SWOT analysis

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| Strengths   * A strong company in Australian food and liquor business which is also growing rapidly. * Successful Sales Promotion * Effective supply chain management | Weaknesses   * Heavy reliance on Australian Market * The competitors to company have considerable global presence and diversified revenue streams which makes them less vulnerable to country specific risks. |
| Opportunities   * Data Analytics * Differentiation | Threats   * Competition * Decreasing Consumer Confidence |

**Strengths**

Market penetration has been followed by launching new products, new stores and attractive marketing campaigns. A large number of new products have been launched by the company including sweet Solanato tomatoes, sweet crunch lettuce. In the financial year 2013, considerable increase in meat shops was observed along with ninety-one new bakeries.

There have been various marketing campaigns undertaken by company to increase its sales. There were sales promotions launched in all stores named as ‘extra special offers’. This campaign provided more than 50% discount on more than 1000 items of everyday use (Wei, Asian, Ertek, & Hu, 2018).

Effective supply chain management is a strength of the company (Jie & Gengatharen, 2019). Being a store that provides food and liquor, it is very important for the company to maintain a steady supply line of raw materials. A strong presence in Australian market also works as a strength for company.

**Weaknesses**

The company relies heavily on Australian market and a majority of its revenues has been extracted from this local market. In the financial year 2018, the company generated 92.1% of its revenues from Australia. The remaining portion of revenues was generated from New Zealand market but it was a very low percentage.

The competitors to company have more global presence as well as a better diversified revenue streams which makes them less vulnerable to country specific risks.

**Opportunities**

One of the major opportunities for the company is to use data analytics for analysing customer data and use this data to improve products as well as the overall operations of company. The company has already acquired 50% stake in a large data driven organization which can help it in data gathering and analysing.

Especial focus should be kept on results of various advertising campaigns and their results on consumers.

**Threats**

The biggest threat for this company is the high level of competition that it faces in Australia and New Zealand. There is no differentiation offered by the company in relation to the close competitors which can threaten the company in long run.

Consumer confidence is on a low in Australia after imposition of taxes in 2016. This will threaten the company in terms of decreased sales.

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| Matching Strengths and Opportunities   * Using the spread that the company has in Australian market, the company should use data analysis from all over the country about needs and wants of consumers. This analysis will help the company to decide which different products can be launched by it and in which foreign market (Desai, 2019). * In Australian market, product development is the right choice for company. This will require adding new flavours to already existing products. | Assessment of weaknesses   * Reliance on the Australian market can be converted to a strength by offering improved products to the product line * Competitor issue is a limitation to the company because there is no international presence for the company outside Australia and competitors have significant operations outside Australia. |

First priority for the company should be to analyse other countries which it can enter successfully with its existing products. The various modes of entry into international market should be considered and the best mode should be chosen. In my opinion, company should use franchising to enter various countries. Product offered on franchises will be standardised and franchisee will provide the knowledge of local market.

# **References**

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