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## American Express Company

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## Introduction

The American Express Company also known as the Amex is one of the biggest American multinationals. It provides Financial Services to millions of customers globally. The company is headquartered in the Manhattan, New York City, United States. The company was founded in the year 1850 and is known for its credit cards, charge cards and other traveler's cheque businesses. The company is considered to hold the 24% of the total dollar volume credit card transactions in the United States.   
The company is ranked 22nd in the most valued brand list of the world. The worth of the brand is $ 14. 97 billion. The Fortune listed American Express among the 20 top companies that are most admired in the world. The company logo was designed and adopted in the year 1958 and represents a Centurion. The logo is presented on the products of the business (traveler's cheque, charge cards, and the credit cards).

## Strengths

The company enjoys a strong brand name and the products and services provided by the company are well-known to the customers all over the United States. American Express is considered to be the market leader globally and enjoys a handsome market share in the United States (Ferrell & Hartline, 2012).   
The company possesses the asset leverage and other size advantages and unique financial products. These advantages are the core reasons for the customer loyalty. The company offers responsible credit cards to its valued customers, and the credit card business is expanding worldwide.   
The company has a good financial position, and its profits are higher than most of the competitors. The company is working in different countries except the United States and has many loyal customers. The company provides many safe modes of spending while traveling to different destinations, this provides ease for the customers.   
Unique products offered by the company are the credit cards, charge cards, and the traveler's cheque. The company provides most of their services to the people who like to travel all around the world (Ferrell & Hartline, 2012).   
The human workforce used by the company is very high. The company has employed over 60, 000 employees who serve a lot of customers. The company provides sales services, and the customer's feedback are valued by the company. The customers are satisfied with the services and products provided by the company.   
American Express value their customers and offer loyalty programs to the customers. The company focuses to provide high quality goods and services to the customers and keep their customers in contact and offer new services whenever they are launched by the company.

## Weaknesses

The company has not focused on the research and development for the needs and wants of the customers. The company is facing a higher decline in the traveler's cheque usage. The company did not utilize their resources in the best possible manner and, therefore, suffered a decline in the profits.   
The company also faces problems regarding the debit card services provided to the customer at the point of sale. The customers face problems with the services, and many complaints have been received by the company.   
The company needs to improve the customer relationships and must try to maintain these relationships as these relationships were satisfactory in the past. The company also needs to improve their financial decision-making processes. The company has undertaken few bad acquisitions that have hurt the earnings and image of the American Express Company. These decisions must be improved in the future to gain more and additional revenues for the business.

## Opportunities

The company has a bright chance of expanding the services and products to different developed and developing countries. The biggest advantage would be that the company would not require spending huge amounts on the marketing and advertisement. Most of the people all over the world know about the products and services of the company. The customers of the company provide a word of mouth advertising to different friends and family all over the world. The quality of the products is also the crucial factor, as the company provides easy to use and quality products and services to the customers and therefore expansion would be beneficial.   
The expansion will result in higher revenue generation as the products and services are accepted worldwide. The company also has a bright chance to increase their operations by obtaining greater financial leverage that could help in increasing the American Express's earnings.   
The company can also utilize its strengths and focus on diversifying the products and services. The company can diversify using the Related or Unrelated Diversification strategies. The company can provide new products and services or can improve the portfolios of the customers and attract new customers.   
Innovations can also be adopted to make the products more user-friendly, and the processes must be upgraded so that most of the people can use the products without any difficulty. The company can launch innovative schemes to allow easy usage for the customers and to attract more and more new customers.

## Threats

The biggest threat to the company is the changes in the government regulations after the financial crises. The financial crises are the part of the business these days, and the company must mitigate the risk of these regulations by taking proper precautionary measures. The company must align their operations with the regulations and policies of the government of the region.   
The crises can be observed in the Credit Market and has shown a negative impact on the operations of the business. Other risks such as the volatile cost and the political risks can hurt the operations and earnings of American Express.   
The customer perceptions and behaviors can also impact negatively, as the financial tastes and spending habits change very quickly. These changes can hurt the business earnings, and the company may lose its image in the minds of the customers.   
The international market is growing with regards to the competition and therefore the company has to focus on the quality and customer relationships, any issues with the quality will lead to a drastic decrease in the international operations of the business as the customers will switch to other products and services.   
The credit card write-offs are also a threat to the company, in the time of recession and financial crises most of the people are unable to pay off their payments that result in a decline in revenues for the company.   
The competitors of the business are also considered to be the biggest threats, the main competitors of American Express Company are the Visa and Master cards provided by the companies. The business needs to provide unique products to avail competitive advantage.

## References

Ferrell, O. C., & Hartline, M. (2012). Marketing Strategy. Boston: Cengage Learning.