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## COVER PAGE AND DECLARATION

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<b>Student's Full Name:</b>	<i>Muhammad Ibrahim Ali Marzouk</i>
<b>Student ID:</b>	<i>EIU2021052</i>
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E-SIGNATURE:

*M. Marzouk*

DATE:

**12/14/2023**

EIU Paris City Campus

Address: 59 Rue Lamarck, 75018 Paris, France | Tel: +33 144 857 317 | Mobile/WhatsApp: +33607591197 | Email: [paris@eiu.ac](mailto:paris@eiu.ac)

EIU Corporate Strategy & Operations Headquarter

Address: 12th Fl. Amarin Tower, 496-502 Ploenchit Rd., Bangkok 10330, Thailand | Tel: +66(2)256923 & +66(2)2569908 | Mobile/WhatsApp: +33607591197 | Email: [info@eiu.ac](mailto:info@eiu.ac)

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## **Requirement no. 1:**

In today's rapidly evolving business environment, stagnation is a recipe for decline. Growth is no longer a luxury, but a necessity for survival and long-term success. While traditional frameworks often offer a limited view, focusing primarily on four key growth strategies, the reality is that businesses hold a vast array of possibilities at their fingertips. We will delve deeper, exploring seven specific growth strategies capable of propelling organizations and corporations towards significant and sustainable expansion that can effectively propel corporate and organizational growth:

1. **Market Development (Market Penetration):** This strategy involves expanding the reach of existing products or services into untapped markets. It entails identifying new markets that align well with current offerings, allowing businesses to capture a larger market share. This approach can target new industries, demographics, corporate departments, or geographical locations.
  
2. **Market Disruption:** This strategy entails entering an established market dominated by legacy brands and challenging the status quo with innovative approaches. Market disruption can be achieved through:
  - Implementing a radically different business model
  - Leveraging cutting-edge innovations
  - Offering significantly cheaper or superior products
  - Providing unique experiences that enhance customer value
  
3. **Product Expansion or Diversification:** The expansion of product offerings and the addition of new features to existing products are well-established strategies for achieving corporate growth. It opens new avenues for the brand, attracting previously uninterested audiences. This approach can involve:
  - Developing entirely new products
  - Enhancing existing products with new features or functionalities
  - Diversifying into related product categories

4. **New Channels:** Embracing new distribution channels is a powerful growth strategy, particularly for e-commerce businesses. It enables revenue growth without product modifications. This approach can involve:
  - Expanding into online marketplaces
  - Establishing physical retail outlets
  - Exploring alternative distribution models, such as partnerships or collaborations
  
5. **Strategic Partnerships:** Collaborating with complementary brands can unlock growth opportunities that would be difficult to achieve independently. Strategic partnerships offer several benefits:
  - Access to new customer segments
  - Cross-promotion opportunities
  - Joint product development and innovation
  - Enhanced brand reputation and goodwill
  
6. **Acquisitions:** Acquiring other businesses can be a rapid growth strategy, but it often requires significant financial resources and careful planning. Acquisitions offer several advantages:
  - Eliminating direct competition
  - Gaining access to proprietary technology and expertise
  - Expanding the customer base
  
7. **Organic Growth:** Organic growth, mirroring the natural process of development, emerges as the most sustainable and desirable form of growth, achieving expansion without external intervention like mergers or acquisitions. It involves:
  - Expanding the customer base organically
  - Increasing customer lifetime value
  - Enhancing brand loyalty and advocacy

In conclusion, businesses have a range of growth strategies at their disposal, each with its strengths and considerations. The selection of the optimal approach is contingent upon a thorough analysis of the specific company's circumstances, goals, and available resources.

By carefully evaluating these strategies and selecting the most suitable ones, businesses can effectively fuel their corporate and organizational growth.

## **Requirement no. 2:**

Competitive strategies are long-term action plans those businesses develop to gain an advantage over their rivals in the market. They involve identifying and executing actions that allow a company to improve its competitive position and achieve its business goals. Here are some of the most common competitive strategies:

### **1. Cost leadership**

A cost leadership approach maintains lower product and service prices than competitors to attract price-conscious consumers. Value leadership, employed in price-elastic industries like energy and transportation, emphasizes superior value for cost.

As an example, within the refining industry, lower prices give consumers a reason to shop for oil rather than other sorts of energy, like fossil fuel and electricity. Oil conglomerates that derive revenue from maintaining accessible fuel costs often prioritize enhanced revenue streams and market penetration in their strategic deliberations.

### **2. Product differentiation**

Establish a competitive edge" replaces "differentiate their products," emphasizing the strategic aspect of differentiation. The term "accentuates" is substituted for "emphasizing," maintaining the focus on highlighting specific product features. Additionally, the phrase "product attributes" replaces "look, function, or brand," encompassing the broader range of product characteristics.

In the competitive phone market, companies can set themselves apart through innovative design and a spectrum of contemporary colors. This strategy increases customer appeal by offering unique features and exceptional quality, ultimately safeguarding against competitors gaining a larger market share.

### **3. Customer relationship management (CRM)**

Customer relationship management (CRM) is a strategic data-driven approach to personalize customer interactions and build lasting connections. This strategy proves beneficial in the product and service development process, as it enhances customer loyalty through the provision of optimal

services. Customer loyalty, in turn, facilitates the expansion of market opportunities for a company's products or services, as customers are inclined to invest in offerings they value. CRM strategies hold paramount importance, as even subtle shifts in customer perceptions can influence purchasing decisions regarding a company's products and services.

#### **4. Cost focus**

Organizations that aim to maintain low production costs by engaging in outsourcing or enhancing their supply chain management are implementing a cost-focused strategy. This strategy enables businesses to exert control over expenses and optimize profitability. Businesses adopting this approach prioritize consistently minimizing production costs to gain a competitive edge. A cost-focused strategy may frequently involve reductions in staffing and equipment expenditures, as well as the optimization of resource utilization, including raw materials and utilities, to maintain cost-effectiveness relative to industry peers.

#### **5. Commitment to customer strategy**

Companies aiming for customer satisfaction often employ a customer-centric approach. This strategy holds immense significance as heightened customer satisfaction directly translates into increased patronage and loyalty. Additionally, customers are more inclined to engage with businesses they trust and admire, perceiving their offerings as superior and worth the investment.

#### **6. Offensive Strategies:**

These strategies involve taking proactive actions to gain market share and advantage. This can include aggressive marketing campaigns, new product introductions, price cuts, or expansion into new markets. Offensive strategies are often used by companies that are trying to grow rapidly or disrupt the industry.

#### **7. Defensive Strategies:**

These strategies focus on protecting the company's existing market share and position. This can involve defending against competitor attacks, maintaining price parity, or building strong customer

relationships. Defensive strategies are often used by companies that are already market leaders and want to maintain their position.

**Accordingly, and as per my review of the case study and my experience and technical background, I do recommend using a customer relationship management (CRM) strategy and targeting customer satisfaction and loyalty as competitive strategies can sustain the growth of Just Toyz's business, especially since all of its customers are out of Thailand where it's a big challenge to gain customers' trust and loyalty.**



### **Requirement no. 3:**

Setting both short-term and long-term goals is crucial for companies of all sizes and industries for several reasons:

#### 1. Provides Direction and Focus:

- Short-term goals: These serve as stepping stones, breaking down long-term objectives into manageable tasks. They provide clear direction for daily activities and help prioritize resources effectively.
- Long-term goals: These define the company's vision and aspirations for the future. They provide a sense of purpose and motivate employees to work towards a shared vision.

#### 2. Improves Performance and Measurement:

- Short-term goals: These allow for regular progress tracking, providing opportunities to assess performance, identify areas for improvement, and adjust strategies as needed.
- Long-term goals: These set benchmarks for evaluating the company's overall success and measuring its progress in achieving its vision.

#### 3. Enhances Motivation and Engagement:

- Short-term goals: Achieving small wins regularly boosts employee morale and motivation, fostering a sense of accomplishment and increasing engagement.
- Long-term goals: Having a clear vision of the company's future inspires employees and fosters a sense of ownership, leading to increased commitment and dedication.

#### 4. Promotes Strategic Planning and Decision Making:

- Short-term goals: These inform resource allocation and budget planning, ensuring that resources are directed towards achieving immediate objectives.

- Long-term goals: These guide strategic planning by helping identify necessary investments, partnerships, and market opportunities to achieve the desired future state.

#### 5. Enhances Adaptability and Resilience:

- Short-term goals: These allow for flexible adjustments based on changing market conditions or unforeseen circumstances, ensuring the company can adapt to challenges and opportunities.
- Long-term goals: These provide a stable anchor amidst change, helping the company maintain focus and direction even in the face of external disruptions.

Overall, setting both short-term and long-term goals creates a balanced approach to achieving sustained success. By combining the immediate focus of short-term objectives with the aspirational power of long-term vision, companies can navigate the dynamic business landscape and achieve their full potential.

So, I do recommend that Just Toyz business in this phase of the business set short-term and long-term goals, as the below proposal:

- **Short Term Goals (Yearly Goals):**

- 1.To enter and open one new country market in Asia or Europe or the United States of America every year.
- 2.To minimize the lead time of delivering customers' orders by a minimum of 3% every year.
- 3.To minimize the CRM response time to finalize customer-received cases by a minimum of 3% customer compliance every year.
- 4.To improve customer satisfaction survey score by a minimum of 3% every year.
- 5.Improve Employees' productivity by 3% every year.

- **Long-Term (Five Years Goals):**

- 1.To enter and open a minimum of Five new countries markets in Asia or Europe or the United States of America by the end of the coming five years.

- 2.To minimize the lead time of delivering customers' orders minimum of 15% by the end of the coming five years.
- 3.To minimize the CRM response time to finalize customers' received cases by a minimum of 15% customer compliance by the end of the coming five years.
- 4.To improve the customer satisfaction survey's score by a minimum of 15% by the end of the coming five years.
- 5.Improve Employees' productivity by 15% by the end of the coming five years.

## **Requirement no. 4:**

### **❖ Purpose of the Business Plan**

Just Toyz is financed by the founders' non-public funds and a line of credit from First Bank of Bangkok. However, its ascent has exhausted funds from these sources. Since its great success during the past 36 months, it feels confident enough in our services, products, and ideas to appear for door sources, as we are targeting to open new markets in Asia and Europe during the coming five years that needs to be funded by minimum 500,000 USD to reach its growth plan during the coming five years.

This plan has been written to summarize Just Toyz history and to state its goals and plans to attain and achieve them.

### **❖ EXECUTIVE SUMMARY**

Just Toyz is a Thai famous online wholesaler that supplies toys to both the United Kingdom and Japan. Its head office location in Bangkok the capital of Thailand and has some stores in Japan and the United Kingdom, and its headcount of employees is 333 employees. It provides most of its operations through third-party providers like supplying and logistics, focusing on its core business in eMarketing and providing a unique online selling experience to its customers in Japan and United Kingdom.

Just Toyz was created as an internet startup that started with five friends who have a wide experience in Supply Chain, Operations, Quality, Finance, and eMarketing fields and with a wide range of experience and background in different industries and technologies.

Just Toyz started with a total capital investment of 250,000 USD and became a multimillion Baht company in just 36 months in a very tough market.

Just Toyz's main growth strategy during the coming five years will be by applying a Market development (market penetration) strategy by opening new markets in Asia, Europe, and the United States of America.

Just Toyz will use a customer relationship management (CRM) strategy and targeting customer satisfaction as a competitive strategy can sustain the growth of Just Toyz's business, especially since all its customers are out of Thailand where it's a big challenge to gain customers' trust and loyalty.

❖ **Just Toyz's Mission:**

We present and deliver our best operations and services to our employees, suppliers, customers, community, and the environment by developing and marketing high-quality products with the best value for money for children's parents and for children where it will be enjoyable and valuable for the child in terms of educational benefits and mental health, and are with excellent good value add benefit vs cost for the purchaser.

❖ **Just Toyz's Vision:**

A satisfied and loyal customer has always been the main vision of our operations and services. Our vision is to build and maintain long-term relations with our clients and customers, offering unique products and services that are tailored to their individual needs, developing relations with consumers, business partners and employees is always in our focus to open new five markets in Asia and Europe by the coming five years.

❖ **Just Toyz's Core Values:**

- Internal and External Customer Focus and Centric.
- Talent Acquisition and Targeting.
- Transparency and Accountability.
- Effectiveness and Efficiency.
- Customers' Privacy First.

❖ **Just Toyz SWOT Analysis:**

➤ **Just Toyz Strengths:**

- **Affordable Prices:**

Just Toyz is setting a new standard for value for money in the retail toy industry. Their commitment to high-quality goods, bulk purchasing options, and low profit margins, all within a warehouse-style environment, ensures customers receive the best possible deals that's made them happy and loyal to the company.

- **Loyal Customer Base:**

Just Toyz's commitment to customer satisfaction has resulted in a thriving community of loyal patrons. This dedicated customer base extends across both Japan and the United Kingdom.

- **Pass savings to customers:**

By minimizing operational costs, Just Toyz offers customers significant savings on their purchases. This allows them to focus on value and affordability, providing the best possible return on investment for customers.

- **High-Quality Products:**

Just Toyz believes in offering its members the best value for their money. They achieve this by directly negotiating with reputable manufacturers to source high-quality products at competitive prices. By consistently prioritizing quality and service, Just Toyz has earned the trust and loyalty of its customers, solidifying its brand reputation.

- **High Paying Jobs' Salary:**

Just Toyz recognizes the value of its employees and demonstrates this through its commitment to above-market salaries and comprehensive benefits. This has fostered a dedicated and skilled team, raising the bar for the entire industry in terms of employee compensation.

- **Just Toyz Weakness:**

- **Limited Product Selection:**

When the customer shop at Just Toyz, he will have a wide variety of toys products. But his choice of individual products is always being limited to other giants compaitors like Amazon ,Walmart or etc. In an average Just Toyz store, you would find about **4000 products** to 150,000 products at

Amazon, 100,000 products at Walmart 90,000 products at Thaimart and 80,000 products for Bang online store.

- **Cost of Transportation:**

Buying items in bulk can be a logistical nightmare, particularly for those living in urban areas. Just Toyz adds to the burden with its additional transportation costs, unlike competitors like Amazon and Jet.com, which incentivize bulk purchases with free or discounted shipping. This is a major drawback for Just Toyz.

- **Cater to a smaller customer base:**

Just Toyz's limited product range hinders its ability to attract a broader customer base, particularly those seeking diversity and smaller quantities.

- **Research and Development:**

Just Toyz, although allocating a notable portion of its budget to research, falls short of the significant investments made by major retail players. This has led to competitive disadvantages, hindering Just Toyz's ability to deliver innovative products and achieve high customer satisfaction.

- **Slow eCommerce Adoption:**

In the age of digital dominance, Just Toyz's lagging eCommerce presence poses a considerable barrier to capturing the millennial market. Their online penetration rate of 7% in Q2 2020 stands in stark contrast to the retail sector's robust 20% penetration, highlighting the need for accelerated eCommerce adoption to remain competitive in the current landscape.

- **Poor Curbside Pickup Implementation:**

Consumer behavior has shifted dramatically towards online grocery shopping with curbside pickup, with a 152% increase in usage from August 2019 to August 2020, reaching 25.5 million households. This surge highlights curbside pickup as a dominant trend in the retail landscape, enabling customers to seamlessly order groceries online and collect them at the store without entering the building.

While many major grocery retailers like Walmart have seen significant revenue growth from adopting this convenient service, Just Toyz has not yet implemented curbside pickup. This represents a missed opportunity, as consumers increasingly prefer the ease and safety of online ordering with curbside collection, eliminating the need to venture into the store.

➤ **Just Toyz Opportunities:**

• **Online Presence (E-commerce):**

The rapid growth of online shopping and increased internet penetration presents a significant opportunity for Just Toyz to expand its e-commerce platform. While e-commerce currently accounts for only a small percentage (4%) of Just Toyz's total revenue, the company experienced substantial online sales growth in the past year (49.5% year-over-year). This growth was fueled by Just Toyz's strategic focus on expanding its e-commerce platform in the latter half of 2020 (Q3 and Q4), capitalizing on a surge in online shopping demand during the pandemic. This positive momentum continued in Q4, with online sales accelerating by 90.6% year-over-year. By further strengthening its online presence, Just Toyz can attract more customers who prefer to shop online, especially those hesitant to visit physical stores due to health concerns.

• **Global Expansion:**

Just Toyz identifies significant growth opportunities in Asia, particularly India and Vietnam, and plans to expand into these markets through a combination of new market entries and franchise partnerships, while also expanding its domestic footprint with new warehouses and branches in key cities.

• **Tax Policy:**

The THAI government's offers reduction in taxes as a benefit for Just Toyz. It would mean paying a lesser amount in tax and utilizing these savings for expansion for more profit margin.

• **Transport Industry:**



The transportation industry is embracing smarter technologies, with shipment consolidation being a key innovation. This consolidation significantly reduces transportation costs for commodities, which could bring significant benefits to Just Toyz and further decrease its operational expenses.

- **Supply Uncertainties:**

While the global health crisis presents challenges for many businesses, retailers specializing in essential goods are well-placed to thrive by catering to changing consumer needs. The surge in panic buying driven by supply shortages propelled Just Toyz to impressive financial results in Q2 2020, with total revenue exceeding \$39.07 billion (a 10% increase) and gross margin expanding by 6.25% to \$816 million. By capitalizing on this market shift, Just Toyz has the potential to leverage its current success for continued short-term growth.

- **Expand through acquisition:**

Just Toyz can expand into related fields like delivery services by acquiring small or medium companies established in the sector. In 2020, Just Toyz acquired In novel Solutions which was servicing the company since 2015, for \$1 billion. The acquisition gives Just Toyz another revenue stream since In novel Solutions continues to serve retailers like Sears and other third parties.

- **Just Toyz Threatens:**

- **Brand Reputation:**

A product recall can be a nightmare, not only for the potential financial losses it incurs, but also for the long-lasting damage it inflicts on a company's reputation. Once tarnished, rebuilding trust, and regaining lost customers can be an uphill battle. For retailers, reputation is the cornerstone of long-term success, and any erosion can have a devastating impact. Just Toyz experienced this firsthand in November 2015 when an outbreak of E. Coli toxin forced them to recall their rotisserie chicken salad from all stores, sickening 19 people and leaving a significant stain on their brand image.

- **Security:**

Just Toyz's practice of outsourcing sensitive customer and employee data, including cashless banking information, to a third-party cloud service raises questions about data security and potential

vulnerabilities. A data breach could have disastrous consequences for those whose information is compromised.

- **Political uncertainties:**

The international nature of Just Toyz's business potentially exposes them to political instability and regulations in different countries.

- **Ecommerce and technological developments:**

Just Toyz's international presence gives them a unique opportunity to engage with diverse communities and navigate different political environments.

- **Price Competition:**

The combination of declining manufacturing costs and the relentless pursuit of operational cost reductions by larger players has created a highly competitive environment for Just Toyz, posing a significant threat to its profitability and market share.

- **International Bad Economics:**

International Bad Economics affects every business, including Just Toyz. International Bad Economic implies lower sales, less growth, especially because of the impact of Russo-Ukrainian War and its consequences to world market.

- **Exchange Rates:**

Fluctuating exchange rates in Thailand that can significantly affect retail organizations that operate internationally.

- **Competition:**

Operating within the fiercely competitive retail landscape are two titans: Walmart and Amazon. Both companies are known for their relentless drive to innovate and expand their reach. Walmart,

the undisputed king of brick-and-mortar retail with annual revenues exceeding \$514.40 billion, has aggressively expanded its online footprint through strategic acquisitions of established e-commerce players such as Bang.com, Bonobos, ModCloth, Shoes.com, Moosejaw, and Flipkart. Amazon, on the other hand, continues to dominate the online retail sphere, leveraging its vast network and technological prowess to maintain its market leadership.

- **Fake products:**

Following the revelation that Just Toyz was selling a ring mimicking Tiffany & Co.'s iconic engagement ring, the company was sued. The court ruled in favor of Tiffany & Co., awarding them nearly \$20 million in damages. Consequently, some customers may lose confidence in Just Toyz's ability to provide authentic high-end jewelry and brands, potentially impacting their future purchasing decisions.

- ❖ **Just Toyz's Strategic Goals:**

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- **Long-Term (Five Years Goals):**

1. To enter and open a minimum of Five new countries markets in Asia or Europe or the United States of America by the end of the coming five years.
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4. To improve the customer satisfaction survey's score by a minimum of 15% by the end of the coming five years.
5. Improve Employees' productivity by 15% by the end of the coming five years.

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