

Superstore

Business Plan

Dated: _____

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EXECUTIVE SUMMARY

The report will discuss in detail about one of the leading supermarket of UK, Superstore which is offering wide variety of products of the people of the country. It was started as a small supermarket and now it has grown into varied other services like customer insurance, electrical items and mobile phones. The company also provide the consumers with a reward system where consumer is able to get a return of 1 percent on every purchase. It is a big organization in the country and consist of many kinds of systems which are further assisted by the organization in operations at some levels that ranges from operational level to managers (Donnelly et al., 2012). It is also based on structure of varied systems which permit the business to function in an effective manner and also make sure that the right decision is formed. The company is one of the largest seller in UK and have a third position in retail sector after Wal-Mart and Carrefour.

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THE COMPANY AND THE PRODUCT

Company History, Mission and Objectives

The organization sell more four thousand food based products. The company initiated with the business in grocery based retailing however now it also ventured into stationary, beauty, healthcare, utensils, entertainment, clothing, electrical items and various seasonal products. Yearly profits of the company in year 2005 was also announced as two billion pounds and in the year 2006 it was further announced that it was going to start the international stores in near future. The company functions in more than thirteen nations with three thousand two hundred and seventy-five stores of which more than two thousand functions in UK (Peck et al., 2013). It functions through multiple stores based formats which consist of elements like express, metro, hypermarket as well as superstore. The company has it own set of products which ranges from value, finest and normal kind of diverse income group of customers.

MARKETING PLAN

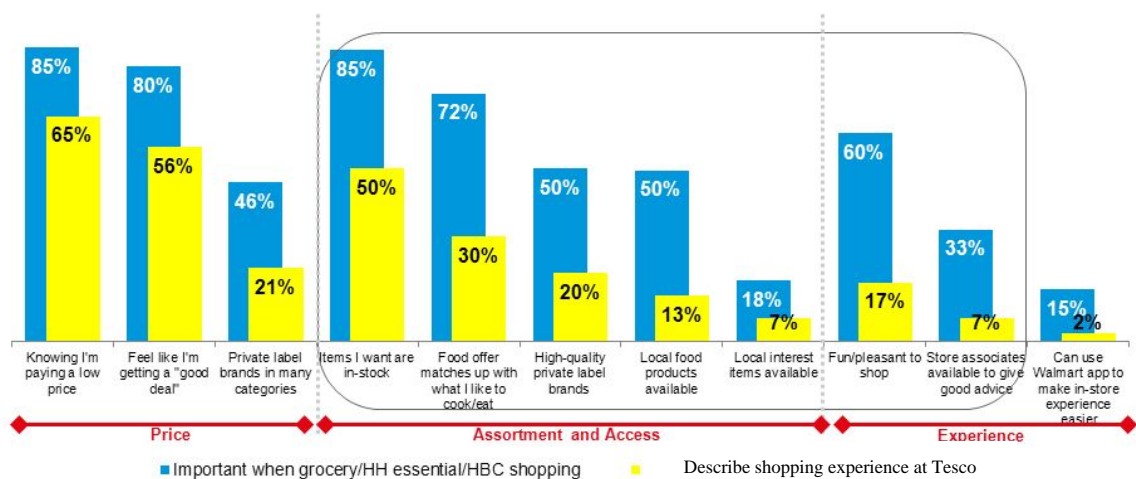
Market Situation

Market Size, Market Niches, and Growth prospects

The market where Superstore functions is very competitive market and this company happen to hold a lot of power as well because of the market share. The company has three important competitors in the market which are Asda, Sainsbury and Morrison. All these supermarket giants have many chain as well as collective mass that can impact the market and food as a whole. But the financial crisis in the recent time has put the company under immense pressure when the consumers by seeking decrease the level of expenses to relatively cheaper for other supermarkets as Aldi and many more (Donnelly et al., 2015).

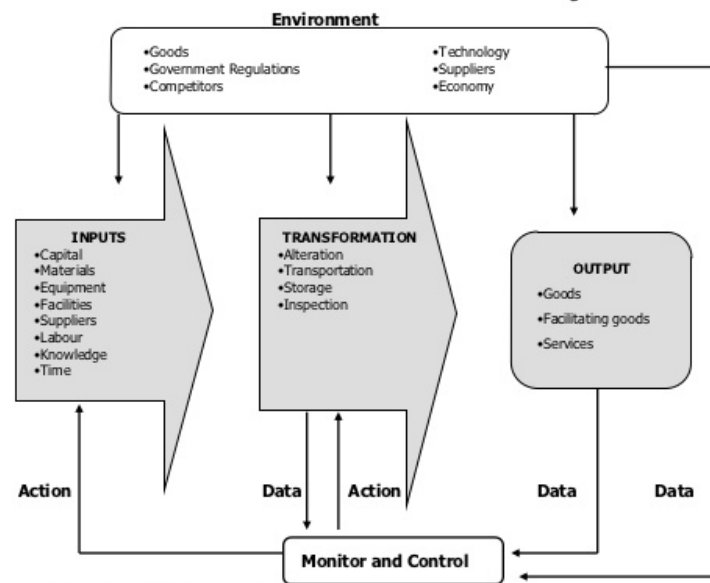
As per the data in latest TND Data, companies like Waitrose, Superstore and Sainsbury are in loss in terms of market share of UK grocery sector. The sales of Superstore just increased by 5.5% whereas sales of Sainsbury went up by just 5.6%. This percentage is much less in comparison to hard discount retailers as Aldi where sales jump up to 22% over three months of time period. In order to maintain the market share, the organization has dealt with issue by releasing four hundred low cost as well as ranges of products and food on the stores. In the current time, the company has more than two lakhs seventy-three thousand employees along with domestic level market share. In the year 2008, the company get the position of fourth largest retailer all across the world (Christopher and Peck, 2012).

Experience vs. expectation diagram



Input-Transformation-Output diagram

The Transformation System



The company has gained advantage from the transformation processing systems in so many methods and such systems will collect as well as hold data that consumer buys, specifically those who carries the loyalty card. It will further help in being able to aim at other products at such consumer to rise the amount the sales. There are number of automatic links exists with the suppliers that will help in improving the stock so that it can be ordered again as soon as it has been out of stock (Chaffey et al., 2013). It immensely decreases the effort on physical level of stock ordering and also reducing the mistakes that are part of manual ordering. There is high level of effectiveness at services since prices can be changed without any disruption with greater choices of products that can be taken with low level prices to the consumer.

The company also utilises this system in their electronic point of sales systems as well as scan the barcode and interact with so many in-house systems. This in-house system will also record all kind of data level stock and transaction which require one to re-ordered since in some batches which can be moved toward the mainframe at the end of every day. This data can be easily accessed with high level management to generate report and will

also give the distribution centre with order in the coming time. This data will also give order based data for third party suppliers (Mollah, 2014).

Our Strategic Advantages

Initial Competitive Advantages

Foundation for strategy based marketing functions as well as structure based tools are the main key to assess the current business case. There are so many risk as well as value based trade-offs are made explicit that lead to some solid and concrete proposals to add some relevant value and also reduce the level of risk. There are number of explicit plans among action, consisting effective base for planning and need to grow by Superstore as the strategy related option (Palmer et al., 201). Superstore can employ two strategic level alternative that are most likely to be the main market goal of attention on market growth via partnership as well as diversification with the help of new product growth.

Market growth strategy comes with joint growth as well as strategic level alliances by entering in new market place like China and Japan since it can help in serving as main development driver of the revenue of the company as well as expansion strategy. The company also show interest in Japan that will likely to grow further in a meanwhile since the market of Asia are showing rapid rise in spending by customer and rise in trend especially retailing (Felgate and Fearne, 2015). As far as operation of the company are concerned, Superstore is one of the leading company when it comes to supply chain as per many surveys of global food and grocery specialists like IGD. The senior management from fifty global organization in a survey show that the features of leading retailer to consist sales and profit development with a strong consumer attention with an integrated supply chain as well as a unique business model with collaborative associations.

Strategic Options and Alternative Chosen

Growing marketing strategy is very crucial work for every company since it need a highly detailed analysis of every feature related with business. Following is the detailed discussion of some crucial steps that the company Superstore needs while developing an effective marketing strategy:

1. Internal analysis: this consist of evaluation of company's internal weaknesses and strength. It further consists of many structure, policies, culture, available resources, workforce and the financial strength of the company that help in making sure the efficient in the execution of marketing strategy (Neupane, 2012).
2. External analysis: this feature consists of evaluating all kind of factors that are present in external environment for companies and directly or indirectly impact the business level operation. It initiates with knowing the present popular trends and requirement of the present customers. What are there expectation and needs is one important question which management of Superstore need to ask. Second factor is competitors wherein the potential strength and threats of competitor can be identified with an opinion to completely offset them in optimal manner (Neupane, 2012).
3. Establishing goals: after evaluating the business environment it is important for the company to establish goals that can be evaluated or measured. For this, it need to be clear and specific as all the operations in future can be directed to accomplish these goals and objectives.

Formulation of strategy: at the time of setting goals and objective that are specified, different strategies are formed as per set goals. Different marketing strategies are developed properly that helps in defining product, place, prices as well as distribution channels and many promotions based activities to be utilised. The set of strategies must be

able to completely overcome the threat and also avail the development opportunities right before the competitor's functions (Neupane, 2012).

Marketing Strategies

Organization in general these days are immensely leveraging their signal based reading capacities to make intervention at operation level in real time and also completely ignoring the slow process of decision based hierarchies. Superstore needs to perform a detailed analysis of the purchase based patterns of the thirteen million customers of its loyalty program. The overall finding ensure that Superstore can change the offering for every store and every customer segment give early warning to move the consumer attitude. They have also supported the growth of Superstore online operation which are successful so far and has extended the business model of the company (Czinkota and Ronkainen, 2013). It will automatically ensure that the company can store without the need of any walls and also manage to provide wide range of products as well as services consisting financial based services and media. On top of that, despite of purely a cost centre, the company can make use of rich database as well as their effective analytical capacities to produce a strong stream of direct revenue. Further, Superstore can permit other companies to use their insights and technologies for a specific amount.

SWOT

Strength	Weaknesses
<ol style="list-style-type: none"> 1. Strong product offering with wide range of prices. 2. Development in supermarket space because of growth in population and 	<ol style="list-style-type: none"> 1. Prices: the price of good pose so many issued for the company since the company tries to cut prices to satisfy consumers which led to

<p>consumers demand for many products.</p> <p>3. Strong brand image because of market dominance. Market dominance is supported by high quality product and trust.</p> <p>4. Online operation and marketing has impacted the growth of many products of Superstore and these advantages has helped the company and its consumer immensely (Coe and Lee, 2013).</p>	<p>reduced profit margin.</p> <p>2. High dependency on UK market will impact company in long run since any economic challenge on the country will impact its performance.</p>
<p>Opportunities</p> <p>1. The success in online space is one of the huge opportunities for the company.</p> <p>2. Market expansion in Asian market will help in making positive implication in the development on global level (Coe and Lee, 2013).</p> <p>3. Development of non-food sales which will help in cutting cost based structure that can start same kind of strategy for many non-food retails.</p>	<p>Threats</p> <p>1. Economic instability</p> <p>2. High competition</p> <p>3. Rise in price of raw material</p>

PEST

Political: after the policies like European Integration and Free trade agreement, the current market has risen for many British based organization to invest in places like Eastern Europe. The company has already dominating with sixty hypermarket stores in places like Hungary.

Economic: the present retail sector is sensitive because of recession and also highly sensitive to any change in financial status like interest rates (Coe and Lee, 2013).

Social: transformation in taste of customers as well as lifestyles shows so many options and threats for the sector. Opportunities in new market and consumer comes with added threats in term of options settled in many Swedish national retailers.

Technical: transformation in methods of retailing like sales through internet is now common practice in retailing. There are many paperless function with the administration and the management of the company that are part of the IT system. This can be accessed via many secure servers (Coe and Lee, 2013).

OPERATIONAL PLAN

Superstore is known for its high-quality product and company give high emphasis of the quality management. The moto of the company is hundred percent customer satisfaction without any error or defect in product. Every possible product offered by the company comes under quality check since it has to become the part of qualified product as well as value for the money of consumers (NiTZBerg, 2012). Quality is evaluated with the help of supply chain. The concept of total quality management is the main concept which has to be managed by Superstore and it never deal with assurance from quality perspective but it definitely tells about the methods in which business can be done. It also deals with management of people as well as processes of business so that the level of customer

satisfaction can be accomplished. Customer satisfaction is of high importance in the company. TQM is primarily related to the performing the right things in right manner (NiTZBerg, 2012. Consumer can be internal at the same time external. At the time when Superstore purchased food products with the help of supplier then it functions like a consumer and at the time selling the product, the company functions as if they are serving the consumers. The company also manages its total quality concept in some ways discussed below:

1. Prevention: the company believes in prevention to ignore production of so many defected products.
2. No defect: the main aim of the company is to manufacture the defect free products and reduce the level of defect in case of complicated product.
3. Quality covers every individual: the company applies the concept not just on the manufacturing and operation section but it consists of other units as well like human resources, marketing and finance (NiTZBerg, 2012.
4. Constant improvement: it seems for the improvement in the processes and product and to do that it can be applied on the lean management.
5. Involvement of employee: it consists of the employees that are part of the production and operation process to take the feedback. This is why it needs improvement.

Practising TQM in a business in company like Superstore, where the level of consumer satisfaction is very crucial and is not an easy function. The company provide the chance to the workforce to be part in the manufacturing process as they are actually part of production products (NiTZBerg, 2012.

FINANCIAL PLAN

Included in the Excel file attached separately.

Conclusion

The success of the company clearly shows that how far the concept of branding as well as effective service based delivery can come in swiftly moving which also goes beyond splashing the logo on various places. It has focused on coming up with powerful identities by making the concept of retailing into a virus and spreading it one the culture through so many channels (NiTZBerg, 2012). In the present fast changing market condition with high amount of pressure from competition, Superstore have to take up new expansion strategies or diversify the present structure to sustain its market position in the already settled retail market.

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