



Profitability at TM
Lewin, UK

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Overview.

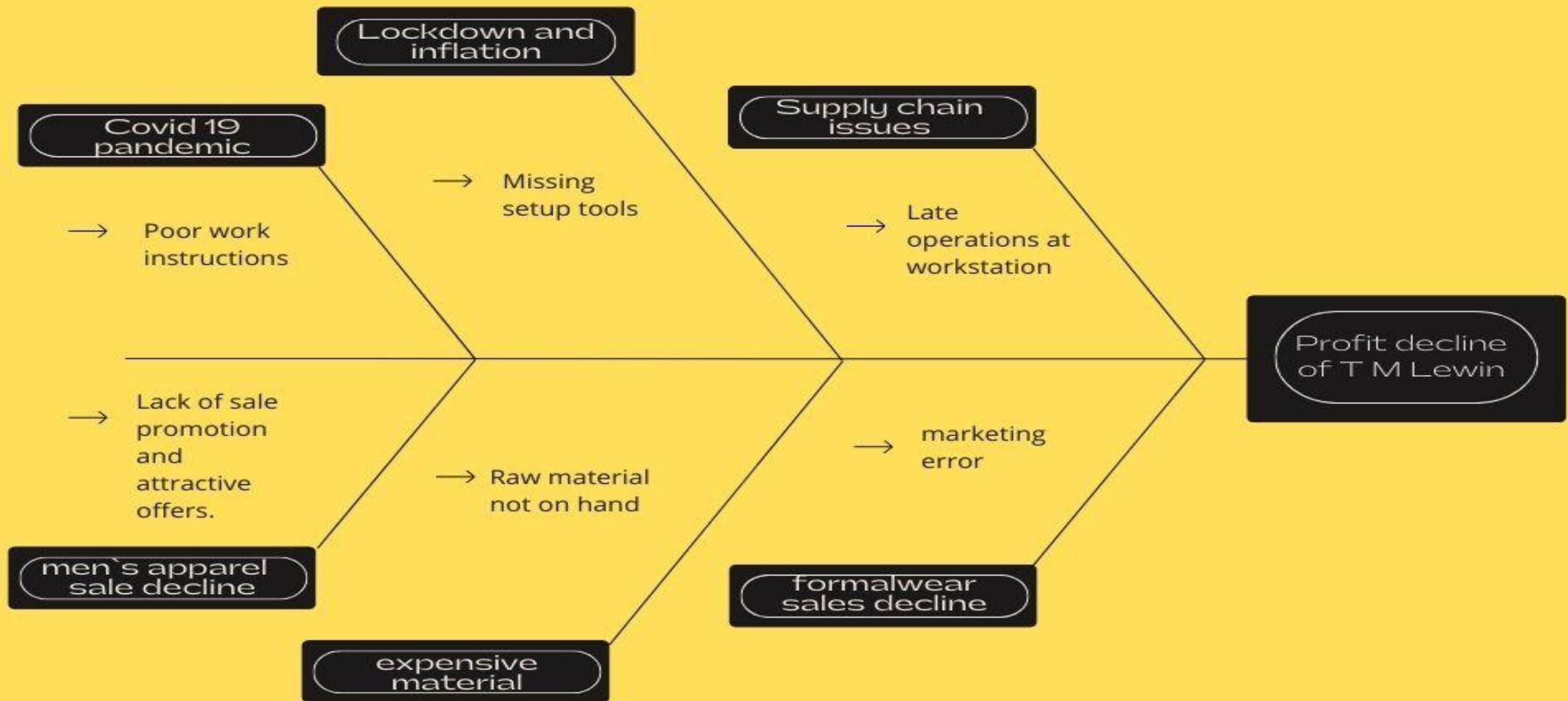
- ▶ This presentation is about providing solutions to the business-related problem faced by T M Lewin
- ▶ T M Lewin is a company that sells shirts
- ▶ The company is currently facing a problem of sale profitability decline
- ▶ According to the company, The main cause of sale decline is COVID-19 pandemic and inflation caused by that pandemic.
- ▶ In this presentation we will look into possible solution that can help T M Lewin in growing their sales.

Impact of Covid 19 on business sales and profitability of T M Lewin

- ▶ COVID-19 led to a massive shutdown of businesses in the second quarter of 2020.
- ▶ Before covid 19, T M Lewin was going well as they opened 150 shops worldwide
- ▶ The situation of the company got bad following the impact of COVID-19 as their men's apparel and formalwear got a massive hit in sales.
- ▶ Lockdown and supply chain issues are considered as the reason behind the decrease in profitability (Wang, Chen, & Song, 2018).

Impact of sales and profitability decline on employees

- ▶ When a company is going low on profits then they have to make hard decision for cutting off their expenses
- ▶ Employees can be at greater risk of losing job as company may not be able to provide them salary
- ▶ Company may also look for small team which again can lead to removal of some employees from job.
- ▶ Working employees may have to double their efforts in order to remain at their job (McGrath et al., 2021).



Fisbone Diagram



The Fishbone is a tool to search for the different causes of a problem. This visual tool reminiscent fish skeleton graphically represents the causes leading to a situation or a problem.

How to improve business profitability of T M Lewin

- ▶ **Manage your costs:** Profitability may be increased by carefully monitoring and controlling expenses. While it's true that most organisations may discover some areas of waste to eliminate, it's essential that you avoid doing so at the price of the quality of your goods and services (Monteiro, 2021).
- ▶ **Pricing considerations:** Pricing should be evaluated on a frequent basis. Depending on how the market evolves, you may be able to increase pricing without significantly impacting revenue. However, before implementing a permanent price increase, it is prudent to conduct a test (Wang, Chen, & Song, 2018).
- ▶ **Getting the best deal from your suppliers:** When the company's primary expenditures are isolated, it becomes clear where the money is being put to use. Find the best deal possible after you have determined your spending priorities. You may try haggling with your vendors to see if you can get a discount for paying early (Monteiro, 2021).

Pestle Analysis of T M Lewin profit decline

- ▶ **Political:** Trade tariffs, Conflicts, Taxation, and Fiscal Policies are all examples of ways in which the political climate may have an impact on T M Lewin (Wang, Chen, & Song, 2018).
- ▶ **Economic:** T M Lewin's sales might be affected by the general economic climate, which could have an impact on the company's pricing or the prevailing supply and demand conditions. Some examples of environmental influences are: Money in the bank, Joblessness, Interest Rates, Currency Exchange Rates, and Inflation Rates. Models of Economic Expansion (Akhavan, & Philsoophian, 2018).
- ▶ **Social:** Religion and ethics, social network, consumer purchasing habits, demographics, health, opinions and attitudes, the media, and T M Lewin brand preferences are all examples of social elements that may affect the company's bottom line (Wang, Chen, & Song, 2018).

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- **Technological:** T M Lewin's sales might be reliant on technological advancements made by the company, which could have an impact on the economy. Technological elements may include: Technology advancement, patents, and robots (Mutalimov et al., 2021).
 - **Legal:** One of the factors influencing T M Lewin's bottom line is the legal and regulatory framework that shapes business practises and mandates standards for things like workplace safety and employee rights. T. M. Lewin's legal implications may involve: Policies pertaining to the workplace, consumer safety, and the regulation of certain sectors (McGrath et al., 2021).
 - **Environmental:** A variety of environmental elements, including as weather, geography, and the priorities of T M Lewin's stakeholders and customers, might affect the company's bottom line (Monteiro, 2021).

References

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