

# E-solution provider in thailand

[Business](#), [E-Commerce](#)



In this assignment we have to analyse ethnicearth, which is a successful e-solution provider in Thailand. The PESTEL, five force framework & SWOT tools help in selecting the Strategic choice and identifying the likely Scenarios that might affect the likely future of the company. After analysis the company with the help of the tools mentioned above, a plan has to be developed for the company that suggests an idea for overcoming the likely scenarios and also helps in gaining advantage over its rival competitors.

Ethnicearth design website, Cd-Rom business card, programming in java, asp, html and etc. They also develop customize software according to the customer need like payroll system, sales order system, human resources management system and etc. Ethnicearth provides training on graphic designing and programming for general public staff and interested students in a way that satisfy the customer's need and requirements. They have designed websites for Thailand based companies like Honda, Barali, Siam Ceramic, Dunlop and many other companies. (www.

ethnicearth. com) Analysis/discussion: -- " Strategy is the direction and scope of an organization over the long term, which achieves advantages for the organization through its configuration of resources within a changing environment and to fulfil stakeholder expectations. "(Johnson & scholes, 2002, p. 10) The SWOT analysis tool would be used to identify the strength and weakness of Ethnicearth that would help us in strategic choice. " The over all evaluation of a business strength, weakness, opportunities and threat is called SWOT analysis.

SWOT analysis consists of analysing external and internal environments" (Kotler, Philip 2003, pg. 65) " SWOT analysis summarises the key issues from the business environment and the strategic capability of an organization that are most likely to impact on strategy development. "(Johnson & scholes, 2002, p. 134) The major strength of Ethnicearth is its experienced labour and their knowledge. The other strength is the different types of services which are like hosting the remedies and solution for IT problems and latest IT news on the website for free.

" Training the general public like staff of other company and interested students" (www. ethnicearth. com) is it other strength. On the other hand the major weakness of Ethnicearth is that it concentrates only at the local market. The other weaknesses are that they only produces customised product according to the customer requirements. The next tool that shall be useful in identifying strategic choices will be " The Five force framework helps in identifying the sources of competition in an industry or sector. " (Johnson & scholes, 2002, p. 112)

This framework would help us to identify the areas of competition faced by Ethnicearth. The major threat for Ethnicearth would be from the new entrants, as they would take over the market share. The cost of capital required for the new firm to enter the market is very low. " The cost of setting a dotcom business with leased premises is minimal"(Johnson & scholes, 2002, p. 114). Where as the old firm has to keep it technologies up to date which might not be possible as it might require a huge investment

because the technologies keeps on changing in the Information technology field.

The older firms might have more experience than the new entrants but lack in knowledge of the latest programs. They develop website which shall be easily imitated by other person and supply them for a lower cost. The next threat that ethnic earth might face is from substitutes. They design websites using flash and etc. They shall face threat from person who develop website through programming like java and etc. The next threat that Ethnicearth might face is from its buyers. The buyers have high power because they have many other firms providing the same service.

The buyer would choose the firm that provides the best service at competitive price. The cost of switching over to another supplier is also very low as compared to other field. That is because the buyers are not under any contracts. The cost of purchasing the domain consists of major cost for the web developers. The next threat that Ethnicearth might face is from competitive rival. The competitive rival would cut down the prices and offer best service than its competitors. So that the customer would switch over to them.

They would keep their technologies up to date as compared to their rivals to gain a competitive advantage over them. The competitor would introduce new schemes to gain much of the market share. The next tool that shall be useful in identifying strategic choice will be PESTEL framework. " PESTEL framework categorises environmental influences into six main types: political, economical, social, technological, environmental and legal.

"(Johnson & Scholes, 2002, p. 102) Only some of the environmental factors will influence EthnicEarth. Which are

Technological factor is one of the factors, which shall have an influence on the future impact. The field in which EthnicEarth is working we find that technology keeps on changing at a fast pace. Thus due to it the rate of obsolescence for this field is very high. The organisation should also keep its technology up to date in order to gain competitive advantage over its rival by finishing its process & will be able to provide extra service to its customer. Which will help in gaining market share. The other factor that shall affect the organisation is political stability.

The foreign trade regulation shall have a huge impact on the company especially if they are importing their latest technology from outside. If the government increases the import duty then the organisation would have a problem in getting the advanced technology from other sources for a cheaper price and prefer to buy from the local market. The other factor that shall influence the organisation is legal environment. The government should take huge action against the person who is using pirated software. Which would have a huge impact on the business of the organisation.

The government should also pass a cyber crime act. Which shall protect the organisation and others from mishandling the website. The other factor that shall influence the organisation is the sociocultural factors. The person requires a minimum level of education to enter the field. It is not like any other field like marketing or etc. where any people with the prior knowledge can achieve success. Strategic Choices: -- After analysing

Ethnicearth with the help of tools PESTEL, SWOT & The five force framework.  
I have come up with the following strategic choices for the organisation.