

Situation analysis for heineken beer company

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The brewing industry has an ancient history since the time of Noah. The industry has grown from manual to mechanical and of late to electronic. Currently, most companies are using electronic means in huge production. A company like Heineken Beer Company Limited, Boston Brewing Company and many others are enjoying huge production because of the technological change. The introduction of fridges and transporting means equipped with coolers has made beer production and distribution easy. A beer produced in Europe can be consumed in America at its freshness.

Beer brewing industry is the second oldest industry in the world and the third largest in contribution to the world's economic growth. The world is spending billions of shillings in the consumption of beer and the brewing industry has responded by putting huge sums of money in advertising and production. In America the brewing industry is the second largest and contributes to the economic growth of the US. The market of beer is very competitive and has many difficulties but the drinking population are ready to stop at nothing but to enjoy their drinks. This calls for a situation analysis for each company in the business of beer production.

In my case am analysing the situation of Heineken Company in terms of strategies, threats, strengths and opportunities. Heineken Beer Company is a World known company for its products. The company is founded in strong financial position and strong brand recognition in the world. It produces brands that are known since 18th century and being used in many countries. In carrying out analysis of the company, one must be able to recognise that fact. The company stands tall among beer producing companies in the world. The company has strengths, weaknesses, opportunities, threats.

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The company has shown that its presence in many countries in the world has given it the strength and threats that no any other company in the brewing industry is fetching. Heineken Beer Company is the 5th largest brewing company in the world and the official sponsor of the European Champions League. The company with such reputation must have some strength that many companies do not have. The involvement of the sponsorship of the European Champions League is a socialresponsibilitythat makes Heineken stand ahead of other breweries in a Europe and other parts of the world where European football is admired.

It is open that players playing in the European Champions League come from different parts of the world making Heineken being known worldwide.

Heineken has industries in various sites in Europe, Asia, Africa and American Continents. This alone is a strength that no any other brewer in the US or in other parts of the world can boast about. The social responsibility of Heineken is shown when making theiradvertisementwhere they discourage young people under the age of 21 years from taking its products, meaning they are performing very well in social responsibility.

The company considers integrity in its operations regarding social responsibility. We have come up with policies that help keeping their products in use by the right people and right quantity. The principles included in their policies are; advertising and marketing which focuses on people who are mature enough to take a drink, they are also involved in educating the public of the effects of beer; they are also involved in social activities in various parts of the world.

Strength of Heineken Beer Company is that they have strong brand recognition in various parts of the world.

Heineken brands have been in production for the last 200 years making them the oldest producer of beer and its taste lingers in the minds of many old people. Most people prefer or refer Heineken brands as their own because they used it for many years. Heineken Company also maintains high standards in production of their brands through the use of newly innovations. It takes a short period to produce massive quantities of their products. Its product is distributed fresh and quality, giving the company high value.

Heineken has captured the world market through tournaments sponsorship and social activities involvement and they have strategically formed alliances with many companies in various countries for the distribution of their products. The company has a huge production and well educated and experience human resource. Because of her human resource, production has been redefined and better qualities are been produced now. They have many industries that produce their products in various continents and the production is aided by the newtechnologyand the distribution is helped by refrigeration. Read about Heineken International Marketing Strategy

The refrigeration has assisted the production and storage of beer for along period keeping them fresh. With advent of electrical rail and refrigerated transporting vehicles and ships has assisted the company in its distribution system. Beer produced in Europe can be consumed in Africa with its freshness. The company is able to integrate easily because of the new technology incommunication. An operation in an industry in African is able to

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communicate with the head office without much problem. Heineken Company has a strong financial position which can enable them to acquire any company without much strain to its financial resources.

They boast huge sales and huge net profits from her operations. These huge financial resources have given them advantage against their competitors who include; Boston Brewing Company, South African Brewing Company and many other companies in America and the world. In production, the company uses economies of scale to reduce the cost of production and make a saving. In the recent years, the brewing industry has marked a tremendous growth. This can also be seen reflected in the financial statement of Heineken