



# BUSINESS MANAGEMENT FA

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Movement that inspires





# **Vision Statement**


“Providing a new space that makes life more convenient and enjoyable by realizing superlative mobility based on innovative people-oriented, eco-friendly technologies and comprehensive services.”

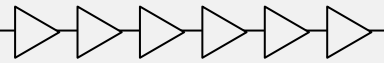




# Mission Statement

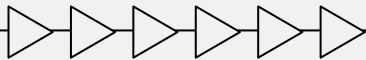
“Kia Motors mission is to produce the best vehicles making use of latest technology, superior quality cars, a cooperative feedback loop. It also aims to encourage creativity and teamwork as we strive for perfection.”





# SWOT Analysis

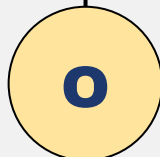
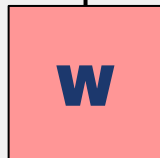
A study undertaken by an organization to identify its internal strengths and weaknesses, as well as its external opportunities and threats.



# SWOT Analysis

## Strengths

The favorable internal factors of a company (what a company does well), which contribute to the success of the company.



## Weaknesses

Weaknesses are those characteristics of a business that gives a disadvantage relative to others. (What a company doesn't do well).

## Opportunities

Opportunities refer to favorable external factors that could give an organization a competitive advantage.

## Threats

Threats include any external factors that can negatively affect your business.



# STRENGTHS

- Kia Motors has a wide range of products.
- The cars that Kia Motors sell are epitomes of styling and performance.
- They have introduced a hybrid of two of their variants for better features and enhanced performance.
- Kia Motors has a strong innovation and creativity platform.
- Kia Motors undertakes extensive market research to be as efficient as possible.



# WEAKNESSES

- Poor global reach
- Inability to build brand identity globally
- A shift of focus
- Poor advertisements



# OPPORTUNITIES

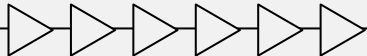
- Market potential in the industry
- Improved infrastructure across the world
- Change of social and economical trends
- New market in the form of “green” cars

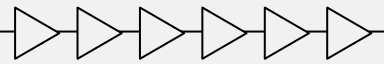




# THREATS

- High competition in the market
- Regulatory framework regarding quality, safety and the environment
- Trade wars and political disputes





# Ansoff Matrix

The Ansoff matrix is a strategic tool developed to facilitate and guide businesses in decisions pertaining to business growth. The Ansoff matrix offers four strategic choices to businesses to choose from.

An organization or a business is to choose any of these four strategies, or a combination – depending on various internal and external factors.



# Ansoff Matrix



- **Market Penetration**– The concept of increasing sales of existing products into an existing market
- **Market Development**– Focuses on selling existing products into new markets
- **Product Development**– Focuses on introducing new products to an existing market
- **Diversification**– The concept of entering a new market with altogether new products

# Current Position

The current position of Kia Motors, in terms of the Ansoff Matrix.

# Current Position- *Ansoff Matrix*

- Market penetration

Kia has achieved market penetration by selling their existing cars in existing markets.

They have continued to promote and sell these products and deliver them to customers.

By building a brand image of being innovative and offering good value products, with competitive products and prices, they have been able to penetrate markets

- Market development

Kia motors has recently begun expanding in newer markets, such as their expansion into India in 2019. They began to sell a few of their existing products, such as the Carnival. This is just one example of Market development done by Kia motors. By doing so, they are able to grow and expand by capturing and capitalizing on new markets around the globe.



# Current Position- *Ansoff Matrix*

- Product development

Kia motors has been expanding by selling new products in existing markets. They start to innovate and develop new products and sell them in existing markets where they have an existing customer base. By using this strategy, Kia gets more recognition and attention, while also being able to sell more products which brings them more revenue. This strategy has been used every time they develop a new car. For example, the launch of the Kia Carens in India last year or the launch of the Kia Telluride in 2019. Thus, they have been able to achieve product development.

- Diversification

Kia has been able to diversify in recent years. This includes the example of the launch of Kia motors in India, with their new SUV, the Seltos. This strategy is the one with the highest risk, but it allows them to capture new markets, while also promoting their new product at a local and international stage.



# Future Position

The future position of Kia Motors, in terms of the Ansoff Matrix.

# Market Penetration

The market penetration strategy is used by businesses that seek growth for existing products in markets where their brands are existing, and already operational.

- Increase production capacity
- Reduce operational costs
- Competitive pricing
- Increased marketing investment
- Enhanced distribution
- Acquiring competitors
- Partnerships and joint ventures
- New product benefits and features
- Increased frequency of consumption





# Market Development

With market development strategies, Kia Motors can enhance its business growth through introducing existing products in new markets. This will be possible for Kia Motors with different strategies.

- Research and development
- Regional expansion
- International expansion
- New customer segments
- Brand awareness
- Customer education



# Product Development

When a company seeks to expand business growth in existing markets through new products, it is termed as product development. Kia Motors can use product development in different ways.

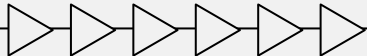
- Modifications to existing products
- Launch new products
- Research and development
- Strategic partnerships
- Product quality



# Diversification

Diversification refers to business growth and development that occurs when a company engages in new product development in new markets. This strategy allows businesses like Kia Motors to remain innovative, and competitive.

- Vertical diversification
- Horizontal diversification
- Becoming a conglomerate



# Concepts



## Creativity

Kia Motors promotes creativity and has a strong innovative base.

This concept is all about creating confident, **creative**, and compassionate business leaders and social entrepreneurs.



## Sustainability

Kia Motors aims to foster sustainable practices and become a “green” and eco-friendly business.

This concept teaches us to value the environment and take care of it by being mindful about our practices and promoting eco-friendly products.

# TOK Link

**Q: Are the businesses who claim they have an objective to protect the environment, really just trying to create a positive image in order to increase their sales and profits?**

Kia Motors includes the words “eco-friendly” in their vision statement.

They claim to develop and sell products that are eco-friendly in their production and their usage. Large businesses are known to make all sorts of claims that help in their promotion, however, they are not always true, and are just said to create a positive image in order to boost sales. Kia Motors, however, has been gradually working towards becoming an eco-friendly company, by selling and actively promoting hybrid, plug-in hybrid and fully electric vehicles, which are better for the environment. They also have an eco-friendly production process and aim to lower carbon emissions as far as possible.

Thus, you can say that it depends on the business and the particular claims they make. Sometimes, they are genuine and honest, whereas others may be solely made to boost sales and require us to “read the fine-print”.





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**Thank  
You!**

