Analyze and Compare Hershey Company and Mars Company

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**Comparison of Hershey Company and Mars Company in Food Processing Industry**

           The business organizations of Hershey and Mars Inc. are recognized as two major competitors operating in the food processing industry. Both are chocolate companies that involved in the intense rivalry since the early 20th century and focused to capture national and international market share as much as possible. To enhance profitability level and market participation, both organizations of Hershey and Mars Inc. are keen to ensure the development and execution of successful business-level strategy. The idea of a business level strategy is based on practical actions adopted by corporate organizations to ensure a better form of value to potential customers and obtain the desired form of competitive advantage in the market. The objective of attaining and sustaining competitive advantage can be achieved by utilizing core competencies considering consumers’ choices and product preferences (Drnevich & Croson, 2013). Identification and critical examination of business-level strategies of both organizations of Hershey and Mars Inc. is a critical step to make better inferences about these organizations’ market position in the food processing industry considering the factor of competitive advantage.

**Business-Level Strategy of Hershey Company**

           Adoption of successful business level strategy allows the organization of Hershey to successfully thrive in the scenario of strict market competition. The practical implications of strategic management are comprehensively targeted by the company to achieve the main business objectives. A keen observation of the market trends of the food processing industry explicitly reveals that currently, Hershey Company emphases on efficacious implementation of combined business-level strategy in the form of integrated low cost and differentiation. Various practical measures are adopted to achieve desired targets of low-cost products and differentiation by the company.

           The perspective of a functional structure is focused by the company to actively target the potential market considering elements of market competition and flexible product requirements by customers. Long-term business growth and low debt application are recognized as the ultimate goals set by Hershey Company consider the adoption of the business-level strategy. It is imperative to indicate that brand development and low-cost supply chain are aspects of primary consideration for Hershey’s top management. Adoption of integrated low cost and differentiation business-level strategies eventually made it possible for the company to find ways to develop core brands and enhance overall efficiencies. The targeted level of promoted efficiencies can be established in both forms of production and supply chain. The successful combination of integrated low cost and differentiation is characterized as a consumer-driver business-level strategy. The primary aspect of considering this combination of strategy is to magnificently streamline their production costs and offer a unique product in the market. Organization’s competencies are utilized to sell low-cost quality products to the customers by adopting the idea of differentiation in the form of supply-chain functions. The growing competition of the market made it obligatory for the company to invest in its products and offer new products to customers by adopting the business level strategy of differentiation.

**Business-Level Strategy of Mars Company**

           Mars Incorporated established its position as a successful business entity in the competitive market of the food processing industry. There are diverse options of business-level strategies is available for the company to target the market according to corporate aspiration of attracting as many customers as possible. The business-level strategy of differentiation opted by the company to successfully deliver its various forms of products to the customers. The variety of its products are mainly recognized as offering chocolate, candy, food products, pet care, and drinks.

           The central idea behind the approach of product differentiation business-level strategy is to successfully target a particular market by offering various products according to preferences of potential customers in that market. Customers, level of competition, and profit development are three main aspects of consideration for the company when it comes to applying product differentiation in the form of a suitable business strategy. The application of product differentiation by Mars Inc. mainly categorized under the spectrums of suitable product elements, customization, location, and the domain of consumer marketing. Cost value if the primary factor of consideration when the company is keen on adopting the approach of differentiation.

**Internal Analysis of Companies’ Resources and Capabilities**

           Identification of available resources and capabilities of business companies is a necessary approach to recognize their potential to gain a better market share. Undoubtedly, internal sources and capabilities playing a vital role to successfully develop and execute business-level strategies. This primary idea of this form of consideration is to attract potential customers and gain a competitive advantage in the industry. Resource-based model and value chai model are two prominent practical approaches to make better inferences about the internal resources and capabilities of both the competitive organizations of Hershey and Mars Inc.

**Resource-Based Model for Hershey Company**

           The central focus under the domain of the resource-based model is considering resources as the key spectrum of improved performance by the company. The framework of the resource-based model is helpful to identify all the strategic resources that can be used by the company to acquire the ultimate target of achieving sustainable market competition. Internal resources mainly in the form of stocks, employees, and all tangible resources played a significant role for the company to ensure the desired form of strategic management. Internal resources for the company are mainly categorized as tangible and intangible resources (Lamme & Parcell, 2013). Both the domains of available internal resources are greatly utilized by the company to increase its potential position in the targeted market. Brand recognition and reputation are two significant forms of intangible internal resources that are focused by the company to increase its business approach effectively and efficiently.

**Resource-Based Model for Mars Company**

           Possession of different strategic resources ultimately made Mars Inc. position strong to achieve its objectives in the form of gaining competitive advantage and enhancing overall profitability level. The mechanism of strategic decision-making completely aligns with the perspective of the successful utilization of internal resources. The management of this company significantly relies on the combination of many different resources to create a developing approach to innovation for the business. The instrument of technological advancement is used by the company to ensure the successful application of internal resources and capabilities. The central aim of adopting these measures to establish better forms of innovation to attract potential consumers and obtain a competitive advantage.

**Value Chain Model for Hershey Company**

           The application of strategic analysis in the form of the value chain model is also used to define and analyze the internal structural position of the company. The main objective of this mode of analysis is to identify primary or support internal activities utilized by the corporate organization to gain a competitive advantage. Diverse business activities are established by the Hershey Company to create value in its overall business strategic approach. Successful consideration of different business activities eventually helped the management of the Hershey Organization to the final diverse products offered for the targeted customers. Proper alignment of inside business activities eventually made it possible for the company to gain outside business objectives. The prospect of outside business targets is mainly identified in the forms of attracting more customers towards products and gain a high level of competitive advantage in the market.

Abrupt changes in the chocolate market successfully cover by the company through the development of strong integration between different internal activities. A thorough assessment of the internal strategic positioning of Hershey Company revealed that the management of this organization is impressively focused to enhance its internal resources and competencies in the form of variant activities. The central aim of this form of consideration is to align the internal strategic position with the requirements of external business requirements and challenges. The business model adopted by Hershey Company is to create a balance between potential external business challenges and internal activities to achieve the aim of improved position in a competitive business environment.

**Value Chain Model for Mars Company**

           A comprehensive analysis of the value chain model in the context of Mars Company is also a vital measure to apprehends the company’s approach to utilizing its internal capabilities. It is significant to establish how internal activities are greatly used by the company to provide better products to the targeted customers in a potential market of chocolate nationally and internationally. It is observed that the company of Mars Inc. is keen to adopt ethical and fair internal strategies by successfully utilizing the competencies of workers. The agenda of following this significant practical perspective is to create more value in the form of an overall corporate scenario. The practical perspective of a supply chain is successfully handled by the company by offering different programs of integration for all the internal stakeholders (Yeager, 2000). Different practical programs are adopted by the company to create the domain of value chain in case of its systematic business operations in different countries around the globe. It is vital to mention that the growing spectrum of technology and innovation is successfully established by the company to create more value for its business.

**Conclusion**

           To conclude the discussion on the significant business level strategies of Hershey Company and Mars Company, it is critical to indicate that the organization of Hershey is more focused to use a diverse form of business strategy to attract customers and gain market competition. On the other hand, the focal point of consideration for Mars Inc. is to utilize the idea of innovation to enhance internal competencies and utilize it according to the changing needs of the market.

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