Sara lee corporation and alberto culver

Business

Unilever has embraced the technology through the use of the internet. It has new websites that help deliver its messages and advertise too.

This has helped them grow globally and has also helped them stay at the top of the competition. Unilever has sales representatives worldwide who distribute and market its various products. Unilever’s tradition has been to brand their products and have researched the needs of the local people. Unilever has thus customized its products to fit the needs of consumers. Unilever has a strong management team due to high qualified staff. It ensures that it trains its staff extensively thus developing their careers.

This way it gets to keep professional staff for a long time (Frieden, 2008). Woolworths did not get so much involved in the e-business during the expansion which would have helped it expand and make more profits. This clearly displays how diversification can go wrong without proper consideration in place. Unilever has modern research laboratories in Britain, Netherlands, among other countries. This has enabled them to lead in innovation and thus beating their competitors. It has participated in various corporate social responsibility activities as a way of making them recognized, also supports environmentally friendly images as a marketing strategy.

Woolworth’s did not take time to research, as to why customers had shied away from their products. This would have helped them regain focus and continue to be at the top. Outcomes Unilever’s successful outcome was the acquisition of companies such as Sara Lee Corporation and Albero Culver which are personal care companies. Also, Ben and Jerry’s and Slim Fast which are food companies, enabled it to expand at an extraordinarily large rate. Decentralization was an unsuccessful outcome of Unilever, and it caused a barrier in flow of knowledge. This was because it presented them with the differences in the markets and their brands instead of the similarities between the two.

Woolworth's outcome of having many stores made them create a name for themselves and have a market share. This helped them sell goods cheaply and make massive, short term profits. Woolworth's unsuccessful outcome due to diversification was that of selling specialized goods, which made it, loose focus. Woolworths did not reinvent itself by innovating new products to maintain their old customers. As they continued to expand, they were not able to train their staff or keep then updated on the products stocked in their various stores. Customers became frustrated by this and started pulling out one by one.

Reasons for the Outcomes The acquisition of companies by Unilever Company was to help them offer a wide range of products to customers and thus increase their market share. Decentralization ensured that a speedy growth rate was in place, but after some time, the growth became stagnated and serious problems with the management occurred. The company has since moved to centralization, and this has ensured the basic running of Unilever worldwide. Woolworths opening many stores would have gained it price leadership and market leadership. Since, the majority of the items coulld be found at their stores.

Woolworth's failed to differentiate its products from its rivals and ended selling the same products that rival stores sold. Unilever has succeeded in its diversification due to availability of capital to invest in acquired companies while Woolworth's capital became insufficient due to the rapid expansion (Gaffney, 2010). Recommendations for Woolworths Woolworths could have introduced a loyalty program to customers, in order to maintain them. This way they could have afforded to sell their goods the same price as the rivals and customers would not have run. Woolworth's could also have ensured that its core business proceeded as usual during implementation of the new business ideas. Also, they should have engaged into a strategic plan that aimed at providing both short term and long term profits, this is because the short term profits would have helped in the quick expansion, while the long term profits ensured that during economic recession they would stay in business (Gaffney, 2010).

Conclusion Companies intending to diversify should ensure that they have enough capital to do so. Every company in each industry is trying to secure a market share in the never ending competitive market. Consumer needs are always changing. Research and technology have become a company's most celebrated strategy. Companies are always in a dilemma when they want to diversify their markets and products. However, with proper research and implementation of strategies diversification should roll out well.