

Programme: BA (Hons) Leadership and Management Skills for the Workplace

Module: Strategic Management for Business

Module code: LCLM6001

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Assignment Title: Strategic Development Process

Word count :3000

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Executive Summary

In the current competitive business setting, organisations must implement appropriate marketing strategies after a detailed analysis. The current study has focused on evaluating the current market condition of Unilever by highlighting SWOT, Porter's five forces and value chain analysis. As per the study report, the organisation needs to work on its strengths and leverage opportunities for mitigating the challenges and weaknesses that are threatening the organisation. Besides, in the current technological era, Unilever needs to emphasize utilising rapid technology like AI and IoT for facilitating its organisation procedures and implementing initiatives for meeting corporate objectives. Besides the sustainability aspect of Unilever highlighted is that the organisation has focused on implementing initiatives like the circular economy to reduce plastic usage while fostering community development through supporting local members.

Introduction

Unilever is a leading retail organisation operating under leadership of Alan Jope with its headquarter located in the UK. The organisation is involved with selling diverse ranges of product from household item to food products and ensuring the fulfilment of the needs of the consumers. The organisation operates in more than 190 countries and serves nearly 3.4 billion individuals daily. The product line of Unilever comprises beauty and well-being products, personal care, home care, ice cream, and nutrition-like food and beverages. The business model of Unilever rewards around developing and managing a portfolio of worldwide recognised brands across varied categories, including personal care, nutrition, beauty, and home care. The organisation emphasizes obtaining a detailed understanding of consumer requirements, leveraging technology and innovation for developing a robust supply chain for catering to the global market. The organisation also emphasizes on purpose-driven leadership approach and commitment towards sustainability within its operations.

Strategic direction of the organisation

Vision of Unilever is "to make sustainable living commonplace", indicating that the organisation aims to become a leader within sustainable business practices. The organisation aims to develop a brand that fulfils consumer requirements and positively affects the environment and society. Unilever introduced the "sustainable living plan" in 2009 as its core vision, emphasizing enhancing well-being, helping diminish environmental consequences, and enhancing people's livelihoods. The mission of Unilever is "to meet the everyday needs of nutrition, hygiene, and personal care with brands that help people look good, feel good, and get more out of life". The primary objective of Unilever revolves around making sustainable living a commonplace, emphasizing areas like

livelihood, climate, and nature. These corporate objectives of Unilever focus on achieving a net-zero carbon footprint, eliminating plastic pollution, regenerating the ecosystem, and enhancing the livelihood of people all across the global supply chain.

Environmental analyses

SWOT analysis

Strength	Weakness
- Unilever has a strong global presence with conducting its business operations in more than 19 nations. Thus, it serves to be effective for Unilever as it benefits the organisation from economies of scale as well as leveraging worldwide supply chain and gaining access to diverse full of consumers (Fitriani, 2022). Besides, global presence also permits Unilever to adapt to a varied regulatory and cultural environment, which is crucial in a highly regulated consumer goods sector. - The brand portfolio of Unilever is extremely strong, well done, and trusted among consumers globally, including Lipton and Dove. Similarly divorce brand portfolio of Unilever involves products across various categories, including beauty, home care, and personal care. Diversification assists organisations in successfully avoiding the risk involved with over-dependence on a single product line. - Unilever invests heavily in research and development to develop innovative	- Unilever is strongly dependent on the retailer, as the brand's reputation and performance rely heavily on the retailer's performance. You never have a network of more than 25 million retailers for selling its product globally. However lack of forward integration potentially results in complete control over the cells by the retailers. - The complex organisational structure of Unilever, with multiple brands and units, makes it challenging for the organisation to implement rapid changes while responding to market challenges. Thus contributing to the lack of smooth organisational operation of Unilever.

products that successfully meet changing consumer requirements. The organisation's commitment to innovation has successfully contributed to Unilever's leadership in strong brand reputation and product development. For instance, Unilever has led to a ground-breaking innovation of Eco refill which has been made with 75% less plastic.	
Opportunity	Threat
- Unilever should focus on extending into emerging markets, which can provide the organisation with the benefit of leveraging market opportunities and reaching out to a large number of consumers (Kalbach, 2020). Unilever can benefit from the cost advantages in the specified markets, including easy access to raw materials as well as reduced labour costs. - Organisations should also focus on investing in advanced technology like AI, IoT, as this would seamlessly help firms conduct operations by overcoming the hurdles.	- Unilever faces strong competition from Tesco, Sainsbury, thus indicating that the organisation should focus on expanding its product line as well as implement innovative strategies for gaining a competitive benefit. - Strict regulation further makes it challenging for the organisation to operate smoothly. Regulation include level loss product safety and environmental levelling which the organisation need to comply with facilitating smooth organisational progression.

Table 1: SWOT analysis

(Source: Self-developed)

Value chain analysis

Primary Activities

- Inbound Logistics: Each single operating unit of Unilever had its own logistics handling. Vendors were responsible for carrier booking and transforming the inbound price. The organisation was not much involved in this procedure, which led to a situation where you had no other way of knowing whether vendors were utilising cost-efficient mode or not. Unilever utilises software provided by lean logistics for managing the entire inbound system in a building managers to keep track of the service label and cost through regular feedback.
- Operations: Unilever is responsible for maintaining high productivity across its brand by taking appropriate care of efficacy in varied aspect of Delhi operation. In context to quality management Unilever set threshold depending on data accumulated by industry trends and market research.
- Outbound Logistics: Unilever's products are available in more than 190 nations and is involved in operating with the vision to solve people everywhere through available channels. More than 400 logistics warehouses are present across the world, which assist in delivering 150 billion products to a million retailers.
- Marketing and Sales: The Research and development team of the organisation utilises consumer ideas and insights for product development. The organisation utilises multiple channels like e-commerce, supermarket for making its product easily accessible to consumers.
- Service: Unilever maintains its communication with the retail partner and consumer, as well as with consumers to understand their requirements, as well as market trends. Leadership executives of Unilever conduct regular interaction with consumers through market visits to obtain a detailed idea about the discount store and competitive online. This further helps organisations to provide sustainable products, which assist them in offering different products.

Support Services

- Firm Infrastructure: Infrastructure of Unilever comprises of legal management and financial system enabling business to undertake sound decision. The board member also supports team member and legal experts are present who constantly assess organisations practice for ensuring compliance with the product safety environmental laws.
- Human Resource Management: Unilever follows an inclusive organisational culture for attracting top talent. The organisation is undertaking efforts to inculcate learning habits among its employees, specifically through digital platforms.

- **Procurement:** The Procurement team of Unilever purchases from a broad range of supplier network spanning across the nation. Supply service is a vital part of an organisation's commercial operation. The organisation emphasizes sustainable sourcing of products (Fatima and Elbanna, 2023). Unilever has established three different marketing procurement teams dedicated to varied business segments, including personal care and beauty, home care and food.
- **Technology:** Ambition of Unilever supporting sustainable growth is fuelled by innovation. Science product development and technology are the crucial aspects of Unilever's strategy to ensure the provision of products to consumers that would positively affect the environment and society. The organisation has 6 centres in China UK, India, the Netherlands, and the US working on the technology necessary for the development of the product. The technological product has already been examined to ensure its compliance with consumer requirements and performance standards.

PESTLE analysis

Factor	Discussion	Impact
Political	• 75.47 has been reported to be the political stability index in UK in 2022 does indicating a stable situation for Unilever to conduct its business smoothly (Tradingeconomics, 2025). • Brexit on the other hand negatively poses serious threat to smooth organisation operation due to increase restrictions and regulations preventing export and import of good between EU and UK does affecting smooth organisational progression.	Negative
Economic	The inflation rate in the UK has been reported to diminish to 4% in 2023 from 10.5% in 2022 does highlighting reduced raw material prices (Statista, 2025). A decrease in raw material price the effective for smooth business proceedings as it contributes to improving organisational operations.	Positive
Social	The population growth rate has been reported to have reduced from 1.13% to 0.82 percentage from 2022 to 2023,	Positive

	thereby indicating a negative impact on affecting productivity of businesses (Statista, 2025). This is because consumers are responsible for enhancing Unilever's progression, and the reduction in population growth in UK is a clear sign that it also lead to reduction of the target consumers of Unilever.	
Technological	Nearly £45 million has been invested by UK Government for facilitating technology promotion, encouraging organisation to adopt advanced technology while conducting is business operation. Thus, it serves to be effective in facilitating positive organisation progression.	Positive
Legal	Corporate firms operating in the UK are required to comply with the Consumer Rights Act 2015 to provide complete safety and protection of the consumer by prioritising the maintenance of product safety, quality, and repairing damaged products (Legislation.gov, 2025).	Positive
Environmental	Organisational leaders are required to abide by the "Environment Act 2021" by emphasizing more on diminishing GHG emissions by 2015, facilitating smooth organisational progression, and preventing organisational hindrance (client earth, 2025).	Positive

Table 2: PESTLE analysis
(Source: Self-developed)

Porter's Five Forces analysis

- Competitive rivalry: Porter's five forces analysis emphasizes evaluating consumer power, competitive rivalry, supplier power, industry rivalry and threat of new entrants. Competition is one of the forces that affect the organisational performance of Unilever. In case of competitive rivalry massive number of corporate firms are operating within the consumer goods industry. This further lead to a strong force on the smooth organisational progression of Unilever. Besides, organisations also encounter Steve competition due to diminished switching costs, thereby providing opportunities for consumers to easily switch to another organisation.

- **Buyer Power:** The industrial ambience of Unilever largely depends on consumer response to products sold by the organisation. Influence of consumers on affect sales volume of the firm. In case of consumer power diminished, switching costs make it much easier for consumers to switch to products sold by the key competitors of Unilever. This leads to high consumer power. Besides, consumers have broader access to quality information regarding consumer goods, thereby helping firms to make sound decisions and purchase products. Consumers can successfully compare the price and quality of the products available online, thus indicating that buyer power is the strongest factor affecting the Unilever business.
- **Supplier Power:** Supplier power in the context of Unilever is largely influenced by the environment within which the organisation operates. As per the report supplier in the context of Unilever highlights that the organization maintains communication with new suppliers. External factors pose a medium threat to the consumer goods industry. Moderate suppliers impose a critical but limited impact on the performance of the corporate firm. Besides moderate availability of Unilever suppliers, limited supplier influence, for instance, alteration within the production level of supply leads to significant changes in the availability of the raw material used by the business.
- **Substitution Threat:** The Threat of substitution is another factor that affects organisational sustainability and performance. Substitution impacts the performance of Unilever by reducing corporate revenue. Diminished switching costs make seat convenient for consumers to switch to the altered net product sold by you deliver. External forces impose strong pressure on the consumer goods industry and the corporate firm as a whole. In case of substitution, diminished availability of substitute products lowers the substitution threat faced by Unilever. Besides, the availability of substitute products is reported to result in poor performance when compared to all other alternative products available within the market. Thus, the situation indicates that the product sold by Unilever a much more attractive in comparison to alternative products that lowering the substitution threat.
- **New Entrants Threat:** The threat of new entrants indicates that Unilever competes with several reputed organisations operating in the consumer goods industry. Diminished switching cost makes it much easier for a new entrant to impose a robust impact on the operational activity of the organisation. It is quite challenging for a new organisation to develop a strong brand image, thus, the threat of new entrants is comparatively lower in the context of Unilever.

Growth Strategies

BCG matrix

Star products (high market growth and high market share), and in the case of Unilever, Lipton is considered to be the leading tea brand, which is considered to be a star product. Since this product holds a large market share and poses are growing market, the brand should continue investing to enhance its position.

Cash cow products have having high market share and low market growth. These are the leading product within industries that have reached saturation and is considered to be the significant category for Unilever and require for the investment for generating revenue (Clarissia et al. 2020). Maritime for instant is the prime example of cash product of Unilever.

Products falling in the dog region are having a low market growth and market share. These are considered to be dead-end products whose time has passed and do not provide any future profit. For instance Slim Fast brand of Unilever is considered to be falling under this category, which has highlighted the selling of the brand to Kainos Capital to focus on other products with higher growth potential.

Problem child or product with high market growth and low market share. These are considered to be young brands that are yet to maximize their potential within the industrial sector, and thus require greater investment. Profit generated from brands like Maritime has been reinvested by Unilever in T2, a premium tree brand operating in Australia falls under this category

Ansoff Product-Market mix

Ansoff Matrix it's a strategic framework used for evaluating the growth opportunities by considering existing and new products as well as services within existing on new markets. Market penetration includes enhancing sales of the existing product within the current market. Product development strategy emphasizes developing new services or products for the existing market. Market development highlights the expansion of the product into a New Market with the existing product or service (Anastasiu et al. 2020). Diversification strategy emphasizes developing new services or products for new markets. In context to Unilever the organisation should focus on market development strategy where the organisation should focus on expanding its reach beyond the 190 Nation it has been currently operating with the existing services and product full stops this would help organisation provide opportunity to enter into new geographic region targeting new consumers and finding innovative ways to utilise existing product.

Technological trends and their impact on business

Advanced technology is re-shaping the way businesses are conducting their operational activities, affecting cost reduction, market competition, and consumer experience in an effective manner. Organisations in the current technological era focus on utilising AI technology for enhancing productivity and efficacy through task automation. Employees focus on more administrative work, which would contribute to the organisation's betterment. To be effective in reducing the operational and labour costs contributing to facilitating organisational operations. Consumers are vital as they are responsible for contributing to the organisation's success. Corporate leaders must focus on analysing detailed consumer analytics and accordingly formulate strategies to manufacture products to meet consumer requirements. AI and predictive analytics usage help Unilever to predict consumer behaviour and purchase intention, which would further help them to liberate the social media platform accordingly for marketing their products and services and reach out to target consumers. Besides, AI usage also serves to be effective in personalizing recommendations and enhancing consumer experience satisfaction and engagement. Thus, the usage of digital platform search is effective in revolutionising business operations and contributing to organisational success. AI and big data usage, on the other hand, can also help Unilever mitigate the supply chain loopholes and contribute to supply chain optimisation. AI Usage can help Unilever keep track and monitor inventories and effectively manage them, preventing issues of over-stocking and under-stocking, thus contributing to cost optimisation.

Sustainable practices

In the current dynamic business environment, organisations must adopt sustainable initiatives while conducting their business operations. Increasing awareness about global warming and climate change has compelled individuals to connect with the brand that focuses on sustainable practices. Sustainable approach of Unilever emphasizes conducting activities that diminish environmental consequences, enhance well-being and health of the people and community members, while enhancing livelihood within its value chain. This is further evidence from its sustainable sourcing of nearly 95% of its primary crops, and sustainability by 2030 involving soy, palm oil. Unilever works in collaboration with suppliers through initiatives like the “Sustainable Agriculture Code” for promoting fair labour and agricultural practices. Unilever has undertaken an initiative to diminish its virgin plastic footprint by nearly 40% by 2028, thereby ensuring reusable plastic packaging (Unilever, 2025). Since the organisation has committed to improving the livelihoods of community members, Unilever aims to assist nearly 250000 smallholder farmers within a supply chain by 2026 (Unilever, 2025).

Recommendations

- Unilever must emphasize integrating advanced technology within its business operations to facilitate seamless organisational procedures and contribute to improved organisational operations. Unilever should focus on leveraging AI and big data technology for mitigating the existing supply chain loophole and enhancing supply chain optimisation, and consumer requirements through appropriate and detailed consumer trend analysis (Hossain and Kader, 2020).
- Unilever should focus on expanding its reach in foreign nations, which would ensure increased productivity for Unilever. Rapid expansion into foreign markets would help market opportunities and resources for boosting its organisational progression (Gunasekarage et al. 2020).
- Unilever should also focus on leveraging social media platform for marketing its product and services (LEE, 2022). Creating and developing engaging informative content food for the help Unilever reach out to potential consumers through formulating social media marketing campaign with the aim to reach out to large number of consumers.

Conclusions

In the current competitive business space, organisations must conduct detailed market analysis to identify the current trends and accordingly formulate their strategies. The current study has focused on highlighting the current market situation in the context of Unilever. SWOT, PESTLE analysis, Porter's five forces, value chain analysis, group strategies like BCG Matrix, and product marketing mix have been discussed in the study to obtain details about the current market situation. The study has further highlighted that it is essential for Unilever to adopt advanced technology like AI and IoT for conducting seamless business operations and helping the firm attain its corporate objectives. Sustainable initiative, on the other hand the highlights that it is essential for you only were to implement practices that would reduce carbon footprint and contribute to organisational success through positively contributing to both the environment and people.

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