

C6s pop business analysis

Business



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There is strategic analysis, in which the strategist seeks to understand the strategic position of the organization. There is strategic choice which is to do with the formulation of possible courses of action, their evaluation and choice between them. Finally there is strategic implementation which is concerned with planning how the choice of strategy can be put into effect. The three elements of the strategic management are often seen as sequential in traditional texts, but actually they overlap and interact so that partial implementation may modify strategic choices for example.

Characteristics of strategic decisions

- * They are concerned with the scope of the organization's activities and the interface with the environment.
- * They seek to match the strengths and weaknesses of the firm to the opportunities and threats in the market place
- * They seek to match the firm's activities to the capabilities of the organization and its resources.
- * They commit the organization to changes in the use of its existing resources or to obtaining additional resources
- * They affect operational and administrative decisions
- * They are complex because there is always a high degree of uncertainty about environmental forces and outcomes. They affect the long term direction of the firm.

Implications of strategic decisions complexity- Multinational Terms, wide range OT products and services.

Uncertainty- Dynamic nature of environments.

- * Operations decisions are linked - Operational aspects of the organization should be in line with the strategy.
- * Integration - Managers should cross functional and operational boundaries.
- * Relationship and Networks - Outside the organization relationships (suppliers, distributors, customers)
- * Change - Organizational culture and heritage of resources results change difficult.

Strategic Analysis

Strategic analysis is about looking at what is happening outside your organization now and in the future. It asks two questions:

- * How might what's happening affect you?
- * What would be your response to likely changes? It's called strategic because it's high level, about the longer term, and about your whole organization. It's called analysis because it's about breaking something that's big and complex down into more manageable chunks. The focus is external because factors outside your organization have a powerful influence on it.

Increasingly organizations appreciate that they can learn to manage their response to those influences, rather than assume there is nothing they can

do. Its part of the overarching process of strategic planning. Strategic analysis boosts organizational effectiveness

Strategic analysis helps to:

- * Anticipate what might happen
- * Evaluate how likely it is to happen
- * Prepare for it happening Strategic analysis will lead to clearer more relevant goals, better quality decisions, and a more secure future as you are better prepared for what will happen.

Otherwise known as " external environmental analysis" it is a key step in strategic planning. It is the link between getting your overall direction right and making the ight decisions. You will make better decisions if you understand the influences from the outside world to which you might have to respond in the future. Many funders are reassured by strategic analysis because they know that organizations that are well prepared for their future are more likely to use grants, donations and loans to greatest advantage and to maximize the difference their organization makes.

The cost of not doing at least a small amount of strategic analysis means missed opportunities (some call this 'opportunity cost' - the cost of not doing something). If ou don't do strategic analysis you risk being left behind, missing opportunities for beneficiaries.

Strategic Choice

This process involves understanding the nature of stakeholder expectations (the "ground rules"), identifying strategic options, and then evaluating and selecting strategic options.

Strategy Implementation

Often the hardest part. When a strategy has been analysed and selected, the task is then to translate it into organisational action. strategic

Implementation Strategic Choices PEST Analysis

A technique for understanding the "environment" in which a business operates. Scenario Planning A technique that builds various plausible views of possible futures for a business.

Five Forces Analysis

A technique for identifying the forces which affect the level of competition in an industry.

Market Segmentation

A technique which seeks to identify similarities and differences between groups of customers or users.

Directional Policy Matrix

A technique which summarizes the competitive strength of a business's operations in specific markets.

Competitor Analysis

A wide range of techniques and analysis that seeks to summarize a businesses' overall competitive position.

Critical Success Factor Analysis

A technique to identify those areas in which a business must outperform the competition in order to succeed.

SWOT Analysis

A useful summary technique for summarizing the key issues arising from an assessment of a business's " internal" position and " external" environmental influence

Introduction to CGS Pop C6S Pop is a soft drink product sold in every stores, hotels, and restaurants in Sri Lanka. C6S Pop is a sweet carbonated soft drink.

It varies from different flavors. But its most usual flavor is Chocolate. C6S Pop soft drink has been in Sri Lanka since 1994, when the first C6S Pop soft drinks was sold in Colombo store. Today, C6S is a large, diversified company with unmatched presence throughout Sri Lankan soft drink products when compared to the competitor's products like " Smack", " Cream Soda" and etc. Beginning with only Chocolate flavor, C6S Pop product portfolio has diversified to encompass a highly successful multi-brand strategy combining products of top flavored with the companys own products across a range of stores, restaurants and petty shops.

Vision of C6S Pop

* To be the market leaders in Sri Lanka. Be a nlgly eTTective, lean ana Tast-moving organization. network of customers and suppliers. Mission of C6S Pop Nurture a wlnnlng

* To create value and make a difference on the market with our product.

* To inspire moments of optimism andhappinessto every people who taste our product.

Pest Analysis for C6S Pop

It is very important that an organization considers its environment before beginning the marketing process. In fact, environmental analysis should be continuous and feed all aspects of planning.

The organization's marketing environment is made up of:

1. The internal environment e. g. staff (or internal customers), officetechnology, wages andfinance, etc.
2. The micro-environment e. . our external customers, agents and distributors, suppliers, our competitors, etc.
3. The macro-environment e. g.

Political (and legal) forces, Economic forces, Sociocultural forces, and Technological forces. These are known as PEST factors. Technological Factors Political factors Economic Factors Sociocultural factors

Political

- 1 . CGS Pop should obey rules undertaken by the government of Sri Lanka.

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2. Can't Include ingredients which effect people.
3. Future legislation are unknown
4. Regulatory bodies and processes
5. Changes in laws and regulations, including changes in accounting standards, axation requirements, (including tax rate changes, new tax laws and revised tax law interpretations) and environmental laws in Sri Lanka.
6. Home market lobbying/ pressure groups
7. Changes in the non-alcoholic business environment.

These include, without limitation, competitive product and pricing pressures and their ability to gain or maintain share of sales in the global market as a result of action by competitors.

8. Their ability to penetrate developing and emerging markets, which also depends on economic and political conditions, and how well they are able to acquire or form strategic business alliances with local bottlers and make necessary infrastructure enhancements to production facilities, distribution networks, sales equipment, and technology.

Economic

- 1 . Economic crisis might effect the company.
2. C6S should adopt to survive in every environment.
3. General taxation issues

4. Taxation specific to products/services

5. Seasonality/weather issues

6. Market routes and distribution trends

7. The non-alcoholic beverage industry has high sales in Sri Lanka.

According to the Standard and Poor's Industry surveys, "For major soft drink companies, there has been economic improvement in many major international markets. These markets will continue to play a major role in the success and stable growth for a majority of the non-alcoholic beverage industry. So surviving in this market is not an easy task. 8. International trade/monetary issues

Social

1. Lifestyle trends differ from places to places.

2. Demographics

3. Consumer attitudes and opinions

4. Media views

5. Law changes affecting social factors

6. Brand, company, technology image might not be recognized in some countries, so they might have different opinions on products.

7. Consumer buying patterns differ from people.

8. Buying access and trends. Most people go for lower cost basis. So we should always fix a price which is familiar to everyone.

9. Advertising and publicity

10. Consumers from the ages of 37 to 55 are also increasingly concerned with nutrition.

There is a large population of the age range known as the baby boomers. Since many are reaching an older age in life they are becoming more concerned with increasing their longevity.

This will continue to affect the non-alcoholic beverage industry by increasing the demand overall and in the healthier beverages.

Technological

1. Competing technology development

2. Research funding

3. Associated/dependent technologies

4. Replacement technology/solutions

5. The effectiveness of company's advertising, marketing and promotional programs.

The new technology of internet and television which use special effects for advertising through media. They make some products look attractive. This

helps in selling of the products. This advertising makes the product attractive.

This technology is being used in media to sell CGs products.

6. Consumer buying mechanisms/ technology

7. Technology legislation

8. Innovation potential

9. Technology access, licensing, patents

10. Intellectual property issues

Porters Five Forces

Porter's five forces help the marketer to contrast a competitive environment.

It has similarities with other tools for environmental audit, such as PEST analysis, but tends to focus on the single, stand-alone, business or SBIJ (Strategic Business Unit) rather than a single product or range of products.

Porters Five Forces analysis looks at five key areas namely the threat of entry, the power of buyers, the power of suppliers, the threat of substitutes, and competitive rivalry.

Threat of new entrance.

* Economies of scale e. g. the benefits associated with bulk purchasing.

* The high or low cost of entry e. . how much will it cost for the latest technology? Ease of access to distribution channels.

- * Cost advantages not related to the size of the company e. g. personal contacts or knowledge that larger companies do not own or learning curve effects.
- * Will competitors retaliate?
- * Government action e. g. high might give our competitors advantage.
- * Brand Image /Loyalty: C6S has a history of heavy advertising and this has earned them huge amount of brand equity and loyal customer's all over the Sri Lanka. This makes it virtually impossible for a new entrant to match this scale in this market place.
- * Retailer Shelf Space (Retail Distribution): Retailers enjoy significant margins of 15-20% on these soft drinks for the shelf space they offer. These margins are quite significant for their bottom-line. This makes it tough for the new entrants to convince retailers to carry/substitute their new products for C6S Pop The Power of buyers. This is high because there are only a few large players available in the market.
- * If there are a large number of undifferentiated, small suppliers.
- * The cost of switching between suppliers is low e. g. from one fleet supplier of trucks to another. The Power of suppliers. The power of suppliers tends to be a reversal of the power of buyers. switching costs are high
- * Suppliers can demand.

The Threat of substitutes

* If C6S pop pricing strategy is too high for the customers then they can switch to the substitute products. Large numbers of substitutes like water, beer, coffee, juices etc are available to the end consumers but this countered by concentrate providers by huge advertising, brand equity, and making their product easily available for consumers, which most substitutes cannot match

* Even though C6S has a high reputation in Sri Lanka still the buyers can go for substitution products from other countries. Competitive Rivalry

* This is most likely to be high where entry is likely; there is the threat of substitute products, and suppliers and buyers in the market attempt to control. This is why it is always seen in the center of the diagram.

STP Analysts Segmentation.

Segmentation is the process of classifying a market into distinct subsets (segments) that behave in similar ways or have similar needs. The segmentation process in itself consists of segment identification, segment characterization, segment evaluation and target segment selection. If each segment is fairly homogeneous in its needs and attitudes, it is likely to respond similarly to a given marketing strategy. That is, they are likely to have similar feelings and ideas about a marketing mix comprising a given product or service, sold at a given price, and distributed and promoted in a certain way.

For the product on C6S Pop, the market can be segmented into:

* Age

- * Product knowledge
- * Interests
- * Disposable income
- * Usage rate
- * Brand loyalty
- * User status: potential, first-time, regular, etc.
- * Occasions: holidays and events that stimulate purchases
- * Lifestyle Since CGS is a brand that caters to the High income earners, they would approach a higher class market and would be exclusively sold at every stores and shops in Sri Lanka

Targeting

Targeting is the second stage of the STP process. After the market has been separated into its segments, the marketer will select a segment or series of segments and 'target' it.

This is the real goal in market that marketer want to reach. This consists for whom the product is targeted, this product is mainly targeted to kids above 9 years of age and for middle aged people who are less than 50 years. Here C6S Pop will be targeting mostly teenagers because they would have the ability and illingness to purchase and they can spend their leisure time using the product because they are the people who often get tired usually after doing sports and practical activities so in thirst they might go for C6S Pop.

Positioning Low Cost

Low Quality Hlgn Cost High Quality The third and final part of STP process is 'positioning'. Positioning is undoubtedly one of the simplest and most useful tools to marketers. After segmenting a market and then targeting a consumer, C6S would proceed to position the new product within that market. Product position refers to what the consumer thinks of product (e. g. lowest price, best service, " easy access, etc.) when they are making a purchase decision, Therefore, it's clearly stated in the above table that the C6S is going to be in high quality and in low cost.

And also the launch of new flavored strawberry in C6S Pop also will fall under the same category.

Branding

According to the American Marketing Association (AMA) defines a brand as a " name, term, sign, symbol or design, or a combination of them intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of other sellers. Therefore it makes sense to understand that branding is not about etting your target market to choose you over the competition, but it is about getting your prospects to see you as the only one that provides a solution to their problem.

The objectives that a good brand will achieve include:

- * Delivers the message clearly
- * Confirms your credibility
- * Connects your target prospects emotionally

- * Motivates the buyer

- * Concretes

User Loyalty

To succeed in branding you must understand the needs and wants of your customers and prospects. You do this by integrating your brand strategies through your company at every point of public contact. Your brand resides within the hearts and minds of customers, clients, and prospects.

It is the sum total of their experiences and perceptions, some of which you can influence, and some that you cannot. A strong brand is invaluable as the battle for customers intensifies day by day. It's important to spend time investing in researching, defining, and building your brand. After all your brand is the source of a promise to your consumer. It's a foundational piece in your marketing communication and one you do not want to be without.

Leadership Leadership is the process of directing the behaviors of others towards the accomplishment of some common objective.

Leadership is influencing people to get things done to a standard and quality above their norm. And doing it willingly

Tacit Knowledge Tacit knowledge underlies many competitive capabilities. The experience, stored as tacit knowledge, often reaches consciousness in the form of insights, intuitions, and flashes of inspiration. The marvelous capacity of your mind to make sense of your previous collection of experiences and to connect patterns from the past to the present and future is essential to the innovation process. " The creativity necessary