



وزارة الاتصالات  
وتقنية المعلومات  
MINISTRY OF COMMUNICATIONS  
AND INFORMATION TECHNOLOGY



# Sales & Business Development Program

Post training project

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**Program focus:** Product management PTM-29-089

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# Project requirements

- Build a PESTEL analysis for Utopia.
- Build a SWOT analysis for each of the 3 business units of Sigma. Each quadrant in the SWOT analysis should include at least 3 components.
- Choose a pricing strategy for: ProChefs, SIG and SCS. With explanation.
- Build a detailed five-level brand strategy for ProChefs.
- Give a detailed recommendations with respect to the three business units, SCHE, SIG and SCS using the BCG matrix.

# PESTEL analysis part 1/2 | Utopia

Political	Economical	Social	Technological	Environmental	Legal
<ul style="list-style-type: none"><li>• Part of the euro zone monetary union</li><li>• Part of the European Union.</li><li>• Member state of the Commonwealth of Nations and the United Nations</li></ul>	<ul style="list-style-type: none"><li>• Has a GDP of 15 billion dollars, with GDP per capita at 30 thousand dollars.</li><li>• Classified as an advanced economy according to the International Monetary Fund (IMF).</li><li>• The economy is dependent on foreign trade, manufacturing, and tourism.</li></ul>	<ul style="list-style-type: none"><li>• It has a population of 493,000 according to the last census.</li><li>• Males make up 50.5% of the population.</li><li>• People under 30 constitute 60% of the population.</li><li>• The life expectancy is around 80 years.</li></ul>	<ul style="list-style-type: none"><li>• Established a Council for Technology and innovation to address the growing interest in science and technology</li><li>• No domestic energy sources but potential for solar energy from its plentiful sunlight</li></ul>	<ul style="list-style-type: none"><li>• Island country consisting of an archipelago in the Mediterranean Sea over an area of 316 km<sup>2</sup> (122 sq mi)</li><li>• Mediterranean climate, with very mild winters and hot summers</li></ul>	<ul style="list-style-type: none"><li>• Has detailed and modern laws that cover contracts, dispute resolution, trade and labor.</li></ul>

# PESTEL analysis part 2/2 | Utopia

Political	Economical	Social	Technological	Environmental	Legal
	<ul style="list-style-type: none"><li>• Its principal growth industries include shipbuilding and repair, construction, electronics, and textiles</li><li>• Manufactured products account for 90 percent of exports</li><li>• Produce about 20 percent of its food needs</li></ul>			<ul style="list-style-type: none"><li>• Its major natural resources are limestone</li><li>• Has limited fresh water supplies</li><li>• Has three UNESCO World Heritage Sites</li><li>• Affected by drought in the summer</li></ul>	

# SCHE | SWOT analysis

Strength	Weakness	Opportunity	Threat
<ul style="list-style-type: none"><li>• Trusted as good quality, dependable and consistently performing products at affordable prices</li><li>• Exclusive deals with major brands.</li><li>• Manufacture majority of its products.</li><li>• Ability to bundle</li></ul>	<ul style="list-style-type: none"><li>• Lack Innovative new electronics for its existing customer bases/markets</li><li>• Lacks powerful brand name for the new line</li><li>• Other companies have better brand exposure</li></ul>	<ul style="list-style-type: none"><li>• Middle income well-educated professionals seeking the latest counter-top modern appliances for “open concept” kitchens.</li><li>• Promoting to builders and kitchen design specialists.</li><li>• Use of leading cooking, home-improvement and home-buying television shows.</li></ul>	<ul style="list-style-type: none"><li>• Target market perceived SCHE brand as older and “what their parents had”</li><li>• Inexpensive cheaper copies from competitors</li><li>• Mega-retailers are marketing some lower-priced appliances under their own store brands</li><li>• Increasing local trade protection and tariffs against non-local companies</li></ul>

# SCHE | BCG Matrix

## Position: High market growth low market share

Due to low unstable earnings. The new large kitchen appliances line is forecast to contribute 10% of SCHE sales by the end of 2021, and doubling to 20% by 2022.

## Recommendation

The products are in the launch phase of the PLC it is advised to keep marketing effort high while watching sale growth performance.





# SCHE/ProChefs | Pricing Strategy

## Skimming Price

The RD show that there is a strong demand from the target market for the value ProChef line provide. ProChef is expected to strongly appeal to the target market when combined with the new features and design from the upcoming product line. Moreover these products have many features that competitor products lack.



# SCHE ProChefs | Brand strategy

## **1. Winning aspiration**

ProChefs Bundled with the new line is forecast to return an average gross profit of 45% and will reach 10% share of SCHE sales by the end of 2021, doubling to 20% by 2022.

## **2. Where we will play**

Kitchen appliances targeting middle income, well-educated professionals.

## **3. How we will win**

High style and quality products at affordable prices.

## **4. Capability to have**

A website/app, an attractive brand name for the new product line and a brand identity development program.

## **5. What management system we need**

Monthly review of sales performance and quarterly reevaluation of brand strategy.



# SIG | SWOT analysis

Strength	Weakness	Opportunity	Threat
<ul style="list-style-type: none"><li>• Ability to bundle</li><li>• Securing multi-year contracts</li><li>• Owns proprietary technologies</li></ul>	<ul style="list-style-type: none"><li>• Licenses technologies</li><li>• Losing 20% of bids</li><li>• Importing from one supplier.</li></ul>	<ul style="list-style-type: none"><li>• Expanding to new sectors and new markets</li><li>• Increasing demand for remote monitoring technologies</li><li>• Low competition with the the new remote monitoring technology service</li></ul>	<ul style="list-style-type: none"><li>• Increasing competition</li><li>• Technology copy</li><li>• Hacking</li></ul>

# SIG | BCG Matrix

## Position: Low market growth High market share

Due to stable and high earnings and cash flow. SIG's average profit margin is 60% and growing at 5% per year. The current market is near full growth prompting SIG's management team is invest in new sectors.

## Recommendation

The products are in the maturity phase. Its advised to find more suppliers and invest in market development before expanding to new markets with occasional reminder advertising. Make discounts on current products and create bundling offers that includes the SaaS service.





# SIG | Pricing Strategy

## **Freemium Price**

The SaaS model seems to be the main revenue generator. Software is best priced as freemium because it can be integrated with other products as an extra feature and priced separately

# SCS | SWOT analysis

Strength	Weakness	Opportunity	Threat
<ul style="list-style-type: none"><li>• Sigma corporate brand name and mega-chain retailer good relationships</li><li>• Developed a distribution system</li><li>• Has online (retail) website</li></ul>	<ul style="list-style-type: none"><li>• Lacks the require continuous innovation to adapt to the latest PC and related equipment</li><li>• Falling behind its original promise of performance.</li><li>• No Accessories and peripherals tailored to mobile phones.</li></ul>	<ul style="list-style-type: none"><li>• Samsung is planning on some major innovations soon that could have major impact on SCS</li><li>• Growing market for mobile technology and “smartphones” accessories Peripheral products.</li><li>• Increasing demand for items to use with Samsung tablets</li><li>• In-store displays and prime product placement</li></ul>	<ul style="list-style-type: none"><li>• Unsuccessful in negotiating rights to manufacture peripherals compatible with Apple products</li><li>• The VP admitted that SCS “may have missed the market”</li><li>• Samsung is planning on some major innovations soon that could have major impact on SCS</li></ul>

# SCS | BCG Matrix

## Position: Low market growth Low market share

Due to unstable and low earnings. First year sales grew to about 20% and had a 10% market share with a gross profit margin of 15%. Sales decreased to 5% in 2019, then stagnant in 2020. By the end of 2020 sales decreased to 4% of Sigma's total sales with a gross margin of 17%. 2021 forecast an increase to only 8% in sales.

## Recommendation

Phasing out the current inventory and shut the department or re-brand with focus on smartphone accessories and peripherals. Increase marketing and make online retail the major channel to derive sales. Utilize the distribution system developed to deliver goods.





# SCS | Pricing Strategy

## **Skimming prices**

Because these products evolve fast, usually every year. You want to maximize profits before the next generation hit the market.