definitely will rise from the previous one of round four.