SWOTT Analysis

Joanna Dennerlein

Bus/475

May 7, 2018

Victor De Jesus

***SWOTT Analysis of the new Toyota division Product***

SWOTT analysis is crucial while examining the internal and external factors influencing a market or product. It is the most renowned tool for audit and analysis of overall strategic position of the business and environment in which it operates. It views all the positive and negative factors that arise inside and outside the firm. This factors usually have great impact on the growth of a company. In existing businesses firms adopt SWOTT to determine their position in the market places. SWOTT offers a company choices to determine the possible strengths, weaknesses, opportunities, threats available and future trends of the market. SWOTT is split into two categories which include external and internal factors. A consistent study of the environment where a firm operates, changing trends also help in the process of decision making.

This paper will depict an in-depth understanding the internal and external factors affecting the Toyota new division product. The analysis will present an in depth understanding Toyota division ought to offer the best quality services to its customers but the SWOTT considerations must be put in place. Once they are analyzed the company can generate revenues with ease.

***SWOTT Table for Toyota new product division***

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Strengths | Weaknesses | Opportunities | Threats | Trends |
| 1. The company enjoys a solid financial position2. It employs and advanced Toyota Production System (TPS)3. use of advanced technology and capabilities4. The company has strong leadership structure and positions | 1. The company relies heavily if Japanese and American markets2. There is a concern about the passenger’s safety.3. Increasing product recall4. The company is appearing weak in emerging markets5. Limited flexibility due to company’s size large size | 1. The company has invested on automated driving technology2. Possibility of product and business diversification3. The product is focused more on developing and emerging markets4. It has concentrated in development of more improved electric cars | 1. Intensified innovative competition from other producers2. Oil prices fluctuations3. Increased concerns about safety and health4. High costs of raw materials | 1. The company has been complying with necessary legal requirements2. The company has an ever-growing GDP3. Has continued to support new businesses5. Toyota concentrates on customer’s needs |

***External forces and trends considerations***

Assessing external environment helps strategy planners identify key opportunities and threats in the environment and compare them with internal strength, weakness and trends of the firm.

***Legal and regulatory forces***

Being a key aspect in the current growth of businesses Toyota new division should ensure that their product legal requirements have been met. Registration of this lubricant product should be put in place. The business should also acquire a legal permit to enable it carry on its operations. At Toyota new division technology has also been adopted to ease the accessibility of the product. Though this is a crucial are New Toyota has ensured that only reliable transactions are made through this websites. Regulatory bodies pertaining technology privacy have been put in place. Through this the company result the long run have been boosted.

***Economic Factors***

As the introduction of this new product in the market is significance the economy of the country too will push toward generation of revenues. The profitability of company is determined by growth per earning share. New Toyota division will take into account the present economic trends. Due to the use of cars all over the world the motor lubricant product is a strength in the market. Through understanding of this economic condition new Toyota will develop a competitive market.

***Technology***

The new Toyota has adopted technological approaches Because of the current drift in advancement of technology, New Toyota division has adopted this. Technology positively or negatively affects the growth of a company. If used appropriately with all security measures the well-being of New Toyota division will be seen. On the other hand technology is a threat since it can tarnish the image of the company if used inappropriately.

***Competitive analysis***

Toyota motors being a global company is at a safer side introducing the new division product. First the company image is good and also individuals are conversant with this industry. The company brands are also well known. Introduction of this lubricant will ease its penetration in the market since it can be sold together with other Toyota brands.

***Internal factors***

***Strategy***

Toyota new division have strategized in a product that is new in the market. Toyota motors in the past have not produced motor lubricants. As a result this entry of this new product will be adopted in the company positively. Toyota new division have ensured that its motor lubricant products are widely available to all.

***Goals***

In the mission and vision definition the main goal of Toyota new division is to provide customer satisfaction. This will be seen through provision of quality motor lubricant products at the most affordable cost. New Toyota division will also ensure that its customers are always given the first priority. In turn this will 5result to generation of higher profits while building the goodwill of Toyota Company.

***Culture***

This is a basic key on whether the need of the customers is supplied in relation to their cultural beliefs. Toyota new division has ensured that all people’s different cultures are preserved. Through production of lubricants which meet the demands of the customers without necessarily affecting their personal beliefs. This will promote social cohesion and improve division’s mission of customer’s base.

***Strategies and capabilities***

Toyota new division have put into consideration the capabilities of possible threats in the market. This can be as a result of price wars, increased completion leading to excess capacity, unrest among employees thus reducing the company’s profits. The following can internally affect the organizations thus stability and survival can be at stake. Toyota new should ensure that its prices for the lubricant commodities are favorable.

The supply chain of new Toyota division aims at introducing this lubricant product in line with its initial Toyota motors product. In order to make a positive impact on the model the new division has enabled that the supply of the lubricant is accessible. This will meet the demands of the customers who are royal to Toyota brand products. Other stakeholder in the firm are also given an opportunity to incorporate their ideas in the business.

Strategic planning will help the new division to scam the environment thoroughly. This helps adopt to changes in business environment such as financial crisis. As a result the primary objective is to produce lubricants in Toyota new division. The plan in new division have been communicated to all employees in the organization to make them aware of the objectives, mission and purpose.

Major opportunity that New Toyota division encounters is the ability to produce a commodity that is in much need as per its existing products. Being a leading company in the motor vehicle manufacturing industry introduction of this product will boost the total sales. Also a centered business operation will be developed because all these products are enclosed in on line of business. Toyota new division will also have to market its products intensively in the market to ease penetration.

References

Bradford & Duncan (2000). *Simplified Strategic Planning* (3rd Edition). New York: Chandler House.

Groonroos, C. (2004). The relationship marketing process. *Journal of Business & Industrial Marketing, 19* (2), 99-113, Retrieved August 7, 2009 from <http://www.emeraldinsight.com/Insight/ViewContentServlet?Filename=Published/EmeraldFullTextArticle/Articles/0800190202.html>

Kotler, P. (2002). *Marketing Management* (11th Edition). New York, USA: Prentice Hall Pvt. Ltd.

Payne, A. & Frow, P. (2005, October). A Strategic Framework for Customer Relationship Management. *Journal of Marketing, 69*, 167-176. Retrieved August 7, 2009 from <http://www.sirim.my/techinfo/P1/Management/Sept-Oct05/sept-oct05_article10.pdf>

Pierce, J. & Robinson, R. (2004). *Strategic Management* (eds.). New York: McGraw Hill Companies.

Rapacz, D. & Reilly, M. (2008). The New View of Relationship Marketing: Better integration to deepen brand commitment. *Journal of Integrated Marketing Communications*, 19-25. Retrieved August 7, 2009 from <http://jimc.medill.northwestern.edu/JIMCWebsite/2008/RelationshipMarketing.pdf>