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COVER PAGE AND DECLARATION

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Table of Contents

No.	Title	Page No.
1	Introduction.	3
2	The Vision.	4
3	The Mission.	4
4	SWOT Analysis.	5
5	The Objectives.	7
6	Schools of strategy.	9
7	1. The positional school.	9
8	2. The planning school.	14
9	3. The resource-based school.	18
10	My view.	20
11	Competitive advantage strategy in both markets.	20
12	Recommendation.	21
13	Conclusion.	22
14	References.	23

Introduction:

In the field of management, strategic management involves the formulation and implementation of the major goals and initiatives taken by an organization's managers on behalf of stakeholders, based on consideration of resources and an assessment of the internal and external environments in which the organization operates. Strategic management provides overall direction to an enterprise and involves specifying the organization's objectives, developing policies and plans to achieve those objectives, and then allocating resources to implement the plans.

Academics and practicing managers have developed numerous models and frameworks to assist in strategic decision-making in the context of complex environments and competitive dynamics. Strategic management is not static in nature; the models can include a feedback loop to monitor execution and to inform the next round of planning. Creativity and innovation in business development is the pillar of success for startups in the labor market, which every successful entrepreneur aspires. The businesses may be in danger if they are stable, but continuous improvement is the only way to get business to the top of success.

Since Toyz, despite its recent appearance, has made a huge qualitative shift in the field of gaming trade, which made it achieve in only 36 months revenues in millions, this indicates the strength of the content and the increasing demand for this type of games provided on the other hand, it was able to maintain a large volume of Clients during this period This requires more development and innovation in supply and production, creating new market outlets, searching for new potential customers, and seeking good planning to implement the expected growth strategy to expand the scope of work.

To succeed, it depends on our ability to define the goals that the company seeks to achieve. Therefore, smart goals are designed for a tool that creates indicators to help improve the chances of success and achieving progress. It helps to verify that we are moving on the right path and

also saves time and energy at work. The correct preparation is the key to success for any business.

This is what we are trying to help the company accomplish in the following lines: The existence of any organization or company should have its vision for which it was established and also the mission and values through which it can gain the trust of customers, employees and, all stakeholders in the company. As well as setting clear goals that make them achieve these visions and values. Because management is the art of accomplishing tasks through others and administration is the essence of science and its basis is defining priorities and accomplishing tasks and their goal of achieving goals, and therefore we begin to define:

The Vision:

To have renewable and attractive entertainment content with the highest standards of quality, service, and best practices that we can reach in every home and connect the world with our products.

The Mission:

Transparency: We are committed to the credibility of our customers, partners, and employees. We firmly believe that honesty, clarity, and business ethics should be the basis of everything we do, and holding ourselves accountable is the secret of our success.

Responsibility: We are proud that we care about the comfort and safety of our employees and customers alike, and our keenness to be environmentally friendly is one of our top priorities. We contribute positively by adopting environmentally friendly policies, and providing content

from games that help the growth and development of the capabilities of everyone who uses it, not just a game that we believe will have a positive impact on society.

Real Investment: We invest in our employees who are our real capital. We always strive to attract and employ all those who have a passion for innovation, creativity, and achievement, and we embrace diversity in cultures and reward those who deserve and strive to develop the capabilities of all.

Mutual Profit: We value our community of partners, suppliers, and stores that we work with, based on our belief in the need to grow and succeed together by providing our full support and expertise to everyone who needs or requests it. Our relationships with our partners are strategic and fruitful business relationships that we are keen to develop.

SWOT Analysis:

After defining the company's vision and mission, we are now identifying strengths, weaknesses, opportunities, and threats:

Strengths:

- ➡ The skills and competence of the staff are very high.
- ➡ The ability to be creative and creative.
- ➡ Direct communication with suppliers and customers anytime, anywhere.
- ➡ Attract a large segment of the age groups to these games.
- ➡ Product quality.

Weakness:

- ➡ The increasing demand for this type of product during the current crisis.
- ➡ The severe shortage of products in the market during the Corona crisis.
- ➡ The distribution and sale operations are limited to two markets only.
- ➡ Our products can be dispensed with during crises. 3-3 Opportunities
- ➡ Targeting the environment of the Arab community, which lacks specific content in the Arabic language.
- ➡ There is no clear strategy.
- ➡ The lack of marketing skills.

Threats:

- ➡ The significant change in exchange rates during this crisis.
- ➡ Imposing new policies during this crisis.
- ➡ Corona pandemic, which stopped all movements.
- ➡ Entering new competitors at a lower cost.

The Objectives:

After completing the SWOT analysis, we can say that we are now what are the objectives that help us achieve our vision and mission. In the beginning, many people went to work in e-commerce or to rely on them to buy many of their needs, and people increased their demand during the Corona crisis, and the measures imposed by many countries to preserve the safety of individuals, which were mainly the commitment of the home and not out of it, Except in the worst case, which contributed to the increasing importance of e-commerce, and the increasing

demand for home entertainment tools, which led to an increase in opportunities for our company to achieve great profits.

The long-term objectives are:

Working to develop the value of the trademark within 5 years so that it will be among the top 10 brands in the world:

1. Producing a special product in the Arabic language, as the Arab community occupies a very large segment. During the second year.
2. Opening a new headquarters for the company in the Middle East by the end of 3 years.
3. Increasing the annual revenues during the next 3 years to 100%.
4. Targeting the Arab market and acquiring a market share during the next 3 years, at 60%.

The short-term objectives are:

1. Developing relationships with suppliers to obtain a sustainable partnership and reduce the costs of raw materials by 15%.
2. Increase 40% in the budget of R&D over the past year to keep pace with technological development.
3. Work on designing the company's web application so that we can display all products for the speed and ease of completing sales during the second half of the year.
4. Increase revenue during the first year by 50% (exploiting the existing crisis) & second year 30% & third year 20%.
5. Prepare incentive programs for employees to feel loyal to the company.

Schools of Strategy:

There are three schools of strategy:

1. The positional school.
2. The planning schools.
3. The resource-based school.

1. The concept of the positional school:

The company depends on what distinguishes it from others and increases its profitability, and the focus is also on it being a rational analytical approach to developing the strategy, as well as attempts to place the organization and its products in a favorable market or environment and largely depends on performance measurement and decision-making tools, as the competitive advantage may last for a time It becomes short or persists for several years. You may be able to create a competitive advantage, but competitors quickly imitate them, and thus the competitive advantage of the resources and the capabilities on which this feature is based and which affects the ease or difficulty of imitating them will disappear, the more these resources are difficult to transfer and difficult to imitate the longer the competitive advantage lasts longer. Also, the dependence of the competitive advantage on many resources and capabilities makes it difficult to know the reasons for this competitive advantage and how to imitate it, and internal and external factors have a direct impact on this advantage (Porter) (ApS, p. 44):

- ➡ Internal environment: Know the company's ability to own resources, and build capabilities or acquire it so that it is not available to other competitors. An innovative, novel, and popular game design for customers enables them to create a competitive advantage by researching and discovering what the customer needs continuously.

Creativity and content presentation have a major role in creating a competitive advantage. Creativity here is not limited to developing a product or service, but it includes creativity in strategy and creativity in the method of work or technology used and creativity in creating a new benefit for the customer.

➡ External environment: Since the company under study relies primarily on games, the huge and tremendous change in technology every day is one of the factors that directly affect them and this leads to a change in the customer's needs, which in turn may create a competitive advantage for some companies as a result of reading and understanding the market needs and the speed of their reaction to These changes, hence the importance of the company's ability to quickly respond to external changes, and this depends on the company's flexibility and its ability to track changes by analyzing information and anticipating changes.

Next up, he (Porter) sees three main strategies:

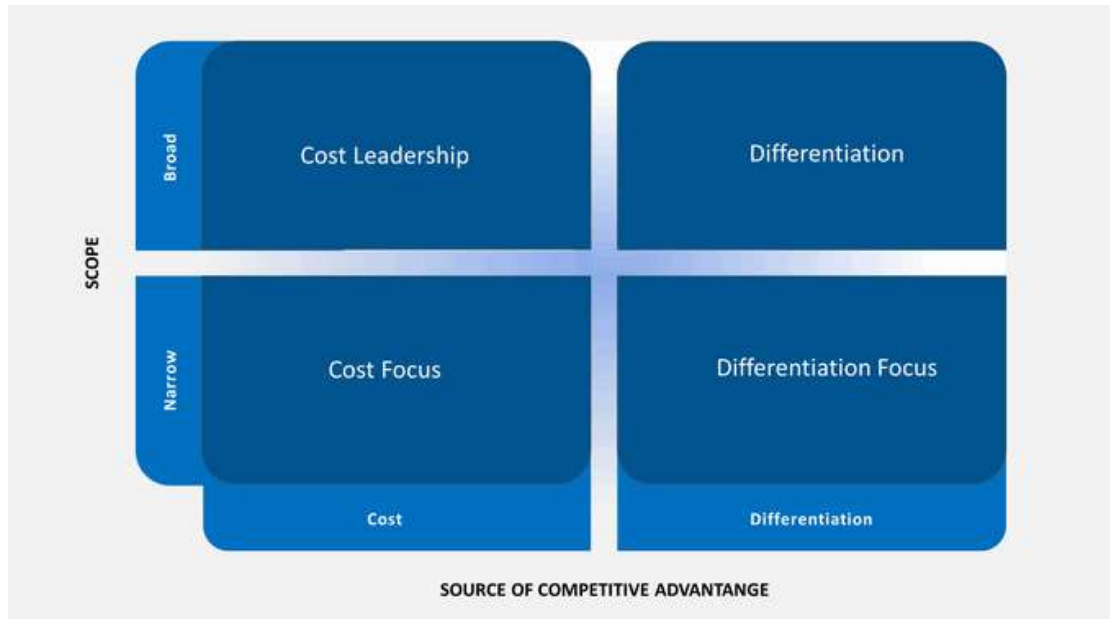
- Cost Leadership Strategy: The company's strategy is to reduce the cost and sell products at lower prices to increase the market share and to increase the volume of its sales while maintaining an acceptable level of quality and thus is a strong line of defense against competitors and the negotiating power of consumers and also places great obstacles in front of any new competitors.
- Differentiation Strategy: Through this, the company provides products or services distinct from those provided by competing companies, and therefore the customer accepts to pay in them a higher price than usual and is by enhancing the mental image of the company while highlighting the quality, service, and identity of the product. One of the main aspects that should be focused on in order to reach Differentiation:

- ➡ Knowing what the client aspires to: distinguish the product or service that aims to provide added value to the product that meets the needs of the customer and therefore the customer accepts to pay in our product a higher price than others. Therefore, it is important to know what are the customer needs and which are not satisfied with the products offered in the market and to study the value that the customer can pay for this service. Marketing studies are used by doing individual personal interviews with clients and asking them how they make the purchasing decision and what they like and miss in the products Current and about the way they use this product and the method of observation by the customers can be used for the product, this may help us discover some things that can be improved in the product and also we can send a survey to clients by mail or submit them to them when they buy something from our products. The customer must feel the importance of this matter and that he is real and serious and that he has a counterpart such as discount coupons or the like.
- ➡ High ability to develop products/services: The development process requires effective management and the ability to create products that are different from others. And for the success of the development process, a team must be formed from all the departments of the company in the different specialties: marketing, design, research, manufacturing, accounting, purchases and possibly other specialties, and all of these are involved in developing the product from start to end as this gives a great distinction because the manufacturing specialist will express his views From the beginning, as he will feel the needs of the customer, as well as the marketing specialist will be aware from the beginning of the effect of some additions to the product on cost and profitability.
- ➡ Promotional campaigns: For the above factors to succeed, there must be high marketing capabilities. Also, companies that sell premium products need to be able to convince customers of the quality of their product and that the value that will accrue to them from

the acquisition of this product is proportional to the price. Also, building a good reputation for the brand is important in the case of adopting the strategy of excellence because the presence of the brand's reputation for quality and high performance makes the customer ready to pay for a higher material price because this identity is almost a guarantee of product quality as well as the company's confidence in its product

- ▣ Capacity for innovation and creativity: Companies that compete by distinguishing their products/services need to encourage workers to be creative. Creativity needs flexibility while reducing costs requires oversight. And that many companies in the levels of departments neglect the great value of the ideas that can be presented by workers at all levels.
- ▣ Research: In order for creativity and innovation to exist, scientific research must exist, as it is the basis upon which technologically advanced companies depend to produce new products. The development does not depend on the existence of a research department as many products developed using existing technology and may be used in another field or without any technological or scientific change. The effectiveness and efficiency of the organization's management is the main support for the success of the Differentiation strategy.
- Focus strategy: In this strategy, the company focuses on a specific segment of the market or a specific product and tries to meet the demands and needs of customers and therefore the company in this case aims to achieve excellence in products or prices or both.

Porter Strategies



Competitive Advantage (Porter, 1985):

Advantage:

- ➡ Help measure competition.
- ➡ Help ineffective planning.
- ➡ The power to negotiate with buyers and suppliers.

Disadvantage:

- ➡ Ignore the environmental factors surrounding the competition.
- ➡ The lack of a unique industry gets all the positive points.
- ➡ The inability of some industries to implement it.

2. The concept of planning school:

This school relies based on previous trends, forecasts, structures, and stable environments and uses bureaucracy in a rational way, as it tries to achieve "compatibility" between the organizational strategy and its environment and requires detailed and inflexible planning and this school is not suitable in troubled markets. (Andrews, 1987, Ansoff, 1965) (ApS, p. 24)

This school has been divided into four strategies:

Market penetration:

- ➡ It depends on the market being satisfied with existing products to increase sales in the current market in order to lead to an increase in its market share through:
- ➡ Lower prices to attract new customers and increase promotion and distribution efforts.

Product development:

- ➡ It depends on introducing new products to the current market. We are developing a new product to meet the current market desires. This step usually involves extensive research and development while expanding the company's products.
- ➡ A product development strategy is used when companies have a strong understanding of their current market and can provide innovative solutions to meet customer tastes

This strategy can be utilized by investing in R&D to develop new products, obtain a competitive product, integrate resources, and form strategic partnerships with other companies to reach distribution channels or brands.

Market development:

- ▣ This approach is predicated on entering a new market using the same existing products but expanding into new markets and expanding into new geographical regions and new customer segments.
- ▣ For this strategy to bear fruit, it must the company has advanced technology that can benefit from it in new markets, Potential consumers have irreplaceable financial savings.
- ▣ Consumer behavior in new markets does not deviate much from consumer behavior in existing markets, and that is by offering games for a different age group, entering a new local market (expanding regionally), or entering a foreign market (expanding internationally)

Diversification: It depends on new development in both products and markets. Although this strategy is the riskiest as market and product development requires major efforts both technically and content in order to have a distinct market share, the risks can be mitigated to some extent through related diversification as it opens up an entirely new source of revenue for the company as it reaches consumer spending In a market the company previously had no access to.

The Ansoff Matrix



Advantages:

- ➡ **Simplicity:** It is very easy to understand the data contained in this matrix as anyone with limited knowledge of marketing can understand and work on the above four scenarios and simply give you four alternatives from which you must choose the best alternative from them so that companies can achieve their objective of increasing company sales and profits.

- ➡ Monitor all possible alternatives: It also helps the company monitor all possible alternatives so that the company can make the right decision, which in turn will help the company increase the desired growth through this strategy. So that if the company's product does not work well in the current market then it can go to develop the market if the company does not have a new product in mind, however, the company must set a marketing budget and the cost of advertising to present the current product in the new market or the company also goes to develop the product. If you do not want to risk entering a new market.
- ➡ Risk analysis: It helps in analyzing the risks associated with each strategy which in turn helps the company prepare accordingly.

Disadvantages:

- ➡ Competitors are ignored: One of the serious flaws in the Ansoff matrix is ignoring competitors because this matrix only shows the company's product and the company's market regardless of the competitors who are already in the market meaning that you work without knowing what other people are doing or what they produce or how much they get from the market where it plays a large role in a report. Whether or not the company strategy works.
- ➡ Lack of cost-benefit analysis: It only refers to the strategies but it does not take into account the cost-benefit analysis of the various strategies, and then for example if the company is confused between the diversification strategy and the product development strategy more than it takes the help of cost-benefit analysis to make the right decision. In simple words, there is a need for a cost-benefit analysis to justify the company's

decision as it is in the end, it is all about the numbers as every measure of the company aims to increase the sales and profits numbers of the company.

- ➡ Difficult to forecast: Ansoff matrix looks simple but in real life, it is very difficult to predict the impact of implementing these strategies on company's sales and profits because consumer and market reaction can never be predicted with 100 % accuracy resulting in all calculations going for a toss and hence the company should keep it in mind before taking any decision.

3. The concept of the resource-based school:

You rely on exploiting external opportunities by using existing resources in a new way rather than trying to acquire new skills for each different opportunity. Internal resources must be given the primary role in helping companies achieve higher organizational performance. There are two types of resources: hard and soft. (Robert Grant,1998) (ApS, p. 25)

- ➡ Tangible assets: Land, buildings, machinery, equipment, and capital - all of these resources can be easily purchased in the market and thus do not give companies a huge advantage in the long run because competitors can obtain identical assets.
- ➡ Intangible assets: are everything else that does not have a physical presence, the most important of which is building the brand's reputation over a long period, which is something that other companies cannot buy from the market. Intangible resources usually remain within the company and are the main source of sustainable competitive advantage.

My View:

It is the positional school that is achieving the desired growth opportunity for the company.

Competitive advantage strategy in both markets:

1. In the United Kingdom: Since the market is open differently from Japan and can be easily accessed by many competitors, the focus should be on cost and customer needs analysis to increase market share and to increase sales volume while maintaining an acceptable level of quality and thus a strong line of defense against competitors and consumer bargaining power as well as position big obstacles in front of any new competitors. So, the competitive advantage here is cost leadership.
2. In Japan: Given the Japanese society and the tremendous progress it has reached, it is necessary to present a product that is characterized by creativity and innovation all the time as it sees what value the product provides or how much society benefits from it. So, the competitive advantage is differentiation.

Recommendation:

- ▣ Create motivational programs to increase loyalty to existing customers as well as potential customers.
- ▣ Since the nature of our products is very changing, we recommend adopting the creation of a special department to study the market, read, understand and forecast what external and internal events are interpreted in order to quickly respond to any changes and prepare the necessary decisions at the appropriate time.
- ▣ Opening new markets to accommodate the development and technical progress to improve its position and presence in other places.
- ▣ Attracting highly creative and creative employees.
- ▣ Building a company's brand or acquiring an existing mark with its development, as it is an easy guide to spreading in the event of its quality.
- ▣ Increase the resources of the R&D departments, listen to all ideas from all administrative standards, and create motivational competencies for the best of them.

Conclusion:

The strategic business management, more specifically, relies largely on research. It is imperative that for a business strategy to be successful, customers' opinions, employees' contribution and the industry's best practices are all taken into account. A common way to encourage strategic business management, is to incorporate a lot of planning into board meetings, have trustees with valued and varied experience, and to carefully consider the impacts of decisions on each business function within the organization. Annual plans for businesses are often put together, but within the 21st century, it is important to be flexible and adapt to changing environments and demands.

The main importance of strategic business management is to assist the business' profit and decision making, yet its functions can also be broken down.

The main task in the strategic planning process is predicting future trends that will help the business in building. In order to make this happen, strategic planning tools need to be used instead of simple planning processes. Through a well thought out strategy, we will be able to draw up clear, long-term goals. These goals are important so that we have a distinct idea of how to move forward which can prove beneficial for an organization's overall growth.

The tough aspect of strategy management is that we are pushed to make choices under pressure, often with limited resources. Strategy management teaches we to ensure the company's resources, in terms of products and services, are used wisely and vested in the most promising opportunities.

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