Name of Student

Name of Professor

Name of Class

Day Month Year

Report on Tesco

“Tesco plc” is one of the best known publicly trading companies of the United States. It is a multinational general merchandise and grocery retailer. It is a UK based retailer but has expanded in many European countries. It is in the list of Forbes and according to the resources, in 2015, it generated revenue of £62.3 billion excluding the taxes but there has been witnessed a decline of about 2% as compared to the revenue it generated the prior year. It is running its grocery stores in 11 countries and few major countries other than the USA in which Tesco is running its business are India, China, Malaysia, and Thailand, etc. Competition in the retailing industry is getting tougher with time so Tesco plc is considering new initiatives so that it could compete with its competitors along with all the latest techniques and strategies. Tesco, especially in the food industry, is about to launch upmarket convince stores so that it could compete with world's best brands. This attempt serves as the foundation for recovering profit margins and sales growth.

Tesco's performance in the USA is not that impressive as it was expected. It is the world's third-largest retailer after Wal-Mart and Carrefour but now in the USA, Tesco is considering new initiatives that would help in minimizing the effects of mistakes that Tesco committed in past. Tesco plc is considering suggestions and opinions of its customers at priority. New strategies are made and it listens to its customers so that it could learn how to make appropriate midcourse correction for customer satisfaction. Another initiative taken by Tesco is partnering or hiring local executives so that more could be learned about the needs and habits of the target customer.

Tesco must focus on certain areas in order to improve its position in the market. There is a need to improve the content of digital marketing as it's a digital age where people find it easy to scroll and search items they need. For improving the traffic of the online customers few things are necessary i.e. awareness, consideration, preferences, customer purchase, and repurchase. Another area being focused by Tesco is lowering of the margins as selling groceries has repeat- purchase appeal. Grocery business demands to deal differently with undifferentiated commodities. According to business experts, low-profit margins are normal for firms like Tesco if lower margins, it could win the confidence and trust of their customers easily. Market saturation should be the next area that must be improved by Tesco and it must keep a record of the product when it became diffused in the market.

Saturation level of the product depends on various factors such as customer purchasing power, price of the product, technology and competition, etc. Analysis shows that disruptive competition is the next area that Tesco needs to improve by comparing its business model whether certain changes needs to be brought or not in Tesco’s business model. With time strategies, model and policies should be updated for giving a tough time to the competitors who are doing well in retailing industry. Tesco needs to improve its research department as according to the experts few stores and grocery outlets are not performing well in certain countries and this bad performance is mainly because of insufficient research before entering these markets, so there is a need to take initiatives that would make Tesco more aware about the area and the surrounding circumstances where an outlet would be opened.