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BM
Internal
Assessment
Sample

*With usage of SWOT
Analysis and Investment
Appraisal tools*

Analysis

For a local café like Illy, I personally feel after having a word with the CEO that a good distribution strategy put right into place is a must so that the café can further expand. It already has some loyal customers and thus it would be a great idea to further expand so that it can gain more recognition and become even more successful. Apart from that, it can be seen that the company does not already have any plans of distribution in the near future, so if I suggest a good plan to them, it could work out well for them. A good distribution plan can really help the café grow more (Yeboah, et al. 2013).

The first tool that I will be using for analysis purposes is SWOT.

Strengths

The greatest strength of the café lies in the fact that it has high quality food. This means that the café has what it takes to be a great café and that is why there are people who are loyal to it. The ratings of the café on the Facebook page show that it is a café that is liked by many. This further highlights my point that if this café has a good distribution strategy in place, then it really can grow into becoming a really great venture.

Weaknesses

The café has opened up very recently in Georgia. This means that it doesn't have all of its strategies right in place and are yet to figure out what works for them best. Apart from that, they don't have any solid distribution strategy in place as of now as well.

Opportunities

One of the biggest opportunities for the café is that they have a strong brand name since it is a franchise and they can leverage that name and use that to become even bigger. If they expand, then they don't have to work towards building a brand name for themselves, since it is a highly recognized brand already.

Threats

There are many great cafes in Georgia that are liked by many people so it would be hard for Illy café to make a mark amongst so many competitors who already have an established customer base and great quality product offerings. I feel that the café would have to work extra hard under great management so that it is able to work well and grow further.

From the SWOT analysis, I can conclude that the best distribution strategy for the café is to have a website and a mobile application, so that people could get all information about it on the go. The customer is key, so it is important to keep the customer informed at all times. Furthermore, I also feel that this would add a lot of convenience for the customers and that is exactly what Illy café needs to win the hearts of many customers. It is this experience that will make them loyal customers and that is where the success of the company lies. Illy café can

leverage its brand name and use its strength of positive ratings to further expand this way.

Another tool that I will be using is Investment Appraisal.

Investment Appraisal: payback period

This tool discusses the amount of time that it takes for a company to get back the amount that they have invested. It is mostly measured in number of years. The distribution strategy that I have suggested is one that does not need a very high amount of investment. For a café like Illy, they can easily afford to get a website developed, alongside having a mobile application developed. The only thing that will need to be done is to get a reliable freelance developer, or a small company and that is how the job can be done at minimal cost. It is hard to say how long it will take for all of that investment to be paid back to the company, but what I can definitely be sure of is that it will be a matter of only a few months. This is because the strategy is mainly digitized, and digital strategies cost much lower than other kinds of strategies.

Conclusion

Illy café is a franchise that has opened up in Georgia in 2018. I chose this company for my research since a close relative is a shareholder of the café and so I thought that it would be much easier to gather data. After interviewing the CEO and making use of the primary data collected, I came to the conclusion that the management should get a website and a mobile application developed for the café as part of its distribution strategy to expand its customer base. The analytical tools that I used to come to this conclusion and support my argument are SWOT and investment appraisal. The biggest strength of the company is its brand name. By making use of the proposed strategy, the company can succeed more in the near future and further grow as well.

References

Yeboah, Dr. Asiamah, Dr. Alfred Owusu, Solomon Boakye, and Samuel Owusu-Mensah. "EFFECTIVE DISTRIBUTION MANAGEMENT, A PRE-REQUISITE FOR RETAIL OPERATIONS: A CASE OF POKU TRADING ." *European Journal of Business and Innovation Research* 1, no. 3 (2013).



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