

Aiims and objectives



**ASSIGN
BUSTER**

Task 1 – The aims and objectives of Tesco & Nike

Aims: An aim is a goal of which a business wants to achieve. For example, some businesses aim to expand whilst others aim to survive. Another aim that a business can have is selling as much as possible whilst others aim to improve the quality of their products.

Objective: An objective is what a business wants to achieve but more precise targets than aim. For example an objective for a business can be to sell 1000 more products than we sold last year, sell more products than its competitors, make ? 0, 000 more profit than the previous year.

Aim vs Objective: The difference between an aim and an objective is that an objective is more precise and measurable than an aim. For example an aim can be to make more profit, whilst an objective can be to make ? 10, 000 more profit than the previous year. The best type of objectives is a SMART objective. SMART stands for the following; S - Specific M - Measurable A - Agreed R - Realistic T - Time constrained An example of a SMART objective is ' to increase in sales of organic products to ? 1 billion by 2006'.

This is a specific objective, it is also measurable and is time constrained it must be achieved by 2006, given customer interest in organic product, it is also realistic, and if this objective has also been agreed with suppliers and store managers, this it is a SMART objective, but if Tesco had merely said it wanted ' to increase sales of organic product' then this is not SMART, and it also cannot be measured easily. Why an objective must be measurable? An objective of a business must be measurable in order to see if the business has reached its aim, however if it is necessary a business can change its objective in order to meet its aim.

A business can make its objective measurable; instead of saying we will make more profit. A business can make its objective measurable by giving it a time to measure; therefore a measurable objective can be we will make ? 10, 000 more profit than the previous year. Aims of Nike: • Nike is aiming to upgrade its profit by more than 50% in the next five years. From the Internet. • Nike is aiming on developing low-cost canvas footwear in developing countries in the next 3 years. From the Internet. • Nike is aiming to keep their brand as the largest sportswear brand in the world, by preventing Adidas from outshining them.

From the Internet. • By the next year Nike is aiming to show in its adverts, and annual reports that it has good intentions with regards to working conditions. From the Internet. • Nike is aiming for 50% Revenue Growth over Next Five Years. From the Internet. • Nike is aiming to upgrade its volume more than 50% in the next five years. From the Internet. Aims of Tesco: • Tesco is aiming to upgrade its profit by more than 50% in the next five years. From the Internet. • Tesco is aiming to understand their customers better than anyone in the next 3 years. From the Internet. Tesco is aiming to make their company the largest supermarket in the next 8 years, by outshining global competitors such as Wal-Mart and Carrefour. From the Internet. • Tesco are aiming to provide 150 more organic products than the previous year. From the Internet. • By the next year Tesco is aiming to show in its adverts, and annual reports that it has good intentions with regards to working conditions. From the Internet. Aims and objectives of Tesco and Nike: All types of businesses including Tesco and Nike must be professionally organised in order to achieve the aims and objectives that it has set itself.

Businesses including Tesco and Nike must have aims to find out which department that they need to improve in, in order to improve the business as a whole. Businesses including Tesco and Nike must make objectives to find out how they are going to achieve the aims that it has set itself. Why the aims and objectives of Nike and Tesco differ: The aims and objectives of my two chosen organisation which are called Tesco and Nike differ because Tesco is more like a supermarket which sells foods, and also non-foodgoods and services such as jewellery, books, CDs, and clothes.

Whilst Nike is more like a giant sports organisation which doesn't sell non-food goods, but it sells sports products such as trainers and clothes. The main objective of Nike is to protect and improve Nike's position as the number one athletic brand in America and around the world; this proves that Nike has the ambition to make their organisation as big as possible, Nike are only interested in expanding their organisation. Comparison of business aims:

Moreover Tesco's main objective is to take over Homebase and Argos in sales of homeware, electrical goods and services, this proves that Tesco doesn't want to only be known as a food retailer organisation, but they also want to be known as an organisation which also offers their customers competitive prices in homeware, and electrical goods and services. Tesco and Nike have different aims because they're in different categories of business, moreover they are also in a different sector of business and ownership.

Tesco try to fulfil the needs of their customers, they do this by providing their customers with products which are of good quality. Tesco's main aim to improve the popular products that are amongst their customers that they already have; thereafter they should bring in more products that their customers are in need of. Furthermore, in present time Tesco are trying to progress their company in the electronic, gaming and clothing sector at an affordable cost. So as a result even though its only of a minority Tesco also happen to cover some other sectors such as; clothing, gaming and electronic.

Tesco will choose aims that suit them and are reasonable in other words aims that can be achieved. Tesco acknowledge that fact that other branded products will be expensive to buy and will not suit the company as in order to make great profits the prices of the products must be sold expensively, therefore in order to sort out this problem Tesco have made their own brand of high quality of products at a low and reasonable price, hence Tesco has the title of being one of the cheapest supermarkets in Britain. However other supermarkets such as Asda and Sainsbury's also have their own branded products.

Tesco posses a great quality that all businesses crave to posses; and that quality is none other than the fact that Tesco is incredibly organised. I know for a fact that Tesco are organised, because I remember going to Tesco and I witnessed the fact that products that are relevant are in the same section so that it makes easier for the customers to find their desired product and compare the prices with similar products for example they locate baby products in the same section near each other, so that parents looking to buy

baby cereal and baby yoghurt will not suffer the exhaustion of travelling to the other end of the supermarket.

Tesco also name the sections so that customers don't get confused. The thing that I also like about Tesco is that they locate baby stuff in sections that are near to each other so once again the customer doesn't need to walk across to the other side of the supermarket to get a cereal and the other side to get pampers. However other supermarket that I've seen with my own eyes such as Asda also do this.

I say that Tesco and Asda are the most organised supermarket in Britain (Judging from my own eyes), Both supermarkets have new/ products with special offers near the entrance; they use this method to make sure that new/ products with special offers is the first thing that the customers sees, hence the customer will not miss the special offer or a new product. Another reason why they do this is because Tesco acknowledges the fact that customers like to see what's new and that if they can't find the new roduct/s then they will start to ask the staff, this will make them busy and also stop the staff from concentrating on their work. Nike is a company that sells and manufacture all type of sports wear and products. The advantages that Nike has are that they both manufacture and sell products that their customers have an interest in. In order for Nike to sell more goods and services they (Nike) sponsor sport stars such as Cristiano Ronaldo, Roger Federer and Tiger Woods.

You can observe that these sport stars are one of the best and on top in their profession, hence they have a big fan base and these fans like to imitate

their idols and wear similar clothing; due to the fact these sports stars possess an enormous fan base is noteworthy because it will mean that the fans will buy the Nike products, that the sports stars are wearing. However this doesn't come in cheap, as the sports stars get paid an enormous amount for wearing the Nike clothing range.

The followings is how much each Sport star get paid by Nike. • Cristiano Ronaldo - Currently gets ? 6 million a year sponsorship. • Roger Federer - Currently gets ? 8. 4607875 million a year sponsorship • Tiger Woods - Currently gets ? 13. 0165962 million a year sponsorship Although these Sports stars get paid generously, I however think that they are worth it ' because they have helped Nike to generate sales. However Adidas who are Nike's competition also have endorsement deals for Sport starts most notably David Beckham.

However my other business (Tesco) will not be able to sponsor sports stars as their main speciality is by selling food products especially groceries and sport stars are not relevant to what they sell therefore the sport stars won't be able to generate more profit for Tesco moreover the other reason is that Nike's financial situation is better than Tesco's therefore Tesco won't afford to pay the enormous amount anyways that is needed to pay these huge sports stars with enormous fan base behind them.

The aims and objectives of Tesco and Nike is differs because Nike is very different to Tesco as Nike only has few Niketowns shops as they sell their wide range of sports products to shops such as JD and Sports Direct but Tesco sell their own branded products and products that are not Tesco

branded therefore Nike and Tesco will have different aims and objectives as both the businesses are ran differently and located in different areas.

Moreover it can also be different because all the Niketowns I see are densely populated such as the one in Oxford, moreover Nike products can be bought in batch (shops such as JD and Sports Direct buy in batch, because they will save capital from buying in batch) but this cannot be done in Tesco as Tesco locate themselves in a location near some type of estate which has a lot of people there so that their customers don't take long journeys and as a result goods and services are sold individually; because of this fact the aims and objectives of Tesco and Nike will differ.

Nike have factories to make their products whilst Tesco buy their goods and services from other people whilst they also sell their own branded products some of which are made in the store (such as bread and other groceries) therefore it will be fresh for customers to consume. This is one of the reasons why the aims and objectives of Tesco differ.

Moreover Nike and Tesco can also have few similar aims and objectives because the ownership of both Tesco and Nike is public limited company which means that shares are traded on the stock exchanged, however the interesting reason for Tesco and Nike being a public limited company is because of their enormous size. If both Nike and Tesco were owned by a sole trader or by a partnership except being owned by a public limited company then due to their enormous size it would be very difficult to raise enough funds for Tesco and Nike.

Similarly, both companies are owned by shareholders. Tesco and Nike are not successful on meeting their aims and objective, because they haven't released a statement saying that they have been successful on achieving their aims and objectives. | Similarities: | Differences: | | Both Tesco and Nike are aiming to upgrade their profit by more | Tesco is aiming to become the largest supermarket in the world | | than 50% in the next five years whilst Nike is aiming to protect their no. 1 status of being | | | the largest sportswear brand in the world | | By the next year both Tesco and Nike are aiming to show in | Tesco is aiming to understand their customers better than | | their adverts, and annual reports that they have good | anyone in the next 3 years whilst Nike is aiming for 50% | | intentions with regards to working conditions. | Revenue Growth over Next Five Years. | Suggestion of business aims:

I would suggest for Tesco to aim to manufacture (Tesco branded) sporting products such as treadmill, rower and cycle for women by the next year as women of this generation have no-time to go to the gym and they want to stay in shape, be fit whilst others want to lose however Tesco should manufacture (Tesco branded) weights and other home gym equipments as most men want to get a toned physique; if Tesco manufacture these (Tesco branded) products in the near future then they will meet the demands of their customers, and because it's Tesco branded it should be reasonably cheap.

Tesco should perhaps imitate Nike and sponsor a famous fitness model for the advertisement of the products I have suggested.

I would suggest Nike to aim to introduce interesting and exciting fitness programmes by the next year for people who suffer to lose weight/gain muscle or don't know how to lose weight/gain or simply need to be motivated to lose weight/gain muscle; this will make Nike wider and more appealing to their customers as they will not only be helping their customers but also beating their competitive businesses such as Adidas and Reebok because both of these Nike's do not sell fitness programmes to their customers which will give Nike an edge of their competitive businesses.

Nike should also then sponsor a world famous fitness model to advertise the product that I have suggested. From my own experience I think that although Nike have a range of great quality products they however don't have them in competitive prices and this is what some customers complain about (me, and my friends), wearing Nike looks cool but the prices on the clothes is just too much, therefore the product that I suggest Nike to manufacture should be very competitive.

The difference between Nike and Tesco is that Tesco have cheap products whilst the products of Nike are very expensive and other customers who are less fortunate will have to dig deep in their pockets to buy the Nike product that they desire. I suggest Nike to make their products cheaper as we are in the recession and some people don't have jobs so they won't be able to afford it, plus some have had their salary cut down due to the recession.

Another suggestion that I would like to make for both of my companies is that I think that they should both aim to join with their biggest competitor by the next 3 years which will contribute in my companies to expand to such an

extent that no business can reach their heights, as the less superstores are around the less options the customers have and the more likely the customers will go to Tesco or Nike. Or if they don't like the idea of joining with their competitors then I would suggest both of my companies to start using franchises for their business; and thereby aim to have 5, 000 new franchises in the next 5 years.

This will allow my business to expand and grow faster and more cheaply, than buying all the branches. This will also benefit the franchisees; due to the fact that my companies are very popular, well-known and familiar to people across the globe and it is also promoted and advertised both nationally and internationally thereby the franchisee will not have to bother to advertise which will save him/her cost.

The franchisee will also benefit from advices on how to run the business and usually have exclusive and special rights to operate in a certain location which could really help boost

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