

Opportunity and threat of cadbury



**ASSIGN
BUSTER**

Opportunity First of all , Cadbury should increase in market potential of developing countries. Especially expand into the emerging markets of Nigeria , China and Russia, based on their growing populations, increasing consumer wealth and increasing demand for confectionery products. So that It would be a potential market for Cadbury. Moreover , based on their strong brand name , Cadbury can try doing different types of businesses like innovatively doing Co-Brand Marketing with other brand industries . Ingredient branding in food industries for example published chocolate milk , ice cream even chocolate tofu pudding.

Also doing complementary branding like published T-shirt and accessories . Besides the market , Cadbury should responds to change in consumer tastes and preferences because consumers are more concern health nowadays , low-fat, organic and natural confectionery demand appears much stronger . So that a healthier snacks with lower calories need to be developed. For example Cadbury should launch some links which led to sugar-free & center filled chewing gum varieties and Cadbury premium indulgence treat. Last but not least , Cadbury can put more effort on reducing costs even increasing efficiency .

For instance , Moving production to low cost countries, where raw materials and lab our is cheaper besides India . Because Cadbury ' s production lines are mostly located in high cost countries like Australia and US . And also reducing internal costs like doing global sourcing , procurement , efficient supply chain and wise investment . **Threat** First of all , Cadbury will face the intense competition against other branded suppliers even global competitors . According to above statistic , Mars-Wrigley and Nestle are the main

competitors especially Mars-Wrigley the strongest market sharing in total confectionery .

When they set an aggressive price and promotion activity , it ' s possible to occur price wars in the market which will induce a main threat for Cadbury. Especially affecting their marketing sharing and profits . For example there would be seasonal sales slumps all year round which will reflect to an increase in cost of raw material needs . Second one is “ Copycat” problem. Especially when Cadbury expand into developing countries like China, based on their unhealthy legal system , it ' s easy to appear “ Copycat” problem which will totally affect their profits , market sharing and their unique images .

For example Tempo Tissues is the main “ Copycat” problem sufferer when entering in China market . Many fakes products have approached in the market. Last but not least , due to its confectionary products , It ' s important for them to be aware of upcoming threats . For example taking notes of the changes in the consumers ' buying trends . For example low-fat, organic and natural confectionery demand appears much stronger . So that they should shift from chocolates to healthy snacks , otherwise there may be tarnish the Cadbury ' s brand name and totally affect their income .