

Strategic choices module 4 slp essay

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



Kraft food incorporation is a renowned company that deals with manufacturing, processing and also packing of food and beverage products that appeal and are extensively used by customers on a daily basis (Vickers, 2005). Its popularity in North America emanates from their large command in the food and beverages industry for many years. To achieve this level of enviable success, Kraft food group has been able to master and develop various strategies that have been modelled to generally improve on the performance of the company amidst various business threats. These strategies largely serves best in the creating and retaining loyal customers. According to the analysis of Kraft food group from module 2 and 3 findings, it becomes apparent that, this company's strengths exceeds its weaknesses, nonetheless, a lot of strategic decision and policy making is obviously a basic need in the endeavor of seeing Kraft food group continue flourishing. Precisely, the weaknesses of this company can be controlled through strategic decision making while its strengths sustained by capitalizing on both the frequently done internal and external analysis of the company. This paper will apply and integrate the results from my SWOT analysis on Kraft foods group Inc. and further analyze it using various analytical models such as the Porters Value chain and the PEST analysis.

Similar to the concept put across in the Porter's generic strategy, a company such as Kraft group, is able to position itself only when it is able to leverage on its strengths. The chief advantage of a company that effectively applies and integrates its various analysis is that it is able to know its exact position in a particular geographical setting and in the specific industry because of having a clear picture of their strengths, weaknesses, future opportunities

and also the possible threats that may ultimately become a stumbling block in the growth and expansion of the firm (Liang, Czaplewski, Klein, & Jiang, 2009). The various strategy variables to be included in the analysis are:

Low cost

Differentiation

Focus

Preemptive

In addition to their great quality and suitable pricing, Kraft food group has been able to mark its value above other company's products due to its suave distribution channels. Additionally, it has a strong financial base that can fund its operations. In regard to the integration of the swot analysis and the four strategies mentioned, below is a table that lists all the variables

Kraft Food Group Strategic Choices

Step 2

Step 3

Low cost: Economies of scales, (higher sales and fixed costs such as R&D be spread over a large revenue base) Differentiation: Combining products
Focus: undeveloped markets targeted Preemptive: innovative products
Strengths: own distribution channel Weaknesses: Geographical positioning and concentration Opportunities: Restructuring Threats: Strong competitive rivalry

Step 4

Although most people are of the opinion that low costs strategies solely depends on the aspect of economies of scale, there also exists numerous low

costs strategies that works perfectly in a situation such as that of Kraft Foods group. These Low costs strategies includes no fills, product design and operational design. On the other hand, when considering the element of differentiation strategies, when a firm ultimately starts producing a product that is different from that which is produced by his competitor, it is more likely that they will be able to gain a larger customer base command. Some of the differentiation strategies that Kraft foods can adopt includes combining products (Mukherjee, 2006). This is one of the best and most applicable form of differentiation strategies to this organization. Kraft should consider unveiling other products apart from the common food and beverage products so as to increase and also manage to their customer's loyalty. Change of design and the quality strategy are some of the approaches that can be adopted so as to ensure that the element of differentiation has been integrated in Kraft foods Group Company.

Kraft food should optimize on their strengths such as the fact that they have a suitable capital base that can enable it to expand further especially to become a multinational firm that is almost in every country in the world such as its competitor the McDonalds. It should also work on its weaknesses since these weakness tend to eat up on the company's profits for instance, due to the nature of Kraft food company's vigor, they tend to overdo or over invest into print media and billboards as forms of advertisements. These large costs can be prevented if the company can adopt new and innovative marketing strategies that are not as expensive as their current channels of advertisement.

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