**Q. Given the last two discussion we have had, please do the following analysis.**

**a) SWOT**

**b) PEST**

**You can take your original business or think of a completely new start up.**

The organization that I am doing S.W.O.T and P.E.S.T analysis is of a Departmental Store named “Gorkha Departmental Store” situated in Itahari. The analysis is described below.

**1. S.W.O.T analysis:**

* **Strength**

- Strength of of any organization is considered as an internal factor in doing business because the organization has more control over it. The strength of an organization means the advantages that an organization has over the competition concerning their business. For a departmental store their main strength is the financial backing, means it has plenty of capital and access to bank loans. The departmental store gets loan easily from any bank, they want because they are popular in the Itahari area. The departmental store another strength is their wholesale prices, i.e. they get the materials in lower price. Another strong point of the Gorkha Departmental Store is that they deliver unique merchandise to sell, they also invent their own products such as bakery items and dairy items as well.

* **Weakness**

- Weakness of an organization means the things/ factors that they are lagging behind. Weakness of an organization is also an internal factor which influences the business strategy of an organization. Speaking of weakness of the department store is that they lag behind the market research i.e. they don't do frequent market research. Another weakness is that they lack identity because they sell extremely cheap as well as expensive goods. In addition, they also try to sell everything they want which damages their image. Also, sometimes the store is not properly managed, hence their management can also be considered as a weakness.

* **Opportunities**

- Opportunities in SWOT analysis are considered as an external factor. It is a method of identifying the key opportunities in the market. The opportunities of the Gorkha departmental store are that they can expand their product range and diversify their business provided they have the funds to do so. In addition, they have the opportunity to implement the on-line marketing techniques. They also have the opportunity to purchase small retailer to increase market shares. They can as well increase their geographical coverage.

* **Threats**

- Threats are also an external factor that effect on the business. Threats can include a decrease in consumer demand, price wars among key competitors, or even an increase in competition. The main threats that this departmental store faces is the competition from other stores. Like if the biggest departmental store called “Bhatbhateni Supermarket” is established in the Dharan, then the customers from Dharan won't be coming in Gorkha Departmental Store. Hence, The main threats that this departmental store face is the menace of the rivalry. Exchange rate variation is also the threats that this department store is facing.

**2. P.E.S.T analysis**

PEST stands for the analysis of the external factors which is beneficial when conducting research before beginning a new project or to help conduct market research. The P.E.S.T analysis for the Gorkha Department Store is described below:

* **Political Factors**

**-** Political factors means the laws, legislation and regulations which may have an effect on the business either immediately or in the near future. The main issue in the department store is the political instability. Frequent strikes have hampered the business of the store. Similar threats from different political parties also the political factor.

* **Economic Factors**

- Economic factors mean that taxes, loan interest rates, inflation, employment levels, all need to be taken into account. The dynamic interest rates of banks affect the organization. Inflation is also the major problem in this department store which decreases the profit of the company.

* **Social Factors**

- In social factors we study the changes in lifestyle and buying trends, media, major events, ethics, advertising and publicity factors of an organization. For the Gorkha Department Store, it is doing advertising in radio and local television channel. The publicity of the store is satisfactory. The store also thinks about the customers social lifestyle and ethics i.e. the store provides all goods under one roof at affordable price , also the store don't sell the buffalo/cow's meat which is not acceptable in the hindu culture. The store also analyses the buying trend of the customers, that is the store gives special discount if a customer buys lot of goods and also gives discounts in special occasions like dashain and tihar.

* **Technological Factors**

- Technological factors involve the innovations, access to technology, licensing, manufacturing, research funding, global communications of an organization. The Department Store uses own software for billing purpose and CCTV cameras to monitor the store. They always adopt the new techniques and technologies. They use new technology for packaging and weighing purposes. They are registered organization. They use electronic registers for the attendance recording. The employees carry OKEY-TALKY for the communication purpose among different employees. The IT team always does research to promote the system and fix it more effective and comfortable.