Competition

Lisa K. Flatin

Rasmussen College

November 28, 2017

Author Note

This paper is being submitted on November 28,2017, for GlenPhilbrick’sB280/GEB2930Business Capstone Course.

MovieFlix Company

MovieFlix Company has experienced a reduction in its sales as a result of the stiff competition from other Companies that offer the same products as MovieFlix Company. Therefore it is important for the Company to find better strategic plans to solve the issue of the stiff competition.

SWOT Analysis

|  |  |  |  |
| --- | --- | --- | --- |
| Internal strengths | Internal weakness | External opportunities | External threats |
| Brand name  Huge market share  Goods | Weak administration  Poor supply chain  Unavailability of the strategic plan | New markets  Online marketing  International expansion | Stiff competition  Substitute Goods  High costs |

Internal strengths

The internal strengths such as the brand name, existence of goods, and huge market shares have been chosen since the company is able to produce goods for the consumers, which have also led to the huge market shares. Additionally, it is the brand name that the company has been able to run for long.

Internal weakness

Internal weaknesses have been chosen because of the existence of the drop in the sales of the products. For instance, it is through the weak administration that the appropriate strategic plans cannot be developed in the company (Cunningham, & Silver, 2013). The poor supply chain has also affected the sales of the products since the goods do not reach the consumers in time and it is also difficult to reach new clients who might not be aware of the products of MovieFlix Company.

External opportunities

External opportunities are described as the existing chances that the company can use to improve its sales. For instance, the international markets expansion can be a good strategy to reduce the stiff competition that the company has faced for long. Additionally, through the online marketing, the people from different nations will be able to know more about the MovieFlix products hence purchase them leading to the increase in the sale by the Company.

External threats

External threats have acted as the major reasons why there has been a reduction and stiff competition to the MovieFlix Company. For instance, as a result of the existence of the substitute goods, MovieFlix Company finds it hard to sell most of its products. Additionally, the high costs of the goods also make the customers purchase from other firms that offer products are lower prices. Furthermore, the availability of the stiff competition from other forms also makes the firmto experience low sales rate of the products since most of the clients will buy from the other firms (Cunningham, & Silver, 2013)

**Solving the problem**

To solve increased competition problem, MovieFlix should get on developing new markets in other new countries. It is significant to recognize that this will not lead to the immediate generation of the profits but leads to the expansion into the international market. The company can also partner with other existing foreign firms and start providing services through these companies' cables and set-top boxes (Sekaran, & Bougie, 2016).

**REFERENCES**

Sekaran, U., & Bougie, R. (2016). *Research methods for business: A skill building approach*. John Wiley & Sons.

Cunningham, S., & Silver, J. (2013). Online Distribution: A Backbone History. In *Screen Distribution and the New King Kongs of the Online World* (pp. 13-31). Palgrave Pivot, London.