

Marketing environmental analysis assignment

[Business](#), [Marketing](#)



What are PEST, SOOT and Porter's five forces and their usefulness. PEST is an acronym for political, economic, social and technological. 1. The political area has huge impact on the operation of the firms(e. G. Tax, business law, political stability) 2.

The economic condition can also directly influence the general performance of the company(e. G. Economy depression, interest rate, exchange rate, inflation rate) 3. As for social factors, by fundamentally determining the target market, it can also be essential for the success or failure of strategies. (e. G. Religion, culture, demographic issue) 4. Finally, the technological factors are becoming the majority for mostly organization, which can increasing the benefit as well as decreasing the time and cost. (e. G. He pace of technologies change, incentive of technology) Usually prior to competing SOOT, PEST helps to spot the four elements for better understanding the micromanagement faced by firms. After analyzing the our factors, it is important for company to identify the key drivers for change, thus focus on that to shape its strategies. Meanwhile, by scanning the general environment, co. Can therefore also detect weak signals that make the discontinuity of the environment, which may fundamentally change the competitive environment Monsoon et al, 2011).

Ginger and Duncan (1990) argue that macro-environment analysis can act as an early-warning system by giving org. Time to anticipate opportunities and threats and develop appropriate response. SOOT is structured planned method used to evaluated strengths, weakness, opportunities and threats. By using matching and converting, company can either find or develop their

competitive advantages. Matching is used to find competitive advantages by matching the strengths to opportunities.

Converting is to apply conversion strategies to convert weaknesses or threats into strengths or opportunities. Porter's five forces analysis is a framework for industry analysis and business strategy development formed by Michael E. Porter at 1979. More precise than PEST, it helps the industrial organization to illustrate the competition intensity in competitive environment (micromanagement) thus decide the attractiveness of specific market.

Combining three analysis In corporate strategies level, all three of them can be used to audit the marketing environment in order to get a systematic, critical and unbiased appraisal of its operation. (where is the co. Now, where does the co. Want to go and how should the co. Organize its resources to get there) In business strategy level, it also important that because of the increasingly rate of change in market environment, three of the Marketing Environmental Analysis By holidaying overcome by competitors. Example: PEST e. . Construction firm: operating on narrow profit margin, react to change I interest rate. Johnson & Johnson: baby-care product, react to change in birth rate, thus change the target market to adult female (being kind and gentle to woman's skin as well as that of babies) SOOT A consultancy firm S: Reputation, expertise W: Unable to deal with multi-disciplinary assignments because of size or lack of ability O: Well established position with a well defined market niche T: Other small consultancies looking to invade the marketplace

Five forces Coca-cola: Present a detailed analysis of the various positioning strategies that may be pursued 1 . Positioning is to shape the org. To suits the preferences of customers and lead to high consumer loyalty thus building a powerful brand. 2. Market mix, perceptual map 3. There are two levels of positioning strategies: a. Business level strategies (Brand positioning) Business level strategies are positioning the org. Among other org. It is market oriented and can be either market-wide or directed at a particular market (niche approach). B.

Generic business strategies (Porter)? (competitive advantages) 4. Key to successful market positioning a. A well-positioned brand should appeal to the particular needs of a customer segment because a differential advantage proposition is created. B. There are four key dimensions for a successful positioning: Clarity, Consistency (Variability), Competitiveness (differentiation), Credibility (Explain.....) c. In order to evaluate the effectiveness of brand-positioning strategies, there are three components we need to consider: intended position, actually position and perceived position.

Perceived session is the most important, which will lead to the above-normal performance of the corporate. According to research, benefit positioning and user position is more effective than feature positioning and direct benefit positioning is more effective than indirect benefit positioning (Fuchs et al, 2009). D. To keep the brand equity, repositioning is very important. We need to realize that positioning is a ongoing process. Competitive advantage is positioning of a single offering in relation to a unique set of potential customers and competitors.

For an organization to achieve consistently above-normal market performance, it must create a sustainable competitive advantage (Soaker, 1989). The logic of SAC is that a buyer to purchase offering X, the him of any alternative solution, that is it must create superior value for its customers. The basis of competitive advantage is increasing the benefit receive by the customers or decreasing the cost. Which lead to different strategic focus on either low cost or differentiation (additional product benefits). So competitive advantages can be porter's generic strategies or market orientation.