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Introduction

Community engagement refers to way an organisation communicates and build relationship with the community in which it operates its business. LIDL, a German global company, working in retail sector has been selected for this purpose. LIDL needs to deal with a large number of customers through its store around the world. It needs to maintain good relation with suppliers and local community to operate business smoothly. This reports discussed how LIDL operated its business and maintain communication with people and it also discussed external and internal environment of LIDL.

Discussion and Analysis

Organisational Overview

LIDL is an organisation based in Germany serving in retail industry of the world. It provides groceries and merchandising products to the customers around the world and it is the market leader in grocery market of Europe. It has supermarket, superstore and convenience shop. It is a private limited company and it has more than 10,00 shops around the world and more than 315,000 thousand people are working in the organisation. It earned a net income of £1,541 million in 2018-19 and a revenue of £98,000 million. According to CEO of LIDL, Values of LIDL is in its leadership style and its code of conduct. Core values of LIDL is that it follows strong CSR activities and it maintains good corporate culture. The mission of LIDL is to grow sustainably by recruiting, training and developing skilled people (Performancemagazine.org, 2019).

Customers of Lidl

Customers of Lidl are mass people who need grocery product to satisfy their daily needs. People of various age range visits superstore of Lidl around the world to buy grocery products. Some people order online from the website of Lidl. Customers of Lidl expects fastest service at a cheaper rate from Lidl. They want a variety of product line in Lidl's superstore and they want fastest delivery in case of online order (Ma, 2010). Lidl gives greater value to customers to attain customer loyalty and for being the largest retailer of the world.

PESTLE Analysis of Lidl

PESTLE analysis is a tool for analysing the external environment of an organisation that an organisation can't control but is affected by the environment. An organisation needs to take its strategy based on its external environment. Below is done PESTLE analysis of Lidl.

Political

Political factors refers to changes in political stability and government outlook of the country. Lidl being a multinational company is affected by political outlook of government of various country. It is affected by the tax rate, tariffs and various government regulations. Financial instability around the world is rising and thus Lidl should focus on creating more job opportunities for domestic workforce to keep the government of the country in which it operates happy. By creating more job, Lidl can increase the demand of its product also as the word of mouth will play a great role in marketing (Contributor, 2019).



Figure 2: Pestle Analysis (10.wp.com, 2019)

Economic

Economic factors refers to income and financial condition of the country and people of that country. People buys product from Lidl to meet their needs and when their income level will reduce, the purchasing power will also be reduced affective the sales and profit of Lidl negatively. In spite of being a multinational company, most of the revenues of Lidl comes from UK. It has

30% market share in UK. Income level of UK people is decreasing and thus Lidl should focus more basic products and it should produce less luxury products. Internationalization is a good strategy for Lidl by which it operates and provides goods and service in various countries (Contributor, 2019).

Social Factors

Social factors refers social outlook, demographic, religion and culture of people of a region. People of UK are moving towards bulk shopping which refers to buying at one time in large quantity at a reduced price. People buy non-food items at bulk and are more conscious about health issues. Thus, Lidl can pursue the strategy of selling more non-food items which will increase its revenue highly. People being conscious about health issues want organic food and thus Lidl added some organic products in its product line (Contributor, 2019).

Technology

Technological factors refers to change in technology that changes the way things are done and needs of people are fulfilled. Lidl is aware about technological change and tries to employ new and better technology in its process. Lidl has added online shopping opportunity from where it gets a substantial amount of revenue. It has also added self-service checkout which increases the convenience of customers as they can check out at counter without need to communicate with anyone and machine tells the price. This has also reduced labour costs of Lidl (Contributor, 2019).

Environmental Factors

Environmental factors refers to changes in atmosphere of the world. Organisations are doing great harm to the environment which will threaten life in the world. Thus, Lidl is conscious about saving environment and respectful to environmental laws. It has taken action to reduce its carbon footprints by 50% within 2020 and it has taken action for reducing waste in its superstores by making customers aware of environmental issues (Contributor, 2019).

Legal Factors

Legal factors refers to changes in laws and legislation under which an organisation operates and to which an organisation should comply. In UK, a legislation has been suggested by food legislation committee which will ban the practice of changing price without notice. Lidl has

implemented this law by making customers know about future price range. Lidl is also respectful to various employment act, food and safety act etc. (Contributor, 2019).

SWOT Analysis

SWOT analysis is a tool for internal analysis of an organisation. Below is done the SWOT analysis of Lidl.

Strengths

Lidl has leadership position in retail industry of Europe in grocery market. It can manage its online shopping facility efficiently and its online shopping grew more than 20% of the market in 2015. Lidl has ability to provide discounts through a special membership card which provides important information to the customers and is used effectively to retain customers. It provides points, vouchers and offers to the customers through Clubcard. It can derive important data about customers from this which help in giving customised offer. Lidl has a good portfolio of assets and currently it has around 10,000 shops around the world of which most are owned by Lidl (Dudovskiy, 2019).

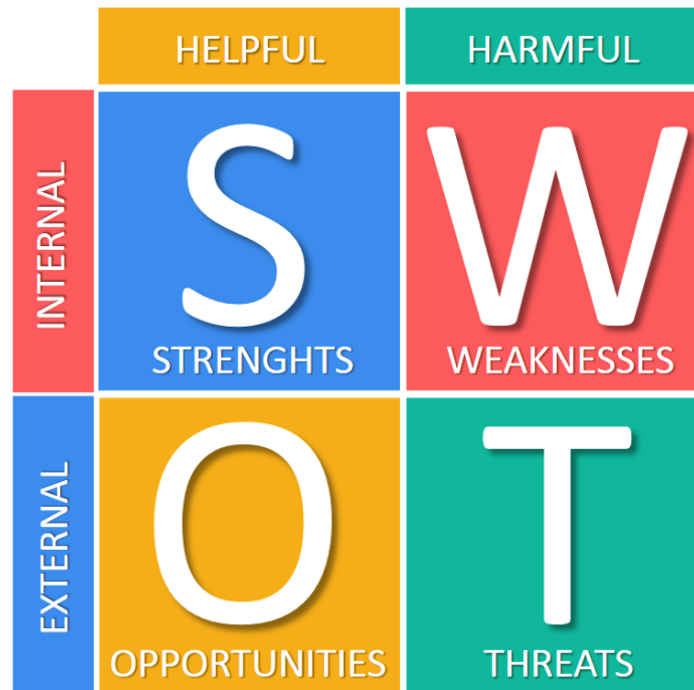


Figure 3: SWOT analysis (Business-to-you.com, 2019)

Weakness

In spite of having large market share, the company's net operating profit is not substantial. It earned a net profit of £1,541 from a revenue of £98,000. In 2014, accounting mis-declaration issues has arisen in the company which harmed its reputation. Moreover, the company is highly dependent in Europe market and the economy of Europe is diminishing. Employee morale of Lidl is also decreasing (Dudovskiy, 2019).

Opportunities

Lidl has some opportunities to grow its company. It has opportunity of growing through international expansion strategy. It can start operation in many countries it currently not offering any service. Lidl has good opportunity in financial service industry which it entered recently by establishing a bank. Lidl has opportunity of expanding business by offering non-food retail items (Dudovskiy, 2019).

Threats

Lidl has a lot of threat to sustain its business. Its new leadership is facing the threat to turn over its business and it is unable to sustain its costs leadership position in the market. Some ethics related problem arising in the company are also reducing image of the company to investors and public (Dudovskiy, 2019).

Role of Employee in Lidl in achieving goals

Goal of Lidl is to provide superior service to its customers and to retain customers. For this, Lidl needs help of its employees to provide service to the customers. Employees of Lidl provides service to customers in two process- Front Desk interaction and Back Desk office. Through front desk interaction, employees plays great role by providing information about various product and service to the customers and by responding to customers feedback and complain. Through back home office, promotional offers are communicated to the customers and customers query and complains are responded. Thus, by serving customers and making them satisfied, employees of Lidl are increasing number of loyal customers which in turns is increasing the revenue and brand image of the company. However, in 2015 an accounting misconduct has been done by some of employees which greatly harmed reputation of the company (Moore, 2012).

Training and Development in Lidl

Training and Development refers to increasing the skills and knowledge of employees to carry out various tasks more efficiently. Most of the tasks that employees of Lidl need to perform are routine jobs. Employees need to communicate with customers frequently and respond to various complaints of customers in a careful way. To better deal with customers, training on communication skill is needed. When employees can deal with customers effectively, a negative situation may also turn into a positive one. If employees are trained to perform their routine job, skills will increase and they can serve customers more efficiently. This higher efficiency will help in achieving goals of the organisation and increase its revenue (Nwagbara, 2010.)

Role of Front Desk Officer in Lidl

In various stores of Lidl, Front Desk Officers have to play a great role. Front Desk Officers need to have a thorough idea about the products of the store and policies of the organisation. Front desk officers need to respond to customers' queries in a friendly way and need to respond to customer complaints by taking decisions based on company policy and customers' logic. Front Desk Officers need to make customers informed about the new offerings of the company and convince them about the value of products.

Skills and Knowledge needed by Front Desk Officer

Front desk officers of Lidl need to have high interpersonal skills and communication skills. They need good proficiency in local language to understand customers' problems and make them understand about the value of products. Front Desk officers should have high knowledge about the product and service of the company as customers can make queries of any product. Front Desk Officers also need to have good knowledge about the policy of the company to deal with customers' complaints as some complaints need to be compensated and some need to be rejected by convincing the customers in a friendly manner. Front Desk officers also should have good people skills and should be able to achieve reliability among the people.

Training and Development Requirement of Front Desk Officer

Front Desk officers need to be evaluated continuously based on performance of store and ability to satisfy customers' queries and complaints. From the evaluation, training and development needs can be detected. Front Desk officers should be trained in a seminar where details of policy of Lidl are

responding to customers query and complain will be made clear to them. An in job training can be given to new front desk officer by keeping them with skilled front desk officer of high performance store. Front desk officer should be made skilled in local language of the area in which he works. For that a language training should be given. Front desk officer should also be trained about the demography, culture and lifestyle of the people in which area he works.

Conclusion

It has been found out that Lidl is doing well in maintaining relationship with customers. However, some issues related to employee ethics has been identified. Thus, employees of Lidl should be monitored and performance of employees should be evaluated continuously. Punishment should be given immediately in case of violation of company policy. Trainings and development of employees should be focused as better service for customers depends on skills and knowledge of employees.

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Appendices

Training and Development Plan

Training and Development Required	Ways of training	Expected Benefit	Costs	Timescale
Knowledge of Company Policy of dealing with customers	Seminar	Can be able to deal with customer based on company policy and thus unfavourably situation will not arise.	£10,000 for employees of 20 stores.	January 1, 2020- January 5, 2020.
Interpersonal Skills	Training Centre	Can be able to talk and communicate with customers in a friendly and effective way.	£250 per employee.	January 1, 2020 – February 15, 2020.
Language	Training Centre	Can be able to understand local language and communicate in that language.	£300 per employee.	February 16, 2020- march 15, 2020.