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# ***Strategic Analysis:***

Strategic analysis is a process in which company information and the environment are assessed to see the company position. It could be different for academic and business perspective. There are different models to assess the company strategic position such as SWOT, PESTEL, and value chain analysis. Sally Beauty Holdings is one of the biggest and international line trader and supplier of certified beauty goods. The company deals in very sensitive sales, they lunch the new product for hair care and due to this production company has a good reputation, and their first-quarter sales increase by 0.3% combined; (Cadle, Paul, & Turner, 2010).

# ***PESTEL ANALYSIS:***

PESTEL analysis is one of the strategic tools which provides help to in different segment such as political, economic, social, technological, environmental and legal. All these factors Sally Beauty needs to understand all these factors about the launch of a new product and going into the international market. Before sally is going to launch they are supposed to do this analysis. If the company apply this analysis they will recover or may not enter into the situation in which they are now.

# ***FIVE FORCE ANALYSIS:***

Sally beauty should perform five forces analysis before they are going to lunch the new product as it defines the different factor such as the threat of new entrant, the threat of substitute, bargaining power of the company, bargaining power of the supplier, and bargaining power of the customer. By applying these forces the company can see the different forces and they can successfully lunch their product. Now it is already in loss and sale is decreasing so it is important they should perform the analysis and ensure the demand for the product to see it has the demand or not in the market. With the help of this strategy, the company can recover and may it need some other improvements in their product so they can launch with new changes; (Porter, 2008).

# ***Financial Analysis***

Sally beauty should perform financial analyst such as the comparison of the previous year with the current year. Margin ratio needs to consider for the better understanding of company performance. There is two margin ratio that the company needs to perform, Gross profit margin and Net profit margin; (Subramanyam, (2009).

NET PROFIT MARGIN= PROFIT AFTER TAX /TOTAL SALES

Sally Company should compare the sale of the individual sector before and after the launch of the product. In this way, the picture will be more clear and understandable about the launch of the product.

# ***Stakeholder analysis:***

Before the launch of any product or about any decision in the company either internally or externally company should assess the stakeholder expectations, in which the company customers and the employees come. After performing this analysis the company can take the decision in better and in the best interest of the stakeholders. If any group of the stakeholder is not willing they can bring them on one table. This must be performed which is not considered; (Brugha,& Varvasovszky,2000).

# ***Porter’s Diamond Model***

Porter diamond model is also one of the best models which is required for the multinational companies. This model provides information and analysis of the nation’s advantage. It considers firm structure, Demand of the product and most important is the factor conditions. This model is applicable to the sally company because they have operated all over the world.

# ***References***

Cadle, J., Paul, D., & Turner, P. (2010). *Business analysis techniques: 72 essential tools for success*. BCS, The Chartered Institute.

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# Brugha, R., & Varvasovszky, Z. (2000). Stakeholder analysis: a review. Health policy and planning, 15(3), 239-246.