

# The swot analysis of the hobbycraft



**ASSIGN  
BUSTER**

The Hobbycraft is a crafts and arts superstore chain in the United Kingdom. The store holds a national arts, crafts- and hobbyist materials. The company is a first of its kind in Europe. The Hobbycraft for all ages versatile craft national resources. The Hobby Craft is one of the UK's dedicated store chains of supermarkets, a leading retailer of arts and crafts market, with more than 35, 000 arts and crafts products. The HobbyCraft allows customers with more than 250 products in different activities available. The store has everything you will ever need a creative artist. Dorset in 1995 opened the first store, business is now 73 across the UK.

State the mission, vision, objectives, goals and core competencies of your chosen organisation.

**Mission:** The HobbyCraft's mission is to awaken people's creativity.

Customers can choose from more than 35, 000 products, thus facilitating the enjoyment of the work. The company targets the young age group. It draws attention to the simple pleasures of life that you enjoy staying at home.

**Vision:** A HobbyCraft the UK's only dedicated company that deals with crafts. The company participates in charity events, fundraising to support its aims in the future. Customers will make efforts together in the future.

**Objectives:** The HobbyCraft aims to be a responsible retailer that suppliers receive the same treatment. Its purpose is also to work to reduce their impact on the environment (e. g. Carbon dioxide emissions).

**Aims/goals:** The HobbyCraft is designed to focus on private label products, given the fact that an increasing number of value-conscious buyers (looking

for more affordable products). Launching a new format for attracting younger ages. Improving supply chain, to expand.

Core competencies: The current position of trading in the UK is very strong. The company has more than 250 different activities for products in one place. Collecting donations for creative rooms open up sick children, study and relax.

Describe three issues involved in strategic planning in your chosen organisation.

Internal analysis: The company has had problems with incoming products. More than 150 suppliers have contacts, the delivery was irregular, many products remain in stock, many were in short supply. The company's solution is a complete merchandising warehouse development team. Currently, there are processes developed, fair distribution of the goods ordered.

External analysis: A HobbyCraft occupies a very strong position in the UK, in terms of price is not the most favorable for customers. Similar smaller supermarket chains, the public may have access to more affordable products. Given this, Hobbycraft has reviewed the problem and are trying to maintain the private label products has been steady buyers pursue.

Business level strategy: 5 types of business-level strategies (Porter's 5 forces):

Bargaining power of suppliers. – The Hobby Craft suppliers trying to estimate accurately paid continuously to keep the orders.

Bargaining power of customers. – The company takes care of the customers.

Large supply of goods, but due to lower gains should retain customers.

Lower prices, a lot of purchasing power.

Threats from your competitors . – Because competitors overshadow smaller profits, efficiency and reduced costs.

Threats from substitute products. – Certainly smaller competitors with lower costs to entice buyers to prevent this, the company advertising, promotions should remain the center of attention.

Competitive rivalry. – The competition is profitable, the company needs good management staff, suppliers and customers remain in the foreground.

Select two different planning techniques which you could apply to your chosen organisation.

PIMS: Project impact of market share. The 6 main areas PIMS holds information about the Hobbycraft:

Characteristics of the business environment. – The HobbyCraft is the largest craft company in the UK. The company is constantly expanding.

Competitive position of the business. – Through the company's highest competitive advantage over smaller organizations. Stable is one of the first.

Structure of the production process. – The company distributes quality controlled. Wide range of supply. Products offered customer-friendly prices.

To separate the budget. – The HobbyCraft debt free. Constant from year to year profit increases. In 2012, a 12% increase in sales.

A strategic move. – The HobbyCraft employ an aggressive expansionist policy.

Operating profit or loss. – The company has a strong position. Steadily rising profits. Satisfied customers.

BCG: The BCG matrix – also known as a growth / share matrix – the portfolio of the most common methods. 4 main groups:

Stars: The Best Products situations. – The Hobby Craft seasonal sales are very profitable in holiday sales.

Question mark: The latest products. – The company's new product launch prospects look good at the “ stars” direction. Ever-expanding audience and consumer interest in the product.

Cash cows: the stabilized products. – The Hobbycraft most customer / visitor constant and familiar product for return.

Dog: The products will be at a disadvantage. – If the newly introduced products Hobbycraft do not succeed, expensive or low demand for it, the value of the product is reduced and eventually eliminated.

2. 1 Select an organizational audit for your chosen organisation.

The SWOT analysis (SWOT Matrix alternatively) a structured design methodology. Shall evaluate the strengths and weaknesses and the

opportunities and threats. The SWOT analysis can be performed for products, sites, industry sectors or individuals.

Strength: business characteristics, which is an advantage over others.

Weaknesses: are characteristics that are disadvantaged compared to others.

Opportunities: Items to take advantage of the project for their own benefit.

Threats: elements can cause problems in the business environment or the project environment. Other small advisor looking to break into the market.

SWOT analysis of the Hobbycraft:

Strength: the UK's largest supermarket chain, Arts and Crafts; employ large numbers of workers; large, versatile range; monitor the impact of their work environment (carbon dioxide); continuous rise in profits.

Weaknesses: not expand to other European countries, only the UK and in some parts of the U. S.; problems is delivered, large inventory, supply in the store. Unfavorable prices.

Opportunities: expand into the European market; Improving the distribution and supply activities; create a multi-channel online presence;

Threats: competing companies / organizations in neighboring countries to strengthening the possibility of future expansion to narrow scales;

2. 2 Select an environmental audit for your chosen organisation.

The PESTEL framework of six important environmental effects of political, economic, socio-cultural, technological, environmental/ecological and legal.

Political: A HobbyCraft set a strong and stable position in the United Kingdom. Strong competitive position, supporting multiple organizations affiliated with. The organization works closely with the shareholders.

Economic: the company profits are high, products are available to our customers, competing companies sometimes work better prices.

Development of customer-friendly prices, deals in sales.

Socio-cultural: The HobbyCraft stores some practical training sessions are held for those who wish to learn. The company takes into account both the younger and older age groups, with families and permanent guests for customers. The organization supports hospice organizations, charities, training, organizing workshops.

Technological: The HobbyCraft is always looking to offer the latest technology offered. The smooth interior finish is very important for engineering help. Customers have the latest technical equipment offered in the craft and creative work of art.

Environmental / Ecological: The organization is trying to use recycled products. A large percentage of their products are harmless to the environment and health materials. Attention is paid to carefully manage the storage of waste.

Legal: The Hobby Craft products are manufactured in accordance with health regulations and packaged. The stores are decorated in security terms, adequate fire protection, controlled.

2. 3 Explain why the a) stakeholder analysis and b) strategic positioning is important within your chosen organization.

Internal stakeholders: they belong to the organization in a variety of roles.

Four spacing them include:

Owners: They have the capital investment. The Hobbycraft success into an increase in investing in capital.

Directors: The directors are to be appointed to the goals They are Justified. The Importance of a good board and thereby positively motivates employees.

Management: Managers, leaders, decision-making function. Their work provides the Hobby crafted a multi-faceted development.

Employees: They are the primary interest of increasing their income. The Hobby Craft offers career advancement opportunities, career benefits.

External stakeholders: They play an important role in the company's position in the UK.

Customers: The company monitors the customers' needs of the Member of moving people changes. Customer satisfaction is a continuous rise in profit.



Competition: The small craft businesses as incentives for the HobbyCraft.

The competition encourages continuous improvement in the company.

Supplier: Hobbycraft very important for on time delivery, good relations, accurate payment.

Government: the role of government is important in terms of lobbying.

Payment of tax, the amount thereof. The government has a direct legal rules affect the company's edification.

Local voluntary and community: is the Hobbycraft contact various charities, hospitals. The community formed in this way from Hobbycraft image plays an important role in the company's position and profit or loss of growth.

Strategic positioning: The Hobbycraft leader in the UK. In the year 2012 the sale of 12% showed an increase. In the current economic environment, the company's prospects are favorable, but the current economic situation, the company's position in the affected consumer confidence.

3. 1 Describe how your chosen organisation could undertake the following strategies: a) market entry, b) substantive growth, c) limited growth and d) disinvestment.

Market entry strategies: The organization's growth is the main way of internal development. In 2010, Bridgepoint's acquisition of Hobbycraft. The results of the internal development of positive relationships with suppliers, the assortment expansion, opening new business expansion. In 2012, 12% revenue growth in understanding.

Substantive growth strategies: The company has all the latest area craft accessories, tools and equipment trying to meet the expectations of our customers. Manipulative various trainings available in some stores.

Organizing charity events. Disabled people development sessions. The Hobby Craft manufactures within and purchases of different products, but there are some quality problems in their own brand products.

Limited growth strategies: For the development of the market Hobbycraft great attention to the constant and recurring customers, big and working incredibly hard for younger conquest. Trying to remain competitive prices. The U. S. opened stores, but not to expand in Europe.

To ensure market penetration and retention levels within the company's actions (for example: buy one, get one free) encourages consumers to engage more of the same products. Commercials and programs for customers, with the new private company holding the attention of customers.

The product of continuous development. The older products are replaced with a new one, or add new products to the existing ones. The product development requires the growth of the market.

Disinvestment strategies: After the 2010 Bridgepoint purchase of the Hobbycraft strong fight to be able to stay in business. The introduction of a new store model, the restoration of supplies, coordination of prices had a positive impact for the company. Now, is stable leading position, using an aggressive strategy.

### 3. 2 Predict an appropriate future strategy for your chosen organisation.

The corporate strategy is to suggest Hobbycraft's. This strategy is oriented ownership.

Corporate strategy deals with the company's overall objectives. The HobbyCraft is designed to meet stakeholders' expectations. This type of strategy places great emphasis on business because investors are strongly influenced by the relationship with the company. The company's mission is directly in the application of corporate strategy. The main purpose of Hobbycraft customer satisfaction, the people, loved by the use of the craft. After Bridgepoint bought the company, the work of the management team (board of directors) is to meet the demand. Corporate strategy is concerned, it is a valuable strategy firm employing other companies. Requires a strong strategic foundation (evaluation of alternatives, their mobilization).

Expectations in working with clients, determine the current portfolio and formulate the new (to maintain profits and growth). One of the main roles of the control strategy, which is a more complex difference in kind values: attractive corporate vision, appropriate performance targets, and the aggressive portfolio management.

In my view, the Hobbycraft success with this strategy and can achieve a fixed benefit in the long run.

### 4. 1 Convert strategic plans into operational reality in your chosen organisation.

The SMART is the achievement of business goals and develop their help.

The Hobbycraft long-term goal is to be a responsible retailer.

Specific: The Hobbycraft is a major mission is to awaken people to the importance of creativity, beauty. To create a creative space where people of all ages find the one you need.

Measurable: The company of young mothers and the community aimed at younger, you want to appeal. In addition, to maintain and strengthen the Charity organizations. The first HobbyCraft-charity open this year. This partnership is a major challenge for the company. The stakeholders work closely with the shareholders.

Achievable: Continuously expanding the stockpile, which represents more than 35, 000 products to more than 250 different activities. Today there are 75 stores across the UK. Craft courses draw attention to the company's values.

Relevant: The HobbyCraft a strong and stable presence, which enables people to the fun of art. The company operates industrial centers where many buyers are turning out. Stakeholders and investors' interests are worth targeting.

Time bound: The management intends to medium term, a fourfold increase in the number of outlets. The next five years, wants to raise the number of outlets to 150.

SMART goal: The company has a definite aim to expand in the future and meet the expectations of our customers. To keep a competitive edge.

Continuous expansion of the retail parks.

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4. 2 Identify resource requirements you would need to implement a new strategy within your chosen organisation.

In order to use the Hobbycraft new strategy should assess the resources. The essence of the resources to meet the needs of the market and meet the expectations of stakeholders. A new strategy for two different sources should be considered:

Financial resources:

Financial resources existing:

Overdraft.

Cash balances.

Bank and other loans.

Creditors.

Equity.

Ability of new resources:

The relationship existing investors and creditors.

Market assessment of the investment.

What's the general business reputation.

Human Resources:

Existing staffing resources:

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Functional staffs, their location, quality, experience, qualifications, remuneration.

The rate of loss of existing staff.

Total quality training.

Changes required resources:

What effect the new strategy changes in the body, such as location, product.

What human resources are needed and how to obtain them.

Financial resources are at the HobbyCraft is able to use its own capital and Bridgepoint (private equity company) is the main shareholder. The company is increasingly popular among consumers, good business reputation. The expanded opportunities abound to the retail parks.

Human resources are in the company should be made a major investment in the purchase of the labor of any location changes. New strategy needed to appropriate high-quality retraining experienced workers to keep. The HobbyCraft's important to have competent and creative staff.

4. 3 Select a strategy (e. g. growth by acquisition) used by your chosen organisation and propose targets and timescales which you would use to monitor its implementation. You are required to present your answer in a Gantt Chart.

Growth and Acquisition Strategy: This strategy supports the development and validation of a growth strategy. The growth opportunities are evaluated

to determine the past and current performance across the enterprise, the performance of competitors and market research.

Today is another big focus of the formulation of the manual work. Many people cannot afford to buy it for them is not well-known products, and experimenting at home, whether they like it or not.

My suggestion would be to HobbyCraft has a few shops to create a ' test' room. The room can be equipped with a porcelain painting basic things, and baked polymer clay basic supplies, and embroidery basics. Our trained staff helps to those who wish to learn to master the much-coveted hobby. The finished products would be taken on the spot and a souvenir. The finished products of the proceeds as little more than the constituent material, but if people pick up on different hobbies, they can be permanent customers. Be profitable in the long term.

The plan presents a Gantt chart.