

Strategic Development and Implementation for SMEs

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INTRODUCTION

Making and following through on plans is necessary to reach long-term goals and aims. The goal of this process is to match an organizations skills and resources with outside chances and challenges (Cantú, Aguiñaga and Scheel, 2021). To make sure long-term growth and a competitive edge, it includes strategy analysis, choice and action. Unlimited Fashions was one of the first companies in the fashion business and is known for its commitment to cost and ecology. It has a loyal customer base because its clothes are of good quality and don't hurt the earth. Unlimited Fashions wants to make fashion more accessible to everyone and stay ahead in the fast-paced international market by using technology and working with skilled local artisans. With a focus on both its internal and external environments, this study looks at Unlimited Fashions' strategy analysis. It has an analysis of the stakeholders, an analysis of the growth options and ideas for future growth. The paper looks at the problems small businesses have with putting strategic plans into action and offers good, doable and acceptable answers for Unlimited Fashions' long-term success.

MAIN BODY

Introduction including brief introduction/overview of the case study based on SMEs context.

In a world where global markets are always changing and customer tastes are always shifting, small and medium-sized businesses (SMEs) are very important to the economy. Unlimited Fashion stands out as an example of how to be strong, adaptable and creative. Unlimited Fashion is a fashion company that is breaking new ground.

Unlimited Fashion started out as a small business in the early 2000s. Giving people the access to high-quality clothes was the one way the founders wanted to make the fashion more open to everyone. When the big-box shops took over the market, the company had to fight hard to stay in the business. But it's the dedication to low prices, being eco-friendly and making cutting-edge designs helped it win. Unlimited Fashion changed the way people buy the clothes by using the technology, digital marketing and a more efficient supply chain. Big and small businesses (SMEs) have a lot of faith in the company to change how the business is done.

A lot can be learned about how Unlimited Fashion managed a small business in the early 2000s by reading this case study. It talks about how the business used new technology and methods that were better for the environment to beat the competition. The study also talks about how Unlimited Fashion helped crafters and fashion designers in the area form relationships that helped small businesses in their environment.

By looking at Unlimited Fashions progress, this case study aims to give business owners and small businesses that want to succeed in the fashion industry some useful insights. The study uses Unlimited Fashions story to show small businesses how to be successful in a business world that is always changing and growing. Innovation, inclusion and sustainability are the keys to success for small businesses.

Critically appraise the organizations current strategic direction

The way Unlimited Fashion is currently implementing its plan has both good points and trouble spots. Conscious customers like that the company cares about cost and the environment which is one of its main strengths. The company has made a name for itself in the industry and built a strong customer base by using eco-friendly methods and offering affordable fashion options.

Beyond that, Unlimited Fashions focus on technology and internet marketing has helped them stay successful in a field that is always changing (Becker and Schmid, 2020). A perfect user experience and the companys online presence have made it easier for customers to find and connect with the business which has led to more online sales and brand recognition.

The organizations planned direction does, however, include some things that need to be thought about carefully. For example, even though Unlimited Fashion has embraced online platforms well, it still needs to keep its physical stores open. If you rely too much on online sales, you might miss out on possible customers in stores, especially in places where online shopping isn't as popular.

The company also works with local artists and fashion designers which is good for small businesses and encourages creativity in the industry. It is important to carefully look at the results and reach of these partnerships, though, to see if they really help small businesses or are just for show.

Finally, Unlimited Fashions current plan shows that they are thinking ahead by focusing on things like ecology, technology and working with small businesses. These traits are admirable and have helped the company succeed, but they need to be carefully balanced between their online and real presences. The company also needs to make sure that the small businesses it works with benefit from the partnerships. This is where Unlimited Fashion might be able to improve its plan and make it through the fast-paced fashion business.

Scan the business world with tools like PESTEL, VRIN and SWOT to get a clear picture of whats going on inside and outside the company.

The Unlimited Fashion is a new fashion company that has to work very hard in a field that is affected by things inside and the outside of it. Some of the tools we will use to do a critical study and fully understand its business environment are PESTEL, VRIN and SWOT. To help the Unlimited Fashion make smart strategy choices, this study tries to find out what its main chances and the risks are from the outside as well as its main strengths and weaknesses from the inside.

PESTEL Analysis (External Environment)

Political Aspects

Opportunities: If trade links and foreign rules are good, it may be easy to enter new markets and grow quickly.

Threats: Political unrest and changes in rules in key markets could mess up supply lines and have an effect on business operations.

Economic aspects

Opportunities: More and more middle-class people are moving to developing economies which could mean more sales and a deeper entry of the market.

Threats: When the economy is bad, people may spend less on clothes which could hurt the companys profits.

Social Aspects

Possibilities: If people learn more about sustainability, they might want to buy more eco-friendly items like those sold by Unlimited Fashion (El Chaarani and et al., 2022).

Threats: For companies to stay relevant, they may have to meet new customer needs and fashion trends all the time.

Technical considerations

Opportunities: As digital technology improves, it makes it possible to better control the supply chain and buy things online.

Threats: Because of worries about hacking and the fast pace of technology progress, ongoing investments in IT systems are needed.

Environmental elements

Possibilities: Stressing sustainability and eco-friendly practises can help a businesss image and bring in people who care about the environment.

Threats: More attention to how the fashion industry affects the environment could lead to stricter rules and higher costs to follow them (Barbosa, Castañeda-Ayarza and Ferreira, 2020).

Legal aspects

Opportunities: Following foreign safety and health rules can help the companys image and give it entry to markets around the world.

Threats: Intellectual property violations and court battles could hurt a brands image and cost it money.

2. Internal Environment VRIN Analysis:

Value:

Strengths: Unlimited Fashions commitment to sustainability and cost makes the store a good choice for buyers who care about the environment and want stylish but affordable options.

Rarity:

Strengths: That the company focuses on working with local fashion designers and artists makes its products stand out from mass-produced ones and creates a unique selling point.

Inimitability:

Strengths: Because the company has a strong brand image and loyal customers, its hard for competitors to copy its success.

Non-substitutability:

Strengths: Because Unlimited Fashion is committed to sustainable business practises and has a wide range of products, direct replacements are less likely to hurt its market share.

3. SWOT Analysis (Overall):**Strengths:**

Strong business image: Unlimited Fashion has a good reputation because it cares about the environment.

Technology mastery: Using digital platforms has made it easier for businesses to connect with customers and gotten more people to use them.

Strategy for collaboration: Having connections with local fashion designers and makers is helpful and promotes new ideas.

A lot of people are interested in buying things that aren't too expensive.

Loyalty from customers: When customers are happy, they are more likely to buy again and tell their friends about your business.

Weaknesses:

If you rely too much on online shopping, you might be missing out on opportunities in some places for real stores.

Limited world presence: It might be hard to grow into new areas where the laws and customs are different.

Problems with scalability: As the business grows, it may be hard to keep up sustainable practises and get artisans to work together.

Vulnerabilities in the supply chain: Unrest in important markets' economies and politics could affect how sources are chosen and how goods are distributed.

If the business doesn't have a lot of different products, it might be more affected by changes in fashion styles.

Opportunities:

Globalisation: Going into new areas can help your business grow and bring in more money by attracting good people.

Better digital experiences: More money spent on technology could improve both customer service and internet shopping.

Consumers want more eco-friendly products, so taking advantage of this trend could boost sales and company trust.

Building stronger ties with local makers and artists could help people be more creative and unique.

Combining internet and brick-and-mortar sales may help businesses reach more customers and make customers happier. A method called "omni channel" is used for this.

Threats:

There is a lot of uncertainty in the business which means that changes in how much people spend could have an effect on sales.

There is a lot of competition in the fashion business. Both old and new companies may try to take your market share.

Fashion changes quickly, so products may need to be updated all the time to keep up with customer tastes.

Risks that come with rules: stricter environmental and wage laws could mean higher costs to follow them.

Concerns about cybersecurity: As technology improves, the company may be more open to data breaches and hacking.

Examine the many strategic growth options that small and medium-sized enterprises (SMEs) have in marketplaces and suggest a novel plan. Justify why you believe this strategy is viable and enduring for the organizations long-term future

There are several planned growth options that small and medium-sized businesses (SMEs) can choose from to increase their market share and make sure they will be successful in the long run. Here are some of the ways that you can grow your business:

Market penetration: The goal of this approach is to get a bigger share of existing markets by focusing on giving current customers more of the same goods or services (AlQershi, 2021). Small and medium-sized businesses can do this with the help of strong marketing, award schemes and methods for keeping customers.

Market expansion: SMEs might look into new market niches or places to go in order to reach customers they haven't reached yet. For this strategy to work, goods or services need to be changed to fit the needs and tastes of the new target groups.

Product Development: A good way to grow your business might be to offer brand-new, cutting-edge products or services that are tailored to your current customers. To adapt to changing needs, this approach relies on knowing what clients want and need.

Diversification: For SMEs to reach new customers, they can give more items or services. This method shares risk across many companies and helps lessen reliance on a single industry.

Market development is the suggested strategy for Unlimited Fashion.

A Market Development plan that Unlimited Fashion should follow includes expanding into new areas of the world (Fitriasari, 2020). The company has had a lot of success in its current markets. However, moving into new areas could help it grow even more and become less dependent on any one market.

Why a Market Development Strategy is Needed:

Potential of Untapped Markets: By going into new places, you can reach groups of customers you haven't reached before, each with their own tastes and wants. If Unlimited Fashion knows what these markets want, it can change its products and marketing to get the most attention from them.

Revenue Diversification: By expanding into new areas, a company can spread out its income sources across different places. This makes it less vulnerable to changes in the rules of one market or the economy as a whole. In this way, possible risks and unknowns are avoided.

Brand Recognition and Global Presence: By joining and having a foothold in new areas, a company may be able to boost its global brand awareness and image. In turn, this could bring in new customers and business partners.

Market Share Growth: A good market growth plan could lead to more sales and market share which will help the business grow and make more money (Garzella and et. al., 2021).

Learning and Adaptation: Unlimited Fashion will have to change what it sells and how it markets itself in order to get into new markets. This way of learning can make people more competitive and quicker on their feet.

Plan for Implementation:

- Market Research: Do a lot of study on the market to find possible target markets where there is a lot of demand for fashion items that are both eco-friendly and affordable. Look at what your customers want, how they buy things and what the latest fashion trends are in your area.
- Making sure that your marketing and products fit the cultural, social and economic traits of the new place is an important part of localization and adaptation. Working with artists or makers from the area could be one way to add a local touch to the line of goods.
- Distribution and supply chain: Make sure that the businesses have strong marketing and the supply chain networks so that things can be sent quickly and the bought in new markets.
- Advertising and marketing: Tell people that the Unlimited Fashion is committed to being the cheap and eco-friendly through the advertising. Sell the business on the web and the social media to get more people to know about it.
- Collaborations and Partnerships: To get known and build the brand in the new markets make deals with local shops, fashion events or the fashion stars.

They will use a Market Development way to get into the new markets in the area as part of a long-term plan for growth that will last. With new ideas more the customers and the best use of the skills it already has, the Unlimited Fashion can become a big player in the world fashion

market. The company can use its well-known name, adapt to shifting customer tastes and depend less on niche markets with this strategy. With careful market study, targeted marketing efforts and a focus on the customer, Unlimited Fashion can achieve long-term growth and ensure a bright and profitable future for the business. In the tough fashion industry, putting the business development plan into action would help Unlimited Fashion reach new heights and leave a lasting mark on the world.

Do a stakeholder analysis and think about what each stakeholder wants and how much power they have to find the best, most workable and acceptable strategy option(s)

Stakeholder analysis is needed to figure out the goals, objectives and power dynamics of all the different people who have a stake in a company. The following big groups have been named for Unlimited Fashions:

Customers: Customers, who buy most of Unlimited Fashions' products, need clothes options that are of good quality, don't cost too much and are good for the earth. They have a lot of power because they make the company money and make sure people know the brand.

Employees: Unlimited Fashions employees have the right to fair pay, a safe workplace, the chance to move up and to be in line with the company's goals (Costa and Castro, 2021). The commitment and understanding of the workers have a direct effect on how well the business does.

Investors: Investors and shareholders both want to get a return on their money. Because they give money for growth and development, they have a lot of power.

Suppliers: The supply line of a business needs to be kept up and it needs sources that it can trust and who act in an honest way. Unlimited Fashions pays its suppliers on time and treats them fairly in business.

Local Communities: Because the company does business in many places, local communities expect Unlimited Fashions to have positive effects on them by creating jobs and giving money to community events.

Competitors: Clothing stores that sell similar items are major rivals. Because of what they do, Unlimited Fashions may lose market share and become less competitive.

Governments and regulators: To stay out of trouble with the law, its important to keep the business working licence and follow wage and environmental rules.

NGOs and Advocacy Groups: Sustainability-focused organisations and campaign groups keep an eye on the company's social and environmental policies and may put pressure on them to make sure they follow ethical business practises.

Critical assessment of stakeholder power and expectations:

Customers: Their hopes are met by Unlimited Fashions' commitment to cost and environment. People who buy from a business have a lot of power because the choices they make affect its sales and image.

Employees: When workers are happy, they can work together to fight for their rights and help the business succeed. Their understanding and hard work are important for reaching strategy goals.

Investors: Investors have a lot of power because they have a lot of money. They expect a long-term return on their investment and based on the financial results, it could affect the strategy decisions they make.

Suppliers: To keep the supply chain running smoothly, you need sources you can trust. Maybe not all of them have a huge advantage in power, but if processes as a whole get messed up.

Local Communities: Building good relationships with the people in the area can help the company's image and help it get better employees and tools. Bad effects on communities can hurt your reputation and get you into trouble with the law.

Competitors: These companies could change the way the market works and put Unlimited Fashions' market share at risk. To keep a competitive edge, it's important to keep a close eye on what your competitors are doing.

Regulators and Government: It is required that you follow what the government wants and what the rules say. If you don't, you could get in trouble with the law, lose your name or be fined.

NGOs and Advocacy Groups: It's possible that NGOs and advocacy groups don't have direct power, but their campaigns and lobbying may change public opinion which could hurt a business's image and sales.

SFA Framework and the Mendelow Matrix of Stakeholders

The Mendelow Stakeholder Matrix sorts stakeholders into four groups based on how much power they have and how loyal they are to the business:

High Power, High Interest (Manage Closely): To meet the needs of partners with a lot of power and interest, close control is needed. Clients, employees and donors may be in this group.

High Power, Low Interest (Keep Satisfied): Stakeholders with a lot of power but not much interest must be kept happy so that opponents don't show up. Groups like government agencies and officials may fall into this group.

Low Power, High Interest (Keep Informed): Stakeholders who have a strong interest but not much power should be told about important changes. This group could include NGOs and groups that fight for rights.

Low Power, Low Interest Stakeholders (Monitor): Watch out for stakeholders who don't have much power or interest—they don't need much work, but you should keep an eye on them in case they change their mind.

SFA Framework: Suitability, Feasibility and Acceptability

In the SFA Framework, three factors are used to judge strategy options:

Suitability: Does the business's purpose, goals and ideals match up with the strategy choice? Does it match up with the outside world's chances and threats?

Feasibility: Is the strategy choice really possible given the company's means, skills and limits?

Acceptability: Will the key groups, like clients, staff, investors and officials, agree with the plan choice?

Choose the Most Appropriate, Realistic and Acceptable Strategic Option:

According to the stakeholder analysis, the Mendelow Stakeholder Matrix and the SFA Framework, Unlimited Fashions' proposed Market Development strategy (growing into new geographic markets) is in line with what stakeholders want and is the best, most practical and most acceptable long-term strategic choice for the company.

1. **Suitability:** The Market Development plan is in line with Unlimited Fashions' goal to make fashion more accessible to everyone while also supporting sustainability and cost. It builds on the company's core values and skills.

2. **Possibility:** It is easy for Unlimited Fashions to get into new areas because it has all the tools it needs. Its knowledge of online shopping and environmentally friendly business practises can be used all over the world.

3. **Acceptability:** The market growth plan is likely to be approved by a number of important people. People in developing economies want clothes that are both affordable and good for the environment. Investors can see this as a way to make more money and get a bigger part of the market. Government officials may see expansion as a way to boost the economy and create jobs.

After doing a lot of study on stakeholders, using the Mendelow Stakeholder Matrix to evaluate them and putting the SFA Framework into action, Market Development seems to be the best, most realistic and most acceptable strategy choice for Unlimited Fashions. By joining new regional areas, the company may be able to meet the needs of its stakeholders, make the most of its strengths and encourage long-term growth for the organisation. In the fashion industry which is always changing, this strategy focus helps Unlimited Fashions stay ahead of the competition, build brand recognition and ensure long-term success in a market that is always changing.

Give the company some important strategic advice for future growth and action, keeping in mind the problems small businesses face when trying to follow strategic direction.

The Most Important Strategic Advice for Unlimited Fashions

- **Add More Products:** Unlimited Fashions should consider adding more products to its line so that it can serve more customers and keep up with changing fashion trends. Its possible for the business to reach more people by adding more items, like exercise wear or products.
- **Increase your company's presence around the world.** To get the most out of Market Development, the company needs to carefully find and target foreign countries where demand for sustainable fashion is growing. Getting into a market in stages, starting with possible markets, can help with managing risks and getting used to the new culture.
- **Strengthen your online presence:** Putting money into digital outlets is important for Unlimited Fashions' growth and will make it easier to buy things online. Get to know your customers and build a strong online community through social media, e-commerce trends and personalised ideas.

- Get people to work together: Keep making deals with local fashion designers, makers and supporters of eco-friendly clothing in new markets (Crovini, Ossola and Britzelmaier, 2021). These relationships could lead to new ideas, make a bigger difference in the world and make Unlimited Fashions' goods stand out from those of competitors.
- Adopt Data-Driven Insights: Spend money on data analytics to find out what customers like, how they buy things and what the market trends are. Adopt ideas based on facts. Making decisions based on data could help with managing supplies, making marketing plans and running a business more efficiently in general.
- To give your employees more power, make your company a place where people are encouraged to be innovative, creative and work together. To keep employees motivated and on track with the company's goals, give them chances to learn new skills, move up in their careers and get feedback often.
- Improve the resilience of the supply chain: To make the supply chain more resilient, strengthen your relationships with sellers and make sure that you only buy things in an ethical and environmentally friendly way. Spread out your suppliers to make your supply chain more resilient and less affected by outages.
- Sustainable package: To show that the business cares about the environment, highlight package choices that are sustainable and good for the environment. Open conversation about environmentally friendly steps can also make customers more loyal to a brand if they care about the environment.
- Being flexible and quick: Because the fashion business is always changing, Unlimited Fashions needs to stay adaptable and quick. Regularly look at market conditions, customer feedback and industry trends to be quick to respond to changes and take advantage of possibilities.
- Participating in the community means creating projects that help the neighbourhood, like giving to charity groups or helping out the neighbourhood's crafters. Being active in neighbourhoods can help a brand's image and make customers more loyal.

SMEs Face Difficulties When Implementing Strategic Direction

If small businesses want to grow, they need a strategic direction. But setting that goal often comes with its own set of problems:

- Limited Resources: Small and medium-sized businesses may not have the money or people they need to carry out their strategic plans properly. Finding the right mix between growing goals and means is very important.
- Resistance to Change: Employees and other parties who are used to the way things are done may be against putting new strategies into place. Change management and good communication are very important.
- Tough Competition: It's hard for small and medium-sized businesses (SMEs) to stand out and get a big part of the market because there is a lot of tough competition in their markets.
- It can be hard for small and medium-sized businesses (SMEs) to follow the law and get used to new rules, especially when they are entering new markets.
- Small and medium-sized businesses may not want to take chances because they don't think they have the money or means to do so. This keeps them from making brave decisions about their strategy.
- Small businesses may find it hard to keep up the same level of quality, flexibility and customer service as they grow. To grow while staying true to your ideas, you need to find a careful balance.

Managing Obstacles and Putting the Strategic Direction into the Practise:

- To make your goals more manageable, pick a few important ones that will help your business meet its vision and make a big difference in its growth.
- Involve stakeholders: Staff and other important people should be involved early in the strategic planning process. This will make them care more about the plan and be more likely to support it.
- Multiple Steps: The implementation should happen gradually, starting with smaller steps that are easier to handle and progressing to bigger ones as the company builds trust and resources.
- Always keeping an eye on things and asking for feedback: Ask for feedback and keep an eye on the work to find problems and make changes to the plan as needed.
- Get Help from Outside: If you don't have enough resources or access to certain information, you might want to get help from other people or relationships.
- In a market where things are always changing, you need to encourage invention to stay ahead. Set up a place where people want to try new things and share their thoughts.

For Unlimited Fashions to successfully carry out its strategy direction, it needs to take a close look at its key partners, get past the problems that all small businesses face and make growth plans that are both realistic and long-term its top priority. Without sacrificing sustainability and accessibility, Unlimited Fashions can continue to do well in the fashion industry for a long time. It can do this by adding more products, going global, using digital platforms, encouraging partnerships and putting the customer first. In the fast-paced fashion industry, being proactive and flexible about how you deal with problems can also help make sure that strategic goals are met and set the business up for long-term success.

CONCLUSION

Unlimited Fashions which is a small clothing company needs to be very careful with its long-term goals if it wants to be successful. Using digital tools and going global can help the business offer more goods and build relationships with important people. Even though there are problems like limited resources and tough competition, long-term progress depends on a plan that focuses on the customer, environmentally friendly practises and constant new ideas. Unlimited Fashions can keep its commitment to accessibility, sustainability and good social impact while also succeeding in the fashion world that is always changing by planning ahead, adjusting and working with local communities. It will ensure a bright future in the field by doing this.

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