

STRATEGIC INNOVATION FOR VENUS MOBILE

Table of Contents

Introduction.....	3
External environment analysis.....	3
PESTLE analysis	3
Porter’s five forces	6
Internal environment analysis	8
SWOT analysis	8
Possible strategic opportunities.....	10
Strategic recommendation	11
Conclusion	13
Reference List	14

Introduction

Strategic formulation or innovation is a matter of evaluating business situation. Practically, it is a matter of a new business or an existing one, a responsible heads has the responsibilities to manage new strategies to attract optimum amount of profitability. A mobile company like Venus may tend to change existing strategies in terms of external forces or complete pressure. Therefore, it is important to manage a quality analysis including internal and external resources. If a respective business cannot determine its strength, there will be lesser opportunities to implement new strategies. In the following report all these aspects of strategic innovation has been discussed. On the other hand, a strategic planning should maintain additional strength to replace an existing plan. All these aspects prove a success term of a new plan. The problem statement of the study is to analyze present scenario of a mobile business i.e. Venus Mobile and afterwards, some recommendations of strategic planning have been formulated. The problem statement of the study is to analyze different internal as well as external forces to be considered while making an efficient strategic planning for optimum business productivity of Venus Mobile throughout UK.

External environment analysis

A business operation gets impact of different factors and most of the important ones can be referred as external forces. It is not only a matter of facing economical turmoil or customer's requirements, but at the same time, it is important to consider existing competitors as well as new comers in the market. In that context, such external forces are important to make an effective strategic plan. The competitive market of UK always makes additional forces on a business that is dealing with regular products. Now, in case of mobile phones, individuals need quality products as well as some accessible features and in that case Venus Mobile needs to follow all of those prospects that an effective strategic planning can follow all of these implementations. In the basic stage, a practical analysis of external forces holds importance to assure success possibilities.

PESTLE analysis

There are some regular forces that a business organization faces while operating business operations. Practically a respective organization has to face political, legal, economical as well as technological forces while managing business interactions. Therefore, it can be said that future

planning must include all of these forces. If Venus Mobile cannot face all these forces easily or utilize some of the positive interventions, there will be little possibilities of success. A business always tends to overcome risk and hazards of future business activities and for the same, a practical analysis of external environment are important (Tidd and Bessant, 2014, p.147).

Political force: A mobile manufacturing company always tends to target most of the individuals residing in middle class section. The reason is that a costly phone has limited customers. In this context, political activities of UK have greatly affected its existing strategies and the same aspect is highly important for future context. The increasing rate of VAT from 17% to 20% has greatly affected a specific class of society (Talke *et al.* 2011, p.830). Practically, a mobile purchase has also increased its rate. Following the same, Venus Mobile should consider the expectations of the regular customers. It is quite undoubted that targeted customers groups are always worried on expenditure and the increasing taxation measures have greatly affected on mobile costing. This aspect has forced Venus Mobile to follow a cost leadership strategy as well as making a new aspect of business expansion. It is possible that existing competitors of Venus has adopted the same strategy, but at the same time, it is important that Venus mobile should manage an effective strategic planning to chase some new challenges in terms of political forces.

Economical force: Apart from the political force, Venus Mobile can get inspiration from the growing trend of economic prosperity. It will be mediocre to define that economic crisis has greatly affected the existing strategies of many retailers' including mobile manufacturers, but the new rising can help to make some risky planning that most of the areas can be covered. Practically, the respective device has been proved to be a part of daily usages (Bogers and West, 2012, p.258). Therefore, a positive growth on economical support can help decide Venus to expand the rate of manufacturing just according to economic prosperity and nothing else. However, it cannot be said that a respective business can change or make strategies based on economic prosperity, but it is also important to consider existing resources as well as possible threats those may be faced by Venus.

Social force: Social forces are common while developing a new generation and at the same time, the taste of choosing products face changes. There was a time when people tend to choose products according to availability and trends; therefore, Venus needs to reflect the same strategies while manufacturing a new product. Most of the time, individuals, especially youths

tend to consider social customers in terms of design and interactions while choosing a product. The trend of accessibility is another important aspect when individuals are seeking for faster operations. Venus can attract additional group of customers by adding such aspects while manufacturing a new product. These resources should be considered as important aspect while making a new innovative idea of business expansion.



Figure 1: PESTLE analysis

(Source: Srdjevic *et al.* 2012, p.3233)

Technological force: For a regular business, it is the basic initial that all of the technological forces can be implemented. Without having the same, there is a possibility of some negative outcomes. At a glance, manufacturing unit as well as supply chain management can face constraints to make faster operations. On the other hand, some of the customer groups may experience negative prospects while facing such situations that an advanced as well as branded product is not utilizing advanced technology. It may be a matter of IT product or a mobile phone, implementation of technology has the same importance. Venus Mobile can follow some technological implementations in terms of manufacturing as well as to increase product quality. Advanced youth tends to face all of the advanced features including social media access while using a phone. Therefore a new strategic plan should include all of these technological

innovations while making a new strategy for business success. Moreover, technological forces as well as developing measures are important to increase customer satisfaction as well as a better manufacturing expertise (Zhou and Wu, 2010, p.147).

Legal Force: Communication is a matter of privacy as well as individuals may raise issues in terms of communication glitches. Therefore, Venus Mobile has to consider such legal guidelines while making a new strategy. This aspect includes the importance of engaging features as well as privacy restrictions of a cellular device. If the respective brand cannot provide satisfactory concerns on privacy measures as well as confidentiality, customers will be less interested while choosing a product. On the other hand, it is also important that such legal implications may not decrease quality terms of a mobile product. On the other hand, an effective innovative strategy must include customer grievances. An electronic product may face issues due to technical glitches and in that concern, Venus Mobile must follow Customer protection Act as without having the same, the respective business may face legal force having disruption in brand loyalty and reputation.

Environmental force: There are many legal aspects of environmental concerns that a respective manufacturing firm can satisfy authorities as well as individuals. At a glance, a cellular device has its own output and those have some restrictions (Kapferer, 2012, p.84). However, it is a matter of technical glitch as well as expertise of manufacturing that a respective device can less harm environmental sustainability, but at the same time, a mobile manufacturing firm has to consider such prospects into a strategic plan. It is not only a matter of profitability that Venus Mobile can avoid all of such environmental concerns, but having the same, a new strategy can face failure as well as legal claims and those are quite enough to harm brand loyalty. A green environmental planning should include all of the products as well as services while serving the society and UK government has always make additional stress on the same aspect. Therefore, environmental forces seem to be an important part of a strategy planning in terms of mobile phone manufacturing (Leonard, 2011, p.158).

Porter's five forces

This kind of analysis is related to both internal as well as external factor of a respective business. However, such factors are common in regular business interactions, but Venus should consider all of those for a new strategy making process as profitability as well as stakeholder participation

is important while managing a new planning. Some of the forces of regular business interactions are as follow:

Supplier's threat: When a respective brand is focusing more on quality, it is important to choose efficient supplier. In terms of mobile phone manufacturing, it is important to maintain quality as UK market is mostly dependent on quality rather than price. Such quality measures include not only sustainability of a product, but at the same time new features are also important. All these prospects are enough to increase to supplier's threat. Moreover, Venus has its own responsibilities to consider the claims as well as requirements of suppliers and manufacturers as having a drawback in quality and features; there is a possibility to lose UK market.

Buyer's threat: When a respective product has greater availability in market, buyers get additional support to negotiate a product. It is possible that a respective buyer may get the same product from another brand and in that concern; Venus may have to follow additional features in the product along with having cost leadership. The highly competitive market of UK has brought the same possibilities of buyer's threat that Venus cannot avoid such aspects while making a future strategic planning for assured business productivity. On the other hand, it is also important to satisfy customer's requirements that respective business can attract new communities (Keupp, 2012, p.380).

Competitive rivalry: The market scenario of UK is highly competitive and at the same time, the same impact is highly visible on product distribution and business interactions. If a respective product faces least competitive force, there will be no requirements of strategies or new marketing activities, but in terms of mobile phones, there are many constraints. A mobile phone tends target all of the customer groups and following the same, competitive rivalry is higher in UK market. A respective mobile product can be avoided by a customer having a cheaper price or better features. Therefore, Venus Mobile should consider such aspects while preparing a new strategic planning.

Threats of new entry: This aspect is determined by market demand and availability of business opportunities. If a respective product is required by most of the communities, there are countless business organizations attracted to get profitability. In case of mobile phone, the aspect is same throughout UK. A new business may introduce a new pricing strategy and at the same time there

is a possibility of new products. Therefore, it is important to include such features while making strategies. Some specific products can be targeted to increase productivity, but at the same time, it is also important to keep space for replacement in terms of threats of new entrants.

Threats of substitution: Threats of substitutions are concerned in the same aspects. Respective buyer may change attitudes while having a new product. On the other hand, it is also important that the respective buyer is getting enough options to enjoy profitability in terms of quality as well as price. If Venus mobile will not implement such measures, there will be hardly any option to avoid threats of substitutions (Schiederig *et al.* 2012, p.190). Some leading manufacturing competitors like Samsung or Apple are facing the same threats as other brands are having the opportunity to provide customer satisfaction. In order to avoid such threats Venus Mobile has to be more conscious while making a new strategic plan.

Internal environment analysis

In order to make an effective strategic plan, a respective business has to consider available resources. Without having organizational support as well as stakeholder's concern, it will be hard to make effective business scenario. Internal environment includes all of the regular operations as well as stakeholder's participations that management can better decide for new strategies. Practically, an organization cannot implement new strategies without having a concern of resources as well as stakeholder's participations. Venus Mobile is operating mobile business for several years in UK market and after having some concerns in terms of business aspects as well as stakeholder's participations; it has become easier to specify strength, weakness as well as new opportunities (Gawer, 2011, p.192).

SWOT analysis

Strength: Strength of an organization can be determined through availability of employees as well as expertise of operation. In that concern, Venus mobile can better follow new strategies. Practically, if a manufacturing firm cannot assure implementable strategies, there will be no possibilities to success. At present, Venus is maintaining all of the IRT expertise as well as an efficient supply chain group that product distribution is facing efficient measures. On the other hand, it is also visible that customers are getting additional attention due consistent product distribution in the market. Capability is like a landmark of strong business operation while chasing a competitive market. Among the plants available in UK market all of the employee

groups tend to face efficiency of expertise in terms of manufacturing. These aspects can be determined as market strength as well as quite supportive to target new business markets.

Weakness: Brand loyalty is an important aspect of creating product value and in that concern Venus has faced its weakness. Therefore, while making a new strategy, the respective business should consider this weakness. On the other hand, it is also required to target respective places where mobile products are getting trendy; otherwise such weaknesses can face severe impacts. Another weakness of Venus Mobile can be referred as poor future strategies. Having an unclear vision, stakeholders may face wrong directions in terms of thinking new strategies as well as implementations. However, it cannot be said all of the weaker aspects may harm the strategies of Venus Mobile, but at the same time such considerations are important to make a stable ground of business transactions.

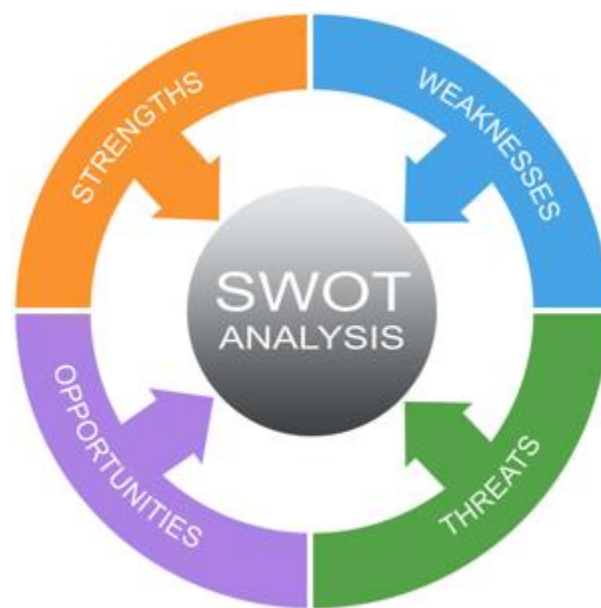


Figure 2: SWOT Model

(Source: Srdjevic *et al.* 2012, p.1522)

Threats: As mentioned above some of the visible threats are valid throughout the UK in terms of UK market, Venus Mobile may not avoid such aspects. On the other hand, it is also important to specify threats. Due to the scattered scenario of product distribution and manufacturing units, it is possible that all of the new strategies may not be accepted by all of the stakeholder groups. On the other hand, it is also important to maintain sufficient risk and hazard avoidance strategies that

weaker scenarios may not face drawbacks of investment. Retail products are regular requirements and at the same time, demand is higher in the market. Therefore, there are countless aspects that customers may consider and avoidance of such aspects are the initial threats for business firm while making new strategies.

Opportunities: For an IT based organization, it is important to consider technological opportunities. Therefore, it is important to analyze gaps and requirements in terms of current scenario. On the other hand, it is also visible that Venus Mobile is not adopting optimum support of technological advancement due to inadequate brand loyalty in the market. At a glance, the respective firm can better utilize technological opportunities to enhance product quality as well as satisfactory measures of customers to increase sales. Another opportunity for the respective firm can be considered as targeting external locations of UK market. There still some market scenarios where featured products are still apart from market. Venus Mobile can acquire the same practice while managing a new strategy (Hitt, 2012, p.198).

Possible strategic opportunities

Based on the above internal and external forces as well as opportunities, Venus Mobile is experimenting some strategic opportunities. As per current market scenario, the respective firm is getting attention of a specific customer group. On the other hand, having a marginal brand reputation, the respective firm does not have to worry much to lose brand reputation. Following the same, it is possible to follow a cost leadership strategy. Having a cost leadership strategy, Venus has reduced expenditure regarding implementation of new technologies as well as a marginal marketing cost (Heiko, 2010, p.369).

On the other hand, mobile phone market has been segmented into different categories. At a glance, it is based on features, price as well as accessibility. Venus has followed to target individual classes apart from restricted within smart phone market. This effort has greatly managed to target a specific market in UK. Besides that, the business entity can get the taste of individual taste to have new implementations in terms of quality and especially new market opportunities.

In case of chasing highly competitive market as well as leading brands in the existing market of UK, Venus has followed a restricted strategy. It is very practical that some of the leading

competitors like Samsung or Apple are highly reputed in UK market and in order to chase such brands, Venus has chosen a cost leadership strategy. Following the same, it is getting a dual benefit. Firstly, it is getting responses of common individuals, on the other hand, business making strategies for Venus seem to be easier in terms of expenditure as well as engagement of stakeholder limit.

Strategic recommendation

Strategic recommendations are based on the same scenario and those are quite related to existing market situation as well as internal as well as external forces. Most of the terms, business organizations tend to follow a strategy where risk and hazards can be avoided having optimum business productivity, but Venus has its own constraints. In order to maintain a long term stock as well as brand venture, there will be additional stress on expenditure. Therefore, resources as well as availability of opportunities are important factors while considering a new strategy. Some of the recommended strategy for Venus is as follow:

Practical strategies: Some of the marketing as well as innovative strategies are based on existing records or annual reports, but Venus should try to understand practical market scenario of UK. It is all about customer's requirements and acceptance of a mobile product that Venus can increase sales in the market building a brand reputation. It is practical that all o the mobile buyers may not include higher cost, but at the same time quality matters for those folk. Such a practical understanding of market scenario seems to be productive for a new strategy making process. Having the same, manufacturers of Venus will be more conscious while including new features in terms of technical innovations.

Implementation of long term sustainable products: From the existing sales record, it as been found that Venus has loosened some of the product values due to poor technical features as well as outer look. Advanced generation is more conscious regarding look as well as advanced features. It is not only a matter of Smart phone technology, but all of the products have the same requirements. If management can make more stress on such aspects rather than looking for marketing opportunities, it will be possible to catch new opportunities for long terms product sustainability in the market.

Considerations of competitive advantage: In the market of UK, competitive advantage is available for some branded products and in that aspect, it is important to consider new opportunities. It is very practical that some of the leading brands are making additional stress on smart phone advanced technology rather than making stress on pricing and availability. Such higher considerations of technology can be considered by Venus to target another group of customer. A featured Smart phone in an affordable cost is deserved by all. Therefore, competitive advantage can proved to be a major initiation while making an innovative strategy of Venus Mobile.

Stakeholder summary

A new strategy is not only a matter of consideration that a leading organizational head may prepare, but at the same time, there should be acceptance of all stakeholder groups. On the other hand, stakeholder groups are the sole participant to implement new strategies. It is not only a responsibility employee that new strategies should be followed, but at the same time, it is the consideration of customer groups that bring the success measures. In this concern identification of stakeholder groups is important in strategic management.

Employees: Internal stakeholders like employees are the major participants in terms of implementing a new strategy. At a glance, it is important to gather responses of existing scenario along with having future possibilities and it is response of the regular participants who can better provide information on the same. Venus Mobile is operating in UK for several years and in that terms experienced employee groups can better suggest some new strategies.

Suppliers: In terms of a mobile manufacturing firm, suppliers can be defined as manufacturers also and following the same, it is justified to engage those folk into a new strategy. If a respective mobile manufacturing business is making stress on quality and other features in order to target most of the customer groups, there will be additional stress on suppliers. In that concern, suppliers tend to be an important part of strategy making process.

Customers: Customers are valued part of strategy making process. If a respective business cannot engage customer groups, there will be nothing to achieve productivity. Without having any productivity, a strategic plan cannot be implemented. In terms of mobile manufacturing such aspects are highly important. Engagement of customers can help Venus group to understand

requirements as well as satisfactory measures of a product sustainable in the market for a longer time.

Investors: A new strategy needs concerns of investors as without having the same, such strategies cannot be implemented. Shareholders and investors are the sources of capital flow and it is possible that a new strategy may not be accepted by all and in that concern; engagement of investors is valued in a strategy making process.

Conclusion

Therefore, it can be said that a respective strategy needs valued analysis of the entire dynamic situation that a business faces in regular operations. It may be a matter of smaller firm or reputed business brand; there are always visible impacts of internal and external forces in a newly built strategy. Most of the business organizations tend to follow regular strategies to beat competitors, but at the same time, it is also important to consider available resources as without having the same, implementation of strategies cannot be made according to requirements and availability of scopes. It is very practical also that stakeholder groups are important parts for implementing new strategies and without having the concerns of same group it will be hard to make strategies to get successful measures. In most of the terms, the stakeholder groups of Venus Mobile are scattered and following the same, it is the responsibility of management to manage regular interactions with the same group to make best implementation of an innovative as well as business making strategy throughout UK.

Reference List

Bogers, M. and West, J., 2012. Managing distributed innovation: Strategic utilization of open and user innovation. *Creativity and innovation management*, 21(1), pp.61-75.

Gawer, A. ed., 2011. *Platforms, markets and innovation*. Edward Elgar Publishing.

Heiko, A., Vennemann, C.R. and Darkow, I.L., 2010. Corporate foresight and innovation management: A portfolio-approach in evaluating organizational development. *Futures*, 42(4), pp.380-393.

Hitt, M.A., Ireland, R.D. and Hoskisson, R.E., 2012. *Strategic management cases: competitiveness and globalization*. Cengage Learning.

Kapferer, J.N., 2012. *The new strategic brand management: Advanced insights and strategic thinking*. Kogan page publishers.

Keupp, M.M., Palmié, M. and Gassmann, O., 2012. The strategic management of innovation: A systematic review and paths for future research. *International Journal of Management Reviews*, 14(4), pp.367-390.

Leonard, D.A., 2011. Core capabilities and core rigidities: A paradox in managing new product development. In *Managing Knowledge Assets, Creativity And Innovation* (pp. 11-27).

Schiederig, T., Tietze, F. and Herstatt, C., 2012. Green innovation in technology and innovation management—an exploratory literature review. *R&d Management*, 42(2), pp.180-192.

Talke, K., Salomo, S. and Kock, A., 2011. Top management team diversity and strategic innovation orientation: The relationship and consequences for innovativeness and performance. *Journal of Product Innovation Management*, 28(6), pp.819-832.

Tidd, J. and Bessant, J., 2014. *Strategic innovation management*. John Wiley & Sons.

Zhou, K.Z. and Wu, F., 2010. Technological capability, strategic flexibility, and product innovation. *Strategic Management Journal*, 31(5), pp.547-561.

Srdjevic, Z., Bajcetic, R. and Srdjevic, B., 2012. Identifying the criteria set for multicriteria decision making based on SWOT/PESTLE analysis: a case study of reconstructing a water intake structure. *Water resources management*, 26(12), pp.3379-3393.