

# [Example of opportunities and threats of blueberry store essay](https://assignbuster.com/example-of-opportunities-and-threats-of-blueberry-store-essay/)

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## Opportunities

- When the SWOT analysis of Blueberry properly analyzed, it is found that the firm is bound to capture demand from the numerous emerging markets of the new rich and the travelling rich as the company will have a wide geographical presence. Additionally, the company has made vital innovations within the digital landscape and is well ahead of its competitors to meet the demands of the digital consumers. Blueberry additionally has a strong team that manages its operations. The management team has been able to bring about the marketing and designing the team in-house so that it maintains the consistency and the control of the brand that it has established. The team enables Blueberry to have a strong branding. As evidence depicts, Blueberry was recognized as being in the top 100 brands thereby proving that it has a strong brand.
- In order to exploit the opportunities in the emerging markets, Blueberry should pursue growth through the leveraging of its global brand. The firm should utilize its presence and recognition to grow its existing product line of Childs was thereby meeting the demands of the children of the new rich. In order to build on its existing brand name, Blueberry should intensify the non-apparel development in that it can build on its existing branding to create new products line like cosmetics for the potential areas of growth. This can only as they are still new entrants in the market.
- Another area that Blueberry can exploit is the creation of the country specific products. The firm can build a product line in Seattle that is specifically targeted for the Chinese market as it has done with the Japanese markets. This can guarantee that the firm meets the demand of the new emerging markets and gain an advantage in fending off the new competitors in the market.
- Rogoff argues that Blueberry can also invest in the under-penetrated market. The under-penetrated markets are high growth markets that are normally characterized by the growing economic strength, the demand of the luxury products and the improved standards of living in the targeted market. Some of the examples of the emerging markets include the Middle East, India and china. Another opportunity that Blueberry has is the enhancement of the brand experience. The firm needs to constantly innovate the brand as it is already recognized a luxury brand to maintain such high levels. This can be done through the continuous efforts to innovate and remain the digital leader/pioneer in the luxury fashion market. Additionally, the brand experience can be enhanced through the creation of movies and the development of the extension of the Burberry museum. Improving the store experience also goes a long way in enhancing the brand experience.
- With the current economic recession in the United States and the other areas of the world, the percentages of unemployment have immensely increased. This means that the firm can be able to provide opportunities for the employment in Seattle when it works with the local authorities towards the creation of a new job opportunities by being set up in the area. The area residents can also provide some cheap labor. In setting the business in Seattle, Burberry can exploit the huge tourism numbers that the city enjoys. The tourists are normally the local tourists and the sports tourists who love the national football league the Seattle hawks.
- Another opportunity that can be exploited by Burberry is the rise in the popularity of e-tailing markets. An increasing familiarity and the rising internet penetration to online shopping is the trend that is synonymous with the current generation. The firm can exploit this platform for the trading in that the other branches of Burberry that have been urbanized over the years in the different states has already established a recognizable digital format. The firm being a leader in technological use can exploit this market in Seattle so as to take full advantage of the trend. Another opportunity that may be overlooked even though it may have huge consequences is the presence of nearby cities that border. Additionally, the states that border Seattle have huge population numbers and can provide a market for the products produced by the Burberry. This can only happen if the firm employs a vibrant youth marketing team that is able to take advantage of the social media. The firm should incorporate new job opportunities through the introduction of the department of research and the department of marketing.
- Collaboration with other brands is another opportunity that Burberry can exploit. The collaboration with the other brands makes the sale of the fashion items to be more affordable as the companies can cost share the production costs, the marketing costs and the delivery costs. The increase of the marketing strategies of the Burberry also ensures that the opportunities for the rise in the visibility in the market is depicted able. In the future, the firm should ensure that they pursue global expansion so as to continually grow the brand worldwide.

## Threats

- One of the main threats faced by Burberry is the global economic slowdown. When the financial problems of the Americas and Europe affect the general population in that there is reduced spending for the governments in these countries, the consumers may have reduced disposable income. This means that the prospective consumers have no choice but to cut on their spending and this may affect Burberry. The fact that individuals prefer to save in such times means that there is a reduced discretionary spending.
- Another threat is the competition that Burberry faces from the other brands that provide the luxury fashion products. The competition may arise in terms of the creation of a different fashion items as well as the pricing as well. The probable competitors of Burberry include Luis Vuitton, Gucci and Prada. The Asia-pacific luxury goods market has also shown rates of growth that are very strong recently. This means that the developers of the luxury items in the market that is potential for Burberry is already dominated by the dominant retailers in that area. Once a firm has been established in a particular market, it is not difficult for other firms to enter the market. The production of luxury, items do not require the use of a huge capital, and the creation of various stores of the nature of Burberry is within the reach of many individuals. However, in retaliation, the already established individuals in the potential market may decide to go into the war of the prices. This may force out Burberry as the policies of Burberry do not support the use of cutthroat competition and may force the firm out of the business in a particular destination.
- Another major threat is the development of pirated products. This is particularly evident in the Chinese market in that there are individuals who are ready to steal the ideas of the luxury product items that are produced by the most established brands such as Burberry. In the fashion industry, the threat of the substitutes is normally strong. This is because the individual customers choose the products based on the perception that the consumers have. The consumers of such products have minimal brand loyalty. If they find a product that they deem to be of a higher quality and of a cheaper price, they are bound to switch to the other brands in a matter of a decision. This is also increased by the intensity of the competition in that there is a fragmented market for the various luxury products. There is a very large market for a small group of sellers. Moore notes that the diversified marketing strategies that the firm has adopted in the marketing of its products may be much overpriced in the long run in that the firms may incur loss as there are some instances of very high customer loyalty levels in some areas such as the promotion of homegrown products and talents.
- Finally, the other threat is the changing consumer preferences. The fashion industry depends on the current trends to be effective and efficient. Every day, the fashion trends keep on changing. It is therefore always a risk to invest hugely on the luxury fashion industry in that if an individual invests on certain items and the items are out of favor from the market movers, the products are considered as no longer fashionable and may be obsolete. This may frontrunner to huge losses in the firms that had made such investments.

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