Case Analysis

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**Analysis of Aldi Case**

           The business corporation of Aldi is recognized as an international discount supermarket chain founded in Germany. The business of this organization consists of different parts of the world. It is noteworthy to indicate that Aldi remained one of the globally least-known discount grocers in 2013 due to its restricted advertising and lack of establishing a strong market position (Van den Steen & Lane, 2014). It is important to assess the market ranking of Aldi by considering different strategies of positioning. The broad form of positioning is defined as the overall business strategy to ensure a distinct position for the brand in the target market. Differentiation is one significant form of positioning strategy that is used to obtain a competitive advantage. The approach of product differentiation makes it possible to develop the distinction of product offerings in the potential market. The company of Aldi is focusing to attain less costly marketing approach to meet the standards of competitive advantage. Focus on cost and product differentiation are two prominent strategies of market positioning considers by the Aldi when it comes to the objective of competitive advantage.

**Identification of General Strategy of Aldi**

           Identification of Aldi’s general strategy based on its positioning is important to characterized as its marketing perspective. The primary focus of the general strategy of Aldi is to minimize its cost. The organization of Aldi keeps costs low by restricting the substance of merchandize to its private labels. Segmentation targeting and positioning are two major forms of the general marketing strategy of Aldi. It is vital to mention that the middle-income class is mainly targeted by the company considering the approach of competitive prices. The domain of cheaper prices eventually established as the form of an economical retail store as compare to its competitors. Moreover, the domain of selective distribution channel is one prominent aspect of the general strategy adopted by the Aldi. The general strategy of Aldi is the combination of making the right choices and considering critical trade-offs to meet the objective of competitive advantage. Offering a limited range of “preselected” products is identified as the major trade-off considering the overall form of the strategy of poisoning for the company. The adoption of hard strategic choice eventually causes a particular trade-off in the entire scenario. The organization’s strategy of low prices ultimately related to the major trade-off of no-frills grocery shopping experience for potential customers.

**Substantive and Plausible Proposal of a Business Extension**

           The strategic position of Aldi can be better evaluated by identifying a business line that is available in grocery stores of competitors as compared to the organization of Aldi. The remodelling and expansion of the business require the initiation of the new product line to strategically compete with the potential companies in the market. Organic fast food restaurant is one significant example of product line offered by the competitor of Aldi. Adoption of the new product line in the form of organic fast-food restaurants can be a beneficial strategic decision for Aldi to ensure the successful form of business expansion against all the competitors. The detailed assessment of the market revealed that Walmart is offering the services of organic fast food for the potential visitors that eventually enhanced business profitability for the company.

**Effectiveness of Proposed Change Considering Strategic Position**

           At the concluding phase of the analysis, it is essential to assess the appropriateness of this new product line considering the strategic approach for the decision-makers. Offering the services of organic fast food restaurant can be beneficial for the Aldi to attract more customers by adopting the most suitable production line. This practical approach can be considered as a beneficial strategic option to meet the objective of market amplification in different forms.

**References**

Van den Steen, E., & Lane, D. (2014). *Aldi: The dark horse discounter*.