

## BPP Business School Coursework Cover Sheet

|                                   |                          |
|-----------------------------------|--------------------------|
| Module Name                       | Business Project         |
| Programme Name                    |                          |
| Student Reference Number<br>(SRN) |                          |
| Assessment Title                  | Business Project of ASDA |

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## Executive Summary

The report assessed legal and operational challenges of ASDA that focused on an E. coli outbreak linked to its own-brand sandwiches. It examined the impact of food safety destructions on reputation, legal complexity, and acquiescence with the Food Safety Act and Consumer Protection Act. The report identified external pressures and internal weaknesses. It was proposed strategies for improvement by utilising PESTLE and SWOT frameworks. In this case, recommendations such as, investing in advanced technology for food safety monitoring and enhancing supplier relationships with the help of audits and certifications. In this case, the intend of reestablishing trust of the consumer and ensuring regulatory complexity.

The report proposed to evaluate legal and operational challenges of ASDA about food safety violations that focused on the E. coli outbreak linked to its own-brand sandwiches. It intended to recommend strategies to address supply chain transparency. It ensured obedience with food safety regulations, and rebuild customer trust.

The report combined the PESTLE and SWOT frameworks to evaluate the external and internal environments of ASDA. PESTLE analysed external factors like, regulatory pressures whereas, SWOT identified internal strengths, weaknesses, and external threats of ASDA PESTLE helped to assess the external factors that influenced in ASDA. On the other hand, SWOT enabled an in-depth look at the internal environment of ASDA like, competition and supply chain control. It offers information on how to improve operational processes and manage the issue.

The planned approach involved to assess food safety challenges of ASDA by using PESTLE and SWOT. It analyses to understand the macro and micro-environmental factors. It aimed to identify key issues and improve transparency of supply chain. It obedience with food safety laws of ASDA.

This research was conducted due to the legal difficulties of ASD. It arises from the E. coli case that highlighted serious weaknesses in its supply chain management and practices of food safety.

The study intended to identify opportunities for ASDA to restore its reputation and strengthen obedience with the Food Safety Act and Consumer Protection Act.

The evaluation uncovered significant issues within the supply chain of ASDA a lack of control and transparency. It paid to the contamination of its products like, the E. coli outbreak. Legal pressures from entitlements under the Consumer Protection Act and sensitive public concern about food safety deepened the challenges of ASDA. Inspite of these weaknesses, the company has sufficient opportunities for improvement. The adoption of advanced technologies such as, real-time monitoring and traceability systems. It could enhance food safety and reduce contamination risks. Similarly, establishment of supplier relationships through difficult audits and certifications will improve transparency. It ensured better quality control and regenerate trust of customer.

In this case, the main recommendations included investing in advanced technologies like IoT and blockchain to enhance food safety and supply chain transparency. Moreover, strengthening supplier relationships through audits and certification was suggested to reduce contamination risks and regain the trust of the consumers.

## **Section 1. Introduction**

Asda is one of the biggest shops in Britain. It was founded in the 1960s in Yorkshire and specialised in online services like supercenters, superstores, groceries, and Living stores. Almost 18 million people shop weekly from this company (Corporate.asda.com, 2024). However, the main focus of this report is The challenges ASDA is having with regard to food safety violations and the legal ramifications of an E. coli outbreak linked to its own-brand sandwiches (BBC, 2024b). The report evaluates how these issues have affected ASDA's business strategy, especially its efforts to rebuild trust and ensure it complies with food safety laws, in light of increased scrutiny from authorities and customers.

A case involving E. coli has led to lawsuits and public scrutiny by the law firm Fieldfisher, and ASDA is currently dealing with major legal and practical challenges connected to the Consumer Protection Act and food safety violations (BBC, 2024b). There are investigations into the company's supply chain management and openness, which harmed its image and caused financial damage. It is important to conduct this report to deal with these important issues, make food safety better, and win back the public's faith. This project was created to help ASDA meet regulatory standards, improve its supply chain, and win back customer trust.

The report discusses the E. coli case linked to ASDA's own-brand sandwiches and the legal challenges ASDA has faced due to food safety violations. To provide recommendations for enhancing ASDA's supply chain openness, compliance, and public trust, the report also analyses secondary data and uses management frameworks to understand different points of view. Finally, it gives ASDA plans to lower its risks and improve its standing in the market.

## **Section 2. Challenges and issues the client is facing**

### ***Major challenge***

Due to an E. coli case linked to its own-brand chicken salad sandwiches, ASDA faces a major legal challenge in the UK. An 11-year-old girl who developed haemolytic uremic syndrome (HUS) and needed dialysis has been the subject of letters of claim from the law company Fieldfisher for breaching the Consumer Protection Act (BBC, 2024b). Due to this, people have asked for money back under the Consumer Protection Act 1987 (BBC, 2024a). In the context of current affairs, the Food Safety Act of 1990 requires companies to ensure food is safe for eating and has come under more public and governmental review because of the regulation (Food.gov.uk, 2024). Additionally, over 1,468 people were hospitalised in England between April 2022 and March 2023 due to salmonella illnesses (The Week, 2024). The UK Health Security Agency's (UKHSA) news of 275 proven cases of E. coli puts even more pressure on stores to make their supply chains more accountable (The Guardian, 2024). These strict regulations and current affairs increased food safety scrutiny, which worsened ASDA's current dialysis issues. Such current affairs hugely impacted ASDA's current legal challenge, and it also faced a £250,000 fine due to food safety violations (Localgovernmentlawyer.co.uk, 2024).

### ***Associated issues***

The major legal challenge over E. coli poisoning in ASDA's own-brand sandwiches raises issues in food safety, managing suppliers, and public trust. Due to problems with responsibility and openness in the supply chain, tainted salad leaves got on the market, which is against the Consumer Protection Act of 1987 (BBC, 2024a). ASDA's supply chain control could be better, as shown by the fact that lettuce was the main contamination source. Such mistakes subject the company to strict scrutiny and higher compliance costs in the UK, where government scrutiny on food safety standards is growing (BBC, 2024a). The movement towards openness in the supply chain makes

the challenge even tougher. This means that stores must ensure quality assurance from start to finish.

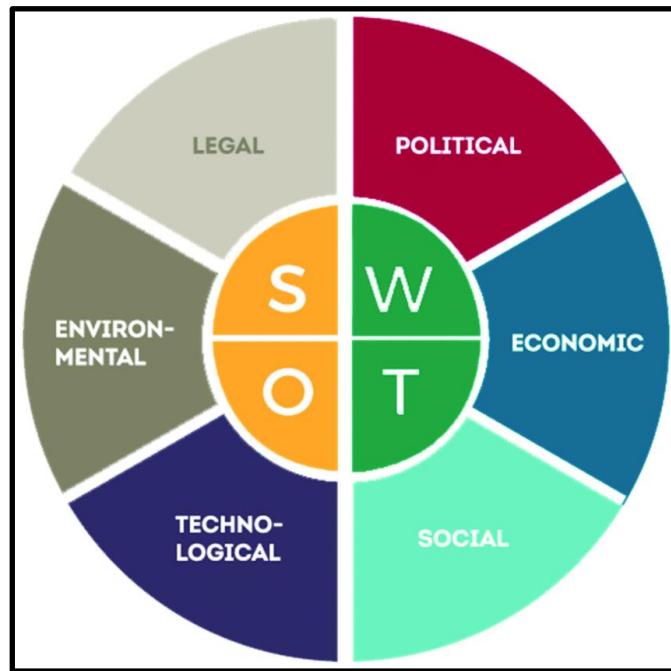
### ***Impact***

Opportunities and threats exist for ASDA in the current legal and social challenges caused by the E. coli outbreak. Threats include more government and public scrutiny under the Food Safety Act 1990 and the Consumer Protection Act 1987, which could lead to fines, lawsuits, and less customer trust (Food.gov.uk, 2024; BBC, 2024a). Concerns about food safety are growing in the UK, with 275 proven cases of E. coli and more hospitalisations (The Guardian, 2024). However, the situation and current events present opportunities for ASDA to improve its food safety measures, increase the responsibility of its supply chain, and rebuild trust. ASDA can present itself as a responsible store by investing in quality control and clear business practices. This will improve its image in the market and make customers more loyal.

### **Section 3. Purpose of the report**

The purpose of this consultancy report is to evaluate the legal and operational challenges associated with food safety violations and the Consumer Protection Act for ASDA in the UK (BBC, 2024a). The report will recommend measures to help ASDA address supply chain transparency issues and enhance compliance with food safety regulations, including the Food Safety Act 1990 and the Consumer Protection Act 1987. Specifically, it will examine the impact of the E. coli outbreak linked to ASDA's own-brand sandwiches, which resulted in legal claims and Public scrutiny (BBC, 2024b). The report aims to mitigate risks and strengthen ASDA's reputation in the competitive market by identifying strategies to improve supplier accountability and rebuild customer trust.

The report will employ two frameworks, PESTEL and SWOT, to evaluate secondary data and examine the multiple causes of the challenges. Identifying legal pressures and changing public standards, PESTEL will look at external factors like legal and social (Bhuiyan *et al.* 2023). The SWOT analysis will examine ASDA's internal opportunities, threats, weaknesses, and strengths. Together, these frameworks give ASDA a complete picture that will help them decide how to respond and make smart changes to handling food safety compliance and public trust (Kho *et al.* 2023).



**Figure 1: SWOT & PESTLE Frameworks**

(Source: Kho *et al.* 2023)

#### **Section 4. Impact of research on stakeholders**

##### **4.1 Identifying stakeholders**

In business, a stakeholder can be a person or group interested in and impacted by what a company does. Stakeholders are important because they help make choices, build the company's image, and

increase its long-term success through support and involvement (Freeman, 2023). The table below highlights ASDA's internal and external stakeholders.

| Internal Stakeholders   | External Stakeholders   |
|---|---|
| <ul style="list-style-type: none"> <li>• Management</li> <li>• Quality control team</li> <li>• Employees</li> </ul> | <ul style="list-style-type: none"> <li>• Customers</li> <li>• Investors (TDR Capital)</li> <li>• Suppliers (S&amp;A Foods)</li> <li>• Legal Representatives (Fieldfisher)</li> <li>• Regulators</li> <li>• Competitors</li> </ul> |

**Table 1: ASDA's Stakeholders**

(Source: Author)

#### 4.2 Impact of the Challenges

This section highlights that ASDA's current challenges greatly impact almost every stakeholder differently.

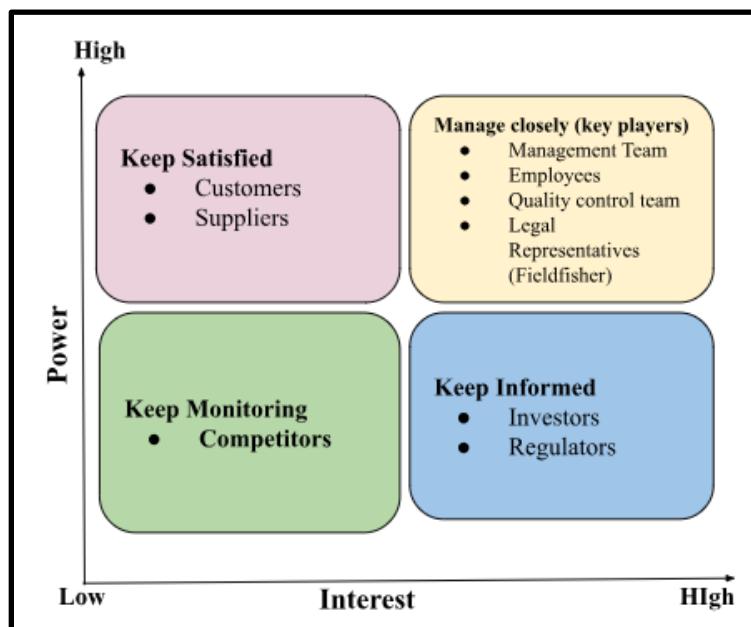
| Internal stakeholders | Positions       | Impact  |
|-----------------------|-----------------|---|
| Allan Leighton        | CEO             | Faces reputational and operational pressure to address safety lapses and legal claims under the Consumer Protection Act.        |
| Michael Gleeson       | CFO             | Must allocate financial resources to address compensation claims, potential fines, and legal defence costs.                     |
| Damian Haigh          | Quality officer | Oversees supplier audits and implements stricter quality control measures to prevent future outbreaks.                          |
| External stakeholders | Entities        | Impact  |
| Consumers             | Consumers       | Health risks and potential long-term damage, especially in severe cases like the 11-year-old girl with HUS (BBC, 2024b).        |
| TDR Capital           | Food supplier   | Faces pressure to enhance product safety standards and manage reputational damage.  |
| Fieldfisher           | Law Firm        | Pursuing claims against Asda for breach of consumer protection laws, amplifying scrutiny on operational processes (BBC, 2024b). |

**Table 2: The Impact of the Challenges on the Stakeholders**

(Source: Author)

#### 4.3 Stakeholder power-interest analysis and impact of the project

By handling the legal and practical challenges caused by the E. coli crisis, the report is closely connected to ASDA's concerns. It analyses the effects on internal leaders, external providers, customers, and regulatory bodies to improve safety, compliance, and trust. Therefore, this section analyses the power and interest of each stakeholder in relation to the current challenges of ASDA, which also helps to understand how the report or project can impact such stakeholders, focusing on their power and interest. Thus, the section utilises Mendelow's matrix to analyse the power and interest of stakeholders in ASDA, and the matrix helps to classify the positions of the stakeholders in the following figure (Yildirim, 2023).



**Figure 2: Stakeholder Mapping**

(Source: Author)

The following table presents the stakeholder power-interest analysis based on the above matrix.

| Stakeholder                               | Category (Power & Interest)   | Justification  |
|---|-------------------------------|--|
| <b>Customers</b>                          | High power -<br>Low interest  | Customers hold high power in influencing ASDA's reputation and sales. The E. coli outbreak severely impacts their trust, increasing their interest in food safety, though they cannot directly influence strategic decision-making (Guterman, 2023). |
| <b>Suppliers</b>                          | High power -<br>Low interest  | Suppliers have high power in influencing ASDA's food safety processes. The recent supply chain issues (e.g., contaminated lettuce) place more responsibility on them, but they cannot be involved in ASDA's internal decisions (BBC, 2024a).         |
| <b>Management Team</b>                    | High power -<br>High interest | The management team is directly responsible for decision-making. They face high stakes in resolving the legal and operational challenges to protect the company's brand, finances, and compliance (Muir <i>et al.</i> 2023).                         |
| <b>Employees</b>                          | High power -<br>High interest | Employees, especially those in quality control and compliance, are highly invested in resolving these issues. Their involvement is crucial to implementing the changes needed to address food safety violations.                                     |
| <b>Legal Representative (Fieldfisher)</b> | High power -<br>High interest | Fieldfisher, representing affected individuals, has significant power in the legal proceedings. They are highly invested in holding ASDA accountable under the Consumer Protection Act, driving public scrutiny and legal consequences.              |
| <b>Competitors</b>                        | Low power -<br>Low interest   | Competitors have low power in influencing ASDA's actions. Their interest is also low as ASDA's legal issues do not directly impact them, though market share dynamics could shift.   |
| <b>Investors</b>                          | High interest -<br>Low power  | Investors are highly interested in ASDA's ability to manage the crisis and maintain profitability, but they have low power to affect day-to-day decision-making directly (Wanjohi, 2023).  |
| <b>Regulators</b>                         | High interest -<br>Low power  | Regulators are interested in ensuring ASDA complies with food safety laws but have limited power to intervene directly unless regulations are breached, as seen with the investigation and fines (Wanjohi, 2023).                                    |

**Table 3: Stakeholder Analysis**

(Source: Author)

Based on the above analysis, it can be said that the report or project's insights and suggestions to improve the current issues of ASDA can be highly impactful for the company stakeholders as well, which is briefly highlighted in the following table.

| Stakeholder                               | Impact of the Report   |
|---|--|
| <b>Customers</b>                          | The report's recommendations to improve food safety and supply chain transparency can rebuild customer trust, addressing their concerns and preventing future contamination.     |
| <b>Suppliers</b>                          | Improved supply chain management and transparency can lead to clearer expectations and better quality control, benefiting suppliers who align with ASDA's enhanced standards.    |
| <b>Management Team</b>                    | The management team will use the report's insights to guide decision-making, implement necessary changes, and mitigate legal and financial risks, thus protecting ASDA's future. |
| <b>Employees</b>                          | Employees in quality control and supply chain management will benefit from clearer guidelines and a more robust food safety protocol, creating a safer working environment.      |
| <b>Legal Representative (Fieldfisher)</b> | The legal team will use the findings to strengthen ASDA's defense in ongoing cases, addressing compliance gaps and potentially reducing future legal risks.                      |
| <b>Competitors</b>                        | The report can impact competitors by highlighting ASDA's response to food safety issues, influencing market dynamics and the competitive landscape.                              |
| <b>Investors</b>                          | The report will reassure investors by demonstrating ASDA's commitment to improving food safety and complying with regulations, safeguarding the company's long-term value.       |
| <b>Regulators</b>                         | The report will show ASDA's proactive approach to meeting food safety regulations, potentially improving its relationship with regulators and reducing scrutiny.                 |

**Table 4: The Impact of the Project on Stakeholders**

(Source: Author)

Based on the above stakeholder analysis and the high importance of each stakeholder, the company should use the following stakeholder engagement channels to improvement the engagement.

| Stakeholder                 | Communication Channels                   | Level of Communication                   | Frequency |
|-----------------------------|--|--|-----------|
| <b>Customers</b>            | Website, social media, in-store signage  | High – Detailed safety updates, recalls  | Weekly    |
| <b>Suppliers</b>            | Emails, meetings, supplier portals       | Medium – Focus on safety standards       | Monthly   |
| <b>Management Team</b>      | Internal meetings, email reports         | High – Detailed briefings and reports    | Bi-weekly |
| <b>Employees</b>            | Staff meetings, internal memos, intranet | High – Detailed updates on protocols     | Monthly   |
| <b>Legal Representative</b> | Email, video conferences, reports        | High – legal compliance and updates      | Weekly    |
| <b>Competitors</b>          | Press releases, industry conferences     | Low – general industry updates           | Quarterly |
| <b>Investors</b>            | Investor meetings, annual reports        | Medium – strategic and financial updates | Quarterly |
| <b>Regulators</b>           | Official reports, regulatory meetings    | High – compliance and risk management    | Annually  |

**Table 5: Stakeholder Engagement Strategies**

(Source: Author)

## Section 5. Evaluation and analysis of secondary data

### 5.1 Analysis of Secondary data

#### *Pestle Analysis*

PESTLE analysis is a significant framework that helps to understand the external environment of Asda.

| Factors          | Discussion   | Impact   |
|------------------|--|----------|
| <b>Political</b> | <p>The political stability of the UK, based on a score of 0.5 points in 2022, shows a moderate improvement from 2021 (0.49 points). This is higher than the international average of -0.07 points (Global Economy, 2024). Historically, the score of the UK has ranged from a low of 0.08 in 2018 to a peak of 1.03 in 2000 (Global Economy, 2024). It indicates fluctuating but generally stable political conditions over the years.</p> <p>The UK scores 71 on the Corruption Perceptions Index, ranking 20th out of 180 countries (Transparency, 2024). It shows a 2-point decline from the previous year. It indicates a slight decrease in public sector corruption perceptions.</p> | Positive |

|                      |  |          |
|----------------------|--|----------|
| <b>Economic</b>      | In 2022, the UK retail sector generated a record £496 billion in sales (Statista, 2024). Similarly, the gross value added from UK retail trade exceeded £100 billion in 2021 (Statista, 2024).<br>The UK retail sector contributed £110.4 billion to economic output in 2023, accounting for 4.7% of total GDP (Ward, 2024). It reflects a 2.2% growth from 2022. It employed 2.7 million people in 2022 (Ward, 2024).   | Positive |
| <b>Social</b>        | In 2024, approximately 50 million people in the UK are expected to engage in e-commerce, making online shopping the dominant retail method and leaving non-digital buyers a minority (Statista, 2024).<br>In Q3 2024, the UK wholesale and retail sector employed about 3.56 million people, down from 3.99 million (Clark, 2024). It reflects a decline in the workforce over nearly three decades.   | Moderate |
| <b>Technological</b> | In UK supermarkets, food quality is monitored using technologies such as <b>smart thermometers and humidity sensors</b> , which are effective in maintaining safety standards (Mazur, 2024). These IoT-enabled tools monitor real-time conditions, help prevent contamination, and ensure transparency and traceability throughout the supply chain (Mazur, 2024). They address challenges from production to retail, supporting public health and regulatory compliance amidst supply chain disruptions and regulatory changes.   | Positive |
| <b>Legal</b>         | Most companies and most retail companies maintain the <b>Food Safety Act 1990</b> , which provides the framework for food legislation and creates offices in relation to safety, quality, and food labelling (Visit Britain, 2024).<br>The food quality is monitored using IoT technologies. These tools ensure compliance with regulations like the <b>Food Safety and Hygiene (England) Regulations 2013</b> by maintaining real-time safety standards and preventing contamination (Visit Britain, 2024).   | Negative |
| <b>Environmental</b> | In the UK, 86% of inland water bodies fail to meet quality targets, with 36% affected by sewage discharges (SAS, 2024). In 2022, Wales saw 613,618 hours of sewage discharges, equating to 25,567 days (SAS, 2024). Due to this pollution most of the E. coli contamination in food occurs through environmental factors such as contact with feces from infected animals, contaminated water, or soil in fields. Leafy greens like lettuce can also become contaminated during harvesting, storing, transporting, or through cross-contamination in kitchens from raw meat or unclean surfaces. | Negative |

**Table 6: PESTLE Analysis**

(Source: Author)

### *Analysis*

ASDA is facing significant challenges as a result of recent food safety issues, particularly the legal case linked to an E. coli outbreak in its own-brand chicken salad sandwiches. This case has put a spotlight on the company's food safety practices, with claims under the Consumer Protection Act 1987 and scrutiny under the Food Safety Act 1990 (The Guardian, 2024). The political

environment in the UK, marked by moderate stability (0.5 points in 2022), has heightened the focus on food safety regulations, pushing ASDA to ensure strict compliance with public health standards (Global Economy, 2024). In the current legal climate, the growing number of foodborne illness cases, such as the 275 E. coli cases reported by the UK Health Security Agency (UKHSA), places additional pressure on retailers like ASDA to strengthen their supply chain accountability (The Guardian, 2024). Moreover, the UK retail sector generated £496 billion in sales in 2022, with the retail sector contributing £110.4 billion to the UK's GDP in 2023 (Statista, 2024; Ward, 2024). Despite these positive economic factors, ASDA must address its food safety compliance costs, which have increased due to legal and regulatory challenges.

Socially, UK consumers are increasingly aware of food safety issues, particularly with rising public concerns over contamination in the supply chain. As over 50 million people are expected to engage in e-commerce by 2024 (Statista, 2024), online shopping, and digital transparency are becoming key areas of focus for retailers, including ASDA. The company must now contend with the erosion of customer trust caused by the E. coli incident, making it essential to enhance both its physical and digital transparency to restore consumer confidence (Dalirazar and Sabzi, 2023). Furthermore, the social implications of foodborne illnesses are considerable, with over 1,468 people hospitalised in England between 2022 and 2023 due to salmonella (The Week, 2024). This reflects the growing demand for safer food products in the UK, especially amidst a rising public focus on food insecurity and health (The Guardian, 2024).

Technologically, the increasing use of IoT tools such as smart thermometers and humidity sensors offers ASDA the opportunity to improve food safety by enabling real-time monitoring of conditions within its supply chain (Mazur, 2024). These technologies are significant in maintaining food safety standards and preventing contamination, which directly addresses some of the

challenges the company faces. ASDA can better ensure compliance with both the Food Safety and Hygiene Regulations 2013 and the increasing consumer demand for transparency in food sourcing by adopting these innovations (Visit Britain, 2024). However, the current legal and financial challenges of ASDA illustrate the necessity for further technological integration to maintain consumer trust and stay ahead of regulatory scrutiny.

From an environmental perspective, water pollution in the UK, where 86% of inland water bodies fail to meet quality targets, mainly poses a significant threat to food safety, with contamination of produce, such as lettuce, a major risk factor for E. coli (SAS, 2024). As environmental issues such as sewage discharges and polluted water bodies contribute to contamination, ASDA's reliance on an affected supply chain can cause complex food safety problems, particularly in fresh produce sourcing (SAS, 2024). In this case, the company should ensure controls throughout its supply chain to mitigate these risks.

### ***SWOT Analysis***

SWOT analysis is mainly used to analyse the internal condition of the ASDA (Kho *et al.* 2023).

|                      |  |
|----------------------|--|
| <b>Strengths</b>     | <ul style="list-style-type: none"> <li>Strong Presence: Strong presence in the UK retail sector, with brand awareness standing at 95% (Kunst, 2023).</li> <li>The strong presence of the supply chain: ASDA operates a robust supply chain with 42 distribution centres, 1.5 billion cases delivered in 2021, and extensive digital platforms, including ASDA.com and George.com, serving 18 million online shoppers (ASDA, 2024).</li> <li>Adoption of new technologies: ASDA can enhance food safety by adopting digital technologies like real-time monitoring, automated alerts, and centralised data management (Foodguard, 2024).</li> </ul> |
| <b>Weaknesses</b>    | <ul style="list-style-type: none"> <li>Ongoing food safety crisis: Asda Fined £250,000 for Food Safety Violations (Local Government Lawyer, 2024).</li> <li>Legal challenges from claims under the Consumer Protection Act and Food Safety Act (Guardian, 2024).</li> </ul>  |
| <b>Opportunities</b> | <ul style="list-style-type: none"> <li>Growth in consumer demand for transparency in food safety: Digitising food safety with <b><i>data analytics and machine learning</i></b> enables continuous improvements (Foodguard, 2024). It will allow retailers to proactively address risks to maintain a competitive advantage and protect public health effectively.</li> <li>The rise of online shopping and e-commerce: Asda reported record online grocery sales in 2023, processing 39 million orders worth £3.2 billion (ASDA, 2024b). It was achieving its highest-ever online market share of 20.8% by the end of the year</li> </ul>         |

|                |  |
|----------------|--|
|                | <p>(ASDA, 2024b).</p> <ul style="list-style-type: none"> <li>Potential to enhance supply chain management to prevent contamination: Asda's adoption of Bio-LNG for its fleet reduces Scope 3 emissions (Hargreaves, 2024). It enhances supply chain sustainability and reduces environmental impact.</li> </ul>  |
| <b>Threats</b> | <ul style="list-style-type: none"> <li>Increased scrutiny on food safety regulations: for example, the £250,000 fine against Asda for selling expired food emphasises growing scrutiny of food safety regulations (JTF, 2024).</li> <li>Increased competition in the retail sector: The biggest competitors of ASDA are Sainsbury, Morrisons, and Aldi (Global Data, 2024).</li> </ul> |

**Table 7: SWOT Analysis**

(Source: Author)

### *Analysis*

ASDA remains one of the largest and most recognised supermarket chains in the UK, with a huge customer base and substantial market share. Its reputation for convenience, affordability, and product range positions the company well despite the challenges posed by food safety incidents (Khan *et al.* 2023). Similarly, ASDA has made investments in sustainability through its partnership with Gasrec for Bio-LNG technology (Hargreaves, 2024). This focus on green logistics can help streamline supply chain processes and improve food safety in the long term (Kho *et al.* 2023). Moreover, ASDA follows established legal outlines such as, the Food Safety Act 1990. It mainly demonstrates its capability for complexity though gaps in practices. It has been revealed through recent incidents (Guardian, 2024).

However, ASDA needs to improve regarding supply chain control and transparency. The recent E. coli incident, linked to its own-brand chicken salad sandwiches. It mainly brought concerns regarding the ability of the company to manage its suppliers effectively (Put *et al.* 2023). Legal and financial consequences of food safety violations, like, the £250,000 fine for displaying expired products. It mainly reflects vulnerability of ASDA to scrutiny under the Consumer Protection Act 1987 (JTF, 2024; The Guardian, 2024). These issues, a lack of practical food safety monitoring, and failed measures expose ASDA to further reputational damage.

There are different opportunities for ASDA to improve its food safety practices and regain the trust of the consumers. ASDA could better track products for real-time monitoring and traceability through to invest in more advanced digital tools for real-time monitoring (Kho *et al.* 2023). Technologies like, blockchain could improve transparency and offer customers greater confidence in the safety of the products of ASDA (Foodguard, 2024). To address food safety incidents that offer recompense. It mainly enhance communication with consumers would help ASDA rebuild trust (Safitri *et al.* 2023). Moreover, strengthening supplier relationships to ensure higher food safety complexities that will improve its commitment to deliver products of the highest quality. ASDA faces threats in the part of increasing regulatory scrutiny. The high-profile E-coli case was compounded through rising food safety violations. It could clue to complex regulations and more frequent inspections (Khan *et al.* 2023). Moreover, competitors with stronger food safety records could capitalise on the reputation issue of ASDA. It mainly draws customers to find safer alternatives (Global Data, 2024). Moreover, the loss of consumer trust from the E. coli incident and other violations reduce customer loyalty and sales (Puyt *et al.* 2023). The ongoing legal challenges and financial consequences also create significant threats to the reputation and financial stability of ASDA.

## **5.2 Justification for Choice Management Framework**

In this report, PESTLE and SWOT frameworks are used to analyse the external and internal environments of the ASDA. PESTLE helps to analyse environmental factors like, increasing regulatory scrutiny, the rise in consumer safety concerns, and environmental sustainability demands that impact the food safety practices of ASDA. On the other hand, SWOT identifies internal operational weaknesses such as supply chain control issues and external threats from legal

liabilities and competitors' actions. It also helps the company strategies improvement in food safety and regain public trust.

### **5.3 Limitations of the evaluation of secondary data**

The main limitation is to find the specific data for PESTLE and SWOT analysis that align with the E.Coli challenge faced by the company. The main problem is aligning the data of SWOT analysis with the challenges and, based on it, discussing the impact of the challenges on the company.

## Section 6. Recommendations and Conclusion

### 6.1 Recommendations

#### **Enhancing Food Safety and Supply Chain Transparency Using Technological Solutions**

ASDA should invest in advanced technologies to enhance food safety tracking and supply chain openness in light of the current food safety problem. The SWOT analysis shows that ASDA's digital technologies, like real-time tracking and automatic alarms, could be highly important for making food safer (Foodguard, 2024). In the UK, as suggested by the PESTLE analysis, smart thermostats and humidity monitors are already being used by stores to keep track of the quality of food all along the supply chain as IoT tools (Mazur, 2024). To monitor and stop contamination in real-time, especially for high-risk products like salads and fresh produce, ASDA should combine technologies like sensors, RFID tags, and IoT-enabled devices throughout its supply chain from farm to store (Rana *et al.* 2024). In that case, ASDA can also follow Walmart's initiatives. For example, Walmart uses Blockchain technology to monitor food safety in its supply chain (Walmart, 2024). The company uses Smart sensors to monitor the temperature and humidity of fragile goods, ensuring that products like fresh fruit and meat stay within safe limits and lowering the risk of contamination (Rana *et al.* 2024). This way of doing things would not only follow the Food Safety and Hygiene Regulations 2013, but it would also make ASDA a star in protecting public health and customer safety (Visit Britain, 2024). By spending on these technologies, ASDA can build a system that customers can trust that the food they buy is safe and of good quality. According to the PESTLE study, where rising public worry over contamination offers both challenges and opportunities for ASDA, this strategy aligns with the growing customer desire for openness in food safety (The Guardian, 2024).

#### **Strengthening Supplier Relationship and Transparency through Audits and Certifications**

To avoid contamination and increase openness, ASDA should concentrate on improving its supply chain management, as suggested by the SWOT analysis. A strong system of third-party checks and certifications for suppliers can be a great solution (Schrobbback *et al.* 2023). The chance of contamination like the E.coli outbreak will be lower because people will be more likely to follow food safety rules and best practices. To ensure the safety of its supply chain, ASDA can work with certification organisations like the British Retail Consortium (BRC) or the Global Food Safety Initiative (GFSI) (Havinga and Verbruggen, 2023). For example, by collaborating with the BRC Global Standards, Marks & Spencer has made significant investments in source openness (Marksandspencer, 2024). M&S makes its sellers go through strict licensing processes and does regular checks to ensure the quality and safety of the food it sells. While lowering the chance of food safety issues, this pledge has helped the store gain customers' trust. ASDA will not only meet with the Food Safety Act 1990 but also win back customers' trust by spending on supplier training and implementing open reporting systems (Deuss and Honey, 2023). This strategy is a key way to protect the brand's image and lower legal risks, as shown by the PESTLE analysis, because more and more customers want visibility into the supply chain.

## 6.2 FAB Analysis

The above recommendations' feasibility, acceptability, benefits or strengths and limitations are highlighted in the following table utilising the FAB table.

| Recommendations   | Feasibility     | Acceptability     | Benefits/<br>Strengths   | Strategic Value   | Limitations  |
|---|-----------------|-------------------|--|---|--|
| Enhancing Food Safety & Supply Chain Transparency Using Technological Solutions | Highly feasible | Highly acceptable | Improves food safety, builds consumer trust, ensures compliance with regulations | Aligns with public demand for transparency, improves brand reputation | High implementation cost, need for continuous tech updates |

|   |                 |                       |   |   |   |
|---|-----------------|-----------------------|---|---|---|
| <b>Strengthening Supplier Relationship &amp; Transparency through Audits and Certifications</b> | Highly feasible | Moderately acceptable | Enhances food safety, reduces contamination risks, increases consumer trust | Strengthens brand loyalty, reduces legal and reputational risks | The time-consuming certification process, potential pushback from suppliers |
|---|-----------------|-----------------------|---|---|---|

**Table 8: FAB Analysis**

(Source: Author)

### 6.3 Conclusion

The purpose of this report's conclusion was to evaluate the serious challenges ASDA is facing as a result of food safety violations and the legal repercussions of an E. coli outbreak linked to its own-brand sandwiches. The report mostly looked at how well ASDA followed rules about food safety, especially the Food Safety Act 1990 and the Consumer Protection Act 1987. It also looked at the company's efforts to rebuild trust and clarify the supply chain.

Several frameworks, such as PESTLE and SWOT analyses, were used to examine these issues. These frameworks identified the political, economic, social, technical, legal, and natural conditions, as well as the company's strengths, weaknesses, opportunities, and threats, as external and internal factors influencing ASDA.

The evaluation revealed that ASDA's food safety and supply chain management methods significantly affected the problem. Legal claims, fines, and intense public scrutiny resulted from the company's failure to ensure proper safety measures and openness. The chances of contamination were also increased by things in the surroundings, like polluted water.

The report recommended improving supply chain openness, implementing advanced food safety technologies, and ensuring tighter adherence to food safety laws to address these issues. By doing this, ASDA can win back the public's trust, lower its legal risks, and become a star in the retail business regarding food safety and protecting customers.



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