



EUROPEAN
INTERNATIONAL
UNIVERSITY



COVER PAGE AND DECLARATION

	Master of Business Administration (M.B.A.)
Specialisation:	
Affiliated Center:	
Module Code & Module Title:	
Student's Full Name:	
Student ID:	
Word Count:	
Date of Submission:	

I confirm that this assignment is my own work, is not copied from any other person's work (published/unpublished), and has not been previously submitted for assessment elsewhere.

E-SIGNATURE:

DATE:

EIU Paris City Campus
Address: 59 Rue Lamarck, 75018 Paris, France | Tel: +33 144 857 317 | Mobile/WhatsApp: +33607591197 | Email: 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

EXECUTIVE SUMMARY	2
INTRODUCTION	3
VISION	3
MISSION	4
SITUATIONAL ANALYSIS	4
SWOT ANALYSIS	4
TOWS ANALYSIS.....	5
GOALS	7
STRATEGIC PLAN	7
DIFFERENT POSSIBLE STRATEGIES COMPARISON	7
COMPETITIVE STRATEGIC PLAN TO STRENGTHEN CURRENT MARKET SHARES	10
COMPETITIVE STRATEGIC PLAN TO EXPAND IN NEW MARKETS.....	12
RECOMMENDATIONS	13
SHORT TERM GOALS RECOMMENDATION	13
LONG TERM GOALS RECOMMENDATION	13
REFERENCES	14

Executive Summary

To achieve sustainability in a world Volatile, Uncertain, Complex and Ambiguous, all companies must plan for its future carefully to be able to achieve their goals, the goals themselves should be realistic and achievable to not collide with the facts that the world is volatile, complex, uncertain and ambiguous.

JUST TOYZ as a fast-growing company seeks the sustainability, they are looking for a proper strategic plan to sustain in this world, we have put the below strategic plan which we feel it can achieve the short term and long-term goals of JUST TOYZ in both current markets as well as growing the business to reach other markets targeted (Europe, Asia, and Middle East).

The below report includes two strategic plans, first one is the strategic plan to achieve the target of strengthen the market share in both current markets (The United Kingdom and Japan), the second proposed strategic plan is a plan to achieve the goal of growth in other markets, both plans will be the key stone of JUST TOYZ sustainability and to achieve the ultimate goal (as of now) to lead the toys supply market in Europe, Asia and Middle East.

To be able to plan a proper strategic plan for each purpose, we had to re-visit the vision and the mission of JUST TOYZ to cope with the changes in the markets compared to the market in 2019 (before COVID pandemic), therefore, we have updated the vision statement, and the mission statement.

Then, we have performed a situational analysis to understand in a better way the markets behavior and consumers using Strengths, Weaknesses, Opportunities, and Threats analysis (SWOT), it is very important to state here that the situational analysis should be done at least a couple of times every year to update the short-term goals and the strategies accordingly. (The [trajectify.com](https://www.trajectify.com/), n.d.) Based on the SWOT analysis, a TOWS analysis has been done to try to connect each part of SWOT analysis together to have a clearer picture on what are the gaps internally and externally, when the gaps are identified, it will be an easy process to target each one with the suitable, yet attainable, goals. Those goals will be the base ground on which the strategic plans will be built on. Therefore, we have followed the situational analysis with updated goals which we think it will provide JUST TOYS the targeted sustainability and growth, and yes to achieve the main goal of JUST TOYZ to lead the supply of toys in Europe, Asia, and Middle East.

After setting the goals, we have proposed two strategy plans, each one would serve a specific set of goals, the first strategy plan will serve the goal of sustainability of the current business in The

United Kingdom and Japan and it is supposed to strengthen the market shares in both markets, the core of the strategy plan is a combination between market penetration growth strategy, product development growth strategy, backward vertical integration growth, and differentiation strategy. Previous strategy plans will be thoroughly explained and covered within this report.

The second strategy plan which have been suggested to ensure the execution of the goals of expanding in other markets, this strategy plan is again a combination of backward vertical integration growth, market development and diversification intensive growth strategies, focused cost leadership competitive growth and focused differentiation competitive growth strategies; those strategies were suggested to ensure a successful expansion in the new markets and the use of existed and planned to own resources, taking into consideration the risk associated and how manage them.

Introduction

JUST TOYZ has been established in 2019 as a startup which is concentrating on E-commerce in the business of online wholesale supply of toys, the concentration was in two markets, The United Kingdom and Japan markets, the business has been affected by the worldwide pandemic in 2020, yet it started growing up eventually after the release of lock down and the business started glowing due to the agility in the company's management system, the swift response to clients, the professional after sales support, and the competitive prices, in the world of continues changes and uncertainty, it is very important for any company to have a development strategy which can help in the sustainability of it business. In the lack of the will to develop and improve, the companies will be crushed by the train of market change. Therefore, it was of the necessity to re-visit the management system of the company and re-evaluate the business plan to try to cope up with the markets and businesses nowadays.

Vision

JUST TOYZ vision is to be the leading company in manufacturing and supplying toys to Asia, Europe and Middle East and to deliver products which not only concentrating on entertainment but also to be as an early learning for kids. It is our vision to be supply not only a product, but also a value.

Mission

JUST TOYZ mission is to supply the markets with the high-quality products with affordable prices yet with value, it is our mission to:

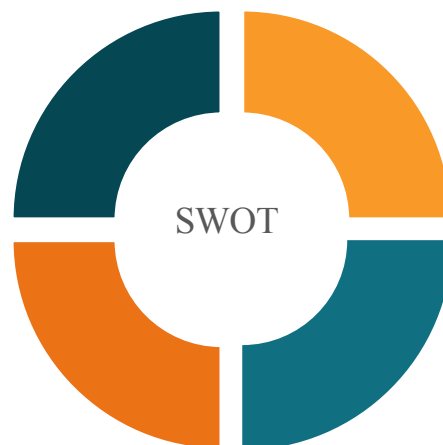
- Supply the most valuable and quality assured products to different markets.
- Flexibility with clients in terms of prices and payment terms.
- Quality assured after sales support.
- Flexibility in claims in case of quality defaults.
- Building a strong reputation.
- Working hard to enter new markets.

Situational Analysis

SWOT Analysis

STRENGTH

- Online business experience
- Strong and wide network.
- Competitive prices.
- Short lead time.
- Strong aftersales support.
- Quality of products.



WEAKNESSES

- Has to supply products from different sources.
- Not enough stock which leads sometimes to failures in delivery
- Lack of required technologies.
- Not enough storing Spaces to keep stocks.
- Counting on suppliers and international logistics.

OPPORTUNITIES

- Promising new markets and segments
- Advanced technologies in manufacturing.
- New industry trends.
- Developing new product line/s.
- Digital marketing.

THREATS

- Cultural differences.
- Exchange rates
- Taxes
- Trade restrictions in some countries
- High competition
- Suppliers and buyers' powers
- Unstable political situations.
- Competitive environment

TOWS Analysis

	OPPORTUNITIES <ul style="list-style-type: none">• Promising new markets and segments• Advanced technologies in manufacturing.• New industry trends• Developing new product line/s.• Digital marketing	THREATS <ul style="list-style-type: none">• Cultural differences.• Exchange rates• Taxes• Trade restrictions in some countries• High competition• Suppliers and buyers' powers• Unstable political situations.• Competitive environment
--	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

<p>STRENGTH</p> <ul style="list-style-type: none"> • Online business experience • Strong and wide network • Competitive prices • Short lead time • Strong aftersales support • Quality reputation • High previous revenue 	<p>SO</p> <ul style="list-style-type: none"> • Develop new products with the proven quality. • Use online experience and digital marketing to market new products, to reach new customers, markets, and segments. • Capital available to build factories with most recent technologies. 	<p>ST</p> <ul style="list-style-type: none"> • Concentrate on culture friendly products, manufacture new product line of toys avatar local characters. • Maintain strong relationships with suppliers, customers to fix rates. • Differentiate the company among peers to lead. The competition. • Manufacture in countries with low taxes, availability of raw materials and stable rates. • Target stable markets only.
<p>WEAKNESSES</p> <ul style="list-style-type: none"> • Has to supply products from different sources. • Not enough stock which leads sometimes to failure in delivery • Lack of required technologies. • Not enough storing Spaces to keep stocks. • Counting on suppliers and international logistics. 	<p>WO</p> <ul style="list-style-type: none"> • Backward integration by manufacturing the products instead of counting on different sources to supply products. • Build/rent stores to have proper stock. • Buy high tech. machines. • Improve the supply chain management system to ease the supply to current and new markets. 	<p>WT</p> <ul style="list-style-type: none"> • Own the latest technologies to have the competitive quality. • Use own distribution panels to overcome the power of suppliers and distributors. • Count on third parties instead of recruitment to avoid culture differences and restrict laws.

Goals

Based on the company's vision, JUST TOYZ strategy is to achieve the below goals:

- Establishing new factory by H2 of 2024 to be able to manufacture the products rather than only supplying them.
- Reduce the cost of goods sold by 5% by Q1 2024
- Strengthen the market shares in current markets by increase sales by 7.5 % by Q1 of 2024 and increase sales by 10% by Q3 of 2024.
- Expanding into new markets by Q3 of 2024 in Europe, by Q4 2024 in Asia and by Q1 2025 in middle east.
- Establish new distribution channels to wholesale markets by Q2 2024
- Developing new products by H1 of 2024.
- Increasing marketing efforts to achieve previous goals.
- Launch 5 new products per year starting from Q2 year 2024.
- Improve customer satisfaction ratings by 10%
- Ensure providing excellent customer ad after sales services.
- Ensure offering a wide variety of products by Q3 2024
- Establish mobile application and new platform to market the products by Q2 2024
- Expand the business to Business to Customer sales (retail sales) besides the business-to-business whole sales.
- Become the leading toys supplier in Europe, Asia, and Middle East by 2026

Strategic Plan

Different Possible Strategies Comparison

After we have identified the goals based on the market analysis, we can set and manage a strategic plan which can be helpful to achieve the goals of JUST TOYZ in the long run term, but before suggesting the suitable strategic plan/s, we must explain all possible strategic plans which can be used and can be helpful in achieving the company's goals and we will select the most suitable ones based on the current situation, whether the company's situation or the market situation in the next five years as a provision.

- As one of the goals of JUST TOYZ is to expand, the Growth strategies can be applicable to some extent, the intensive growth strategy in this case will be best to choose in which the aim is targeting new markets (Market Development Strategy) with the same current products and expanding current markets by injecting new products in the current markets (Product Development Strategy) counting in the good reputation built in the past 3 years. (A. Prajapati, n.d.)

The Market penetration, in which focusing on increasing the sales in current markets with the same current products, can be implemented to strengthen the market share in The UK and Japan (current markets), this is the mi target starting from Q4 2023, but we prefer to concentrate most of the resources to be directed to expand in other markets (Market Development) and produce more new products (Product Development)

- Another Growth Strategy which can be applicable to achieve JUST TOYZ goals in reducing costs and ensuring the success of intensive growth is the vertical Integration growth, specifically the Backward Vertical Integration growth strategy, his strategy will manage to secure the products away from the risks associated with counting on other manufacturers or suppliers to supply the required products with the required quantities, this can be achieved by a strategic plan of building new factory to manufacture the required products, moreover, it will give the company the flexibility to produce their designs based on their vision in each market.

In addition, the vertical backward/forward growth by securing new distribution channels to wholesale markets can reduce or even eliminate the risks of counting on local or international distributors which may cause delays in products supplies.

- The Forward Vertical Growth strategy is a proper way to grow JUST TOYZ business as per the goals established, by establishment of new retail branches, the selling of the products can be secured and controlled, as well as the revenue can be secured, yet this strategy is risky as the public general mood is not into performing physical shopping as the online shopping is the trend and increasing in recent years, therefore, this strategy will be taken into consideration based on the results of the comping proposed strategies during the next evaluation, 2026.
- The Horizontal Growth Strategy in which concentrating on acquiring or partnership with one or more of the other competitors is a valid strategy to achieve expansion goal, yet this

will affect the success of the expansion as the concentration of acquiring other competitors will exhaust the resources of the company in an uncertain move which will not guarantee the expansion targeted, moreover, it will restrain the flexibility, the innovative thinking and behavior in the company

- To achieve the growth required, the growth strategies alone will not be sufficient, it should be accompanied with competitive strategy to have the competency and ability to sustain and grow, to be competitive company, JUST TOYZ need the competitive strategy to win the competition in the targeted new markets and gain the strength in competition in current markets. (The marter.co.uk, n.d.)
- Diversification competitive strategy is a suitable strategy to achieve the growth of JUST TOYZ in both current markets and new markets, not all types of diversification will be suitable (Concentric, Conglomerate, and horizontal), there is no meaning to supply new products related to the original product (as in concentric strategy) in our opinion, this is better be achieved by product development mentioned in the proposed intensive growth strategy.
- Conglomerate Diversification Strategy as well is not applicable at this stage as there is no meaning to exhaust the resources in another business currently and this is not in the goals suggested, at least in the next four years.
- Horizontal Diversification Competitive strategy is a suitable strategy, in our opinion, to achieve the growth of the company, producing new products not related to the original product but has the same characteristics will be suitable in our opinion, the proposed strategy will be explained briefly in the next coming sections.
- Michael Porter's competitive strategies are always valid for any kind of business in our opinion, and has to be used partially or as whole when thinking of growing the business, JUST TOYZ can use any of those strategies or all of them to achieve the targeted business expansion, Michael Porter has suggested four competitive growth strategies, as mentioned, those strategies can be used as whole or partially, to use only differentiation strategy which concentrate on the quality of the products and market the business based on quality, or cost leadership which concentrate on reducing the prices to increase the sales and being able to target different segments in the market, finally, the focused strategy which can be focus on

specific segment or market in differentiation strategy or focus on specific segment or market in cost leadership strategy.

- The Defensive strategies are not part of the strategies to be recommended obviously, as in the situation of JUST TOYZ, the company is looking to expand not to survive.

After briefing the different strategies which maybe applicable to achieve JUST TOYZ goals, we will propose two strategic plans for two different goals:

1. Strengthen the business in current markets.
2. Expansion of business in other markets.

Competitive Strategic Plan to Strengthen Current Market Shares

Based on the previous brief on the different business strategies which can be used to achieve JUST TOYZ goals, we hereby recommend a competitive strategy to strengthen the market shares in both markets (The UK and Japan), the goal is to increase the market shares and to increase sales by 7.5% by Q1 of 2024, and to reach 10% by Q3 of 2024, the strategic plan recommended will be a combination between the competitive strategies and the growth strategies, and we will plan those strategies mainly to penetrate the market, develop the market by targeting new segments, and by using Porter’s strategies an diversification strategies, the competitiveness can be achieved.

The below plan shall be executed starting from Q4 2023 **using the following steps:**

<u>The UK</u>	<u>Japan</u>
<ul style="list-style-type: none"> • Based on the current market research, JUST TOYZ is the second in the market according to sales. 	<ul style="list-style-type: none"> • Based on the current market research, JUST TOYZ is third in the market according to sales
The targeted segments are kids from 2 to 13 years old	
Sign deals to rent local stores to be able to store an amount of stock estimated to be supplied for one year.	
Sign contracts with the least rates to ship the products to avoid commercial fluctuation.	
Sign contracts with targeted retailers for two years at least	
Apply 5% discount when the amount required to be supplied reaches 10,000 pieces. (The paperflite.com, 2019)	
Apply the discount to 10% when the amount required to be supplied reaches 22,000 pieces.	

<ul style="list-style-type: none"> • Expand to include B2C (Business to Consumer) business besides the B2B (Business to Business) by building a platform and application to sell products online to consumers directly. This will be planned to be ready by Q2 2024. 	<ul style="list-style-type: none"> • Expand to include B2C (Business to Consumer) business besides the B2B (Business to Business) by building a platform and application to sell products online to consumers directly. This will be planned to be ready by Q1 2024.
<p>Build a factory in China and to be finished and start production by Q2 2024 to eliminate the need of other factories.</p>	
<ul style="list-style-type: none"> • Produce new line of products using football Premier League stars as toys by Q3 2024. 	<ul style="list-style-type: none"> • Produce new line of products using famous Anime stars as toys by Q3 2024.
<ul style="list-style-type: none"> • Produce another line of products which concentrate on educative content, also concentrate on traditional games 	<ul style="list-style-type: none"> • Produce another line of products which concentrate on educative content, also concentrate on traditional games. (The skdesu.com, n.d.)
<ul style="list-style-type: none"> • Start a marketing campaign to market the current and new products by Q3 2024, the marketing campaign will be performed by some of the Premier League stars to market their avatars of toys, this campaign will be targeted mainly towards online, social media and search engine optimization marketing 	<ul style="list-style-type: none"> • Start a marketing campaign to market the current and new products by Q3 2024, marketing Anime stars toys will be done using Anime stars avatars created by Artificial Intelligence, this campaign will be targeted mainly towards online, social media and search engine optimization marketing.
<ul style="list-style-type: none"> • The new line quality should be high to achieve the differentiation strategy; therefore, the prices will be slightly high 	<ul style="list-style-type: none"> • The new line quality should be high to achieve the differentiation strategy; therefore, the prices will be slightly high
<ul style="list-style-type: none"> • By Q2 2025, a new Play Station and Xbox game will be released using the most successful characters of JUST TOYZ products, this diversification strategy will not concentrate on both markets only, this will be targeting all the targeted markets, and it can market our products to other possible markets to be targeted in future. 	

Competitive Strategic Plan to Expand in new Markets

- During the expansion period to other markets, growth market development, growth product development, supported by vertical backward growth strategy, focused cost leadership and horizontal diversification.
- Starting with the vertical backward growth integration strategy, build a factory and to be finished and started by Q2 2024 to eliminate the need of other factories.
- Target other European countries in the European Union by Q3 2024 using Intensive Development strategies and differentiation strategies.
- By Q4 2024, Far East countries will be targeted using Intensive Development strategies and cost leadership strategies.
- Targeting Turkey by Q4 2024 using Intensive Development strategies and cost leadership strategies.
- By Q1 2025, we will target Middle East countries using Intensive Development strategies and cost leadership strategies.
- In every new market targeted, new product line of toys avatar the local ancient heroes, the public sports stars, and traditional heroes will be manufactured.
- Perform deals to rent local stores to be able to store an amount of stock estimated to be supplied for one year.
- Perform contracts with the least rates to ship the products to avoid commercial fluctuation and currency rates change.
- Apply 5% discount when the amount required to be supplied reaches 10,000 pieces.
- Apply the discount to 10% when the amount required to be supplied reaches 22,000 pieces.
- Upon the release of any new line, a marketing campaign to be raised using social media, booths at malls, and banners.
- By Q2 2025, a new Play Station and Xbox game will be released using the most successful characters of JUST TOYZ products., again, this diversification strategy will be targeting all the targeted markets (old and new), and it can market our products to other possible markets to be targeted in future.

Recommendations

Following the previous goals and strategies, we may separate the goals to short term goals which will be planned to be achieved by Q3 2024, then an evaluation will be done to evaluate the success of the strategic plans set to achieve those goals, and long term goals which will be planned to be achieved by Q4 2026 and Q1 2027, by that time a thorough evaluation of the whole strategy will be done and accordingly a new strategic plan to be set.

Short Term Goals Recommendation

- Build new factory by H2 of 2024 in China.
- Adopt new supply chain management plan by Q1 2024. (The gep.com, 2022)
- Reduce the cost of goods sold by 5% by Q1 2024.
- Strengthen the market shares in current markets by increase sales by 7.5 % by Q1 of 2024 and increase sales by 10% by Q3 of 2024.
- Build a new platform and mobile application to sell products in online retail market.
- Expanding in new markets in Europe by Q3 2024
- Establish new distribution channels to wholesale markets by Q2 2024
- Developing new products by H1 of 2024
- Increasing marketing efforts to achieve goals by Q3 2024
- Launch 5 new products per Q1 year 2024.
- Improve customer satisfaction ratings by 10%. This can be done by providing excellent customer service, offering a wide variety of products, and making it easy for customers to find what they are looking for.

Long Term Goals Recommendation

- Expand in new markets in Asia by Q4 2024
- Expand in Turkey Market by Q4 2024
- Expand in Middle East by Q1 2025
- Become the leading toys supplier in Europe, Asia, and Middle East by 2026.
- Expand in gaming industry by H1 2025

Finally, it is recommended to evaluate the previous Strategies by Q2 2026 and decide to go forward to expand in North and South America or revisit the plans.

References

A.Prajapati, (n.d.), Types of Growth Strategies, Retrieved from [https://www.economicdiscussion.net/strategic-management/types-of-growth-strategies/31914#:~:text=Types%20of%20Growth%20Strategies%20-%203,Diversification%20Growth%20Strategies%20\(With%20Examples.](https://www.economicdiscussion.net/strategic-management/types-of-growth-strategies/31914#:~:text=Types%20of%20Growth%20Strategies%20-%203,Diversification%20Growth%20Strategies%20(With%20Examples.)

Competitive Strategies, (n.d.), Retrieved from <https://www.studysmarter.co.uk/explanations/marketing/customer-driven-marketing-strategy/competitive-strategies/#:~:text=A%20competitive%20strategy%20is%20developed%20by%20assessing%20the%20strengths%20and,focus%2C%20and%20differentiation%20focus%20strats>

EVERYTHING YOU NEED TO KNOW ABOUT MARKET PENETRATION, MARKET PENETRATION IS A SET OF ACTIVITIES PURSUED BY COMPANIES TO INCREASE THE MARKET SHARE OF A PRODUCT, (March 2019), Retrieved from https://www.paperflite.com/blogs/everything-about-market-penetration?utm_term=&utm_campaign=CS+-+KW+-+Pmax+-+All+-+Interactive+presentations&utm_source=adwords&utm_medium=ppc&hsa_acc=1001156039&hsa_cam=20434338680&hsa_grp=&hsa_ad=&hsa_src=x&hsa_tgt=&hsa_paperflite.com

MOST FAMOUS TOYS AMONG JAPANESE CHILDREN, (n.d.), Retrieved from <https://skdesu.com/en/most-famous-toys-among-japanese-children/>

When was the Last Time You Did a SWOT Analysis?, (n.d.), Retrieved from <https://www.trajectify.com/blog/how-often-should-swot-analysis-be-performed#:~:text=You%20should%20be%20doing%20a,doing%20it%20even%20more%20frequently.>

YOUR GUIDE TO IMPROVING SUPPLY CHAIN EFFICIENCY, (August 2022) <https://www.gep.com/blog/strategy/your-guide-improving-supply-chain-efficiency.>