

Evaluate the internal and external influence on primark essay



Evaluate the internal and external influence on Primark and relate to it to best practices, corporate governance, corporate social responsibility and ethics? Majority organizations need best practices for achieving organizational objectives in the terms of profit, social and ethics issues.

Primark's best practice frame work is discussing below:

Foundation of Primark in Ireland In June 1969, the first Penneys store opened in Mary Street, Dublin.

In 1970, four more stores were added - all in the Greater Dublin area. In 1971, the first large store outside Dublin was opened in Cork and by the end of that year there were 11 more stores in Ireland and one in Northern Ireland. Expansion By 1973, the number of stores had reached 18 in Ireland and Primark began trading in Great Britain with four out-of-town stores.

The following year the Primark was opening the first UK High Street stores in Derby and Bristol. In the next ten years, 18 stores were added in the UK and nine in Ireland, bringing the number of stores in the UK and Ireland to 22 each. Also in 1984, the first multiple acquisition took place with the purchase in Ireland of five Woolworth stores.

From 1984 to 1994 a further 13 stores were opened in the UK and 12 in Ireland, bringing the total to 66 stores - 32 in the UK and 34 in Ireland.

A major flagship store was purchased in 1992. Primark opened its first store in the Netherlands (Rotterdam) in December 2008. In May 2009, Primark opened its first store in Portugal (Lisbon) and its first store in Germany (Bremen).

In November 2009, a second Primark store opened in Germany (Frankfurt).
In December 2009, Primark opened its first store in Belgium (Liege). Number
of Stores Trading at 18th May 2010

COUNTRIES	NO. OF STORES
United Kingdom	139
Ireland	38
Spain	15
Portugal	2
Germany	2
Netherlands	1
Belgium	1
Total	198

Since the mid 2000s, Primark has emerged as one of the UK's most successful high street chains, now the country's second largest clothing retailer by volume according to TNS, and the single largest in the value sector, having overtaken Asda's George in 2007. It was named as Value Retailer of the Year in that year's Drapers Record awards.

The business is the last UK retail interest controlled by diversified conglomerate Associated British Foods (ABF), whose other divisions are involved mainly in packaged foods and ingredients manufacturing. Primark's own brands

All of the company's merchandise is made specifically for the company and as such Primark has its own brand names: PESTEL ANALYSIS PESTEL analysis which stands for Political, Economic, Social, Technological, Environmental and Legal, analysing a framework of macro-environmental factors affecting PRIMARK and Porter's 5 forces analysis of PRIMARK which is a framework for industry analysis and business strategy development and the bargaining power of customers, bargaining power of suppliers, threat of new entrants and threat of substitute products and intensity of competitive rivalry affecting PRIMARK.

From the beginning Primark gained favour specially in United kingdom, and due to political benefits the number of stores reached 139 in UK, and overall in Europe are 198 stores and creates employment opportunities in all Europe. In very short time specially in UK, technical advisors and experts equipped primark in very high queue in the sense of profit and spreading all over high street and pressurized top class branded stores, almost gained their shares from the market.

According to research almost 60% branded customers are shifting to Primark, because of reasonable price and too much variety and other reason due to recession the buying power of the people are become weak, so automatically the majority of the customer moved to primary. In 1973 primarks opened first high street, now the total number of stores are 139. Day by day the profit margin is increasing because of budget products, supply chain management, dedicated staff and unique variety are the add value for primark brand.

In United Kindom the economical contribution of the Primark is very important, and the primark followed business rules and regulation.

Scanning of internal and external environment are key part for decision making and planning for achieving of organizational objectives. Internal and external environment are called SWOT Analysis. SWOT analysis Internal environment are SW which stands for strength and weakness, actually analysis of internal organization and external environment OT stands f opportunities and threats SWOT Analysis of Primark Strengths 1. Europe big chain of the stores 2.

Professional management staff and other technical staff 3. Financially strong position 4.

Big share in UK and Ireland 5. Competitive strategies 6. Low cost product with reasonable quality 7. Strong supply and distribution channels 8. Big stores in high streets 9. Primark is a subsidiary company within the Associated British Foods group.

10. Working condition are safe and hygienic 11. Living wages are paid 12. Regular employment provided 13. Working hours are not excessive 14.

Primark is a member of the Ethical Trading Initiative (ETI), 15. Standard Code of conduct and almost translated into 26 world languages. 6. Strong public relation strategies (PR) and application of corporate social responsibilities (CSR) Weaknesses 1.

In 2005, Primark scored the lowest of all leading clothing chains in the UK - at just 3.5 out of 20 - on an ethical index that ranks criteria such as workers' rights and whether they do business with oppressive regimes.