

# Assignment 2

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By analyzing the market dynamics and then understanding how each company stands on different parameters like capital, retail presence, warehousing etc. Here are my conclusions for the following companies.

Q1.

## **Company 1:**

The company has capital ( though debt based) to enter the market along with logistics required for proper planning and execution of delivery and warehousing capacity for storing the goods/items. But it lacks retail presence thus missing a key element in the network chain to customers. Thus this company could not expect organic growth. So this company has 2 choices :

- 1: Merge with either company 2 or 3 and use its retail presence to gets its presence at customers' level and get a good command over the market.
- 2: Acquire startup 2 or 3 which brings in already developed market share , use its network and sourcing to establish retail stores thus ensuring a proper outlet from warehouses through established networks.

## **Company 2 :**

This company is in best positions as it has both capital and extensive retail presence to enter into the market but it lacks logistics and warehousing thus it has a very clear choice:

- 1: Acquire startup 2 or 3 and exploit its warehousing and logistics capacity to ensure proper storage of goods/items before channeling it to retail stores. Also the startup comes with good market share thus already giving a good start to the business where the company no longer needs organic growth.

### Company 3 :

Company 3 has capital, retail presence in segments and a stagnated E commerce venture. Like company 2 this company too lacks warehousing and logistics but this company has an unused asset which could prove to be vital in its position in the market. Thus this company has following choice :

1: This Company should acquire company 2 or 3 and this would bring in logistics and warehousing that solves the problem of storing the goods and planning its outlet through its retail stores. But this company could use the advanced technology inputs to boost its otherwise stagnated E commerce venture and list its business online thus attracting more customers and getting more prolific brand endorsements for e.g. Amazon grocery etc.

Q.2

