

Marks & Spencer

BMSK4004

Written by:

Ruhel Chowdhury

1709582

Submission date:

20/07/18

Executive summary

This report includes the history of Marks and Spencer and its products such as clothes, food and their financial services. It will describe the nature, scope and impact of the current problems facing marks and spencer. There will also be a discussion on how Marks and Spencer have planned, communicated, monitored and reviewed their attempts on resolving the problems they have faced or facing. There will be an analysis of Marks and Spencer, a SWOT analysis to identify why the organisation is faced with its current problems. This report will be looking at 3 areas of issues facing this organisation by using PESTLE, by using identifying these issues it will show how the problems they are facing are resolved and how it could all have a positive impact. This will also include the Stakeholders and what impact they have on its current problems and how they can be supportive within this organisation, examples will also be provided to show support of all the explanation to their problems. SWOT will be used to cover the main areas of concern around the organisation and what problems they are facing currently or could be facing in the future. This will show how using SWOT can improve the issues effectively in terms of Strengths and weaknesses.

Contents Page

Contents page.....	page no.
Executive summary.....	2
Terms of reference.....	4
Procedure.....	5
Findings.....	6-9
Conclusion.....	10
Reference list.....	11

1.0 Terms of reference

This report was requested by chief executive of Marks and Spencer. The date requested on 20/07/2018. The date for the report was given on 28th June 2018. The purpose of this report is to look at problems at Marks and Spencer and suggestions on how to resolve them within the organisation. This report was compiled by Ruhel Chowdhury, it shows and gives you examples on how the organisation is dealing with the issues they are facing or will be facing in the near future. One of the issues they are facing is competition as there are so many stores opening around Marks and Spencer, by this happening they have to keep on top of the products in store and online and make sure customers can find what they are looking for easily.

2.0 Procedure

- Websites
- Journals

3.0 Findings

3.1) Marks and Spencer plc was set up in 1884 in Leeds by Michael Marks and re-branded as Marks & Spencer (M&S) ten years later when a partnership with Thomas Spencer was formed. Having begun as a market stall, today it is considered to be one of the UK's leading multinational retailers with over 1,382 stores worldwide, including 468 stores in Eurasia and the Middle East. M&S offers clothing, home products and luxury food products both in store and online (Marks & Spencer, 2015). In 1948 M&S launched its own food Technology department to work closely with suppliers, producers and farmers. The company expanded over the years by selling new products each year. The company now offers variety of products to the company such as women and men's clothing, children clothing, beauty products, food, furniture, hampers and gifts.

3.2) Marks and spencer has planned communicated, monitored and reviewed previous attempts to resolve its problems by getting the right goods and products on the shelves, in terms of style and quality, at the right price. Also, the food business will focus on quality and innovation.

"The new brands - such as Sp menswear and Per Una Due young fashion - will be reviewed and may be axed. A new marketing campaign will start in September with the slogan 'Your M&S'".

"M&S will pay suppliers less for their goods from September. Rose wants to buy larger quantities of fewer goods and keep less in stock. That should mean fewer markdowns. Food wastage will be cut by £10m a year by 2006-07".

"Give the stores a facelift based on the success of the chain's two newest outlets, in Speke and Swansea - but find a cheaper way to copy the look. Window displays will be improved".

The Guardian, 2004.

<https://www.theguardian.com/business/2004/jul/13/marksspencer2>

Date Accessed on 18/07/2018

3.3) The nature, scope and impact of the current problems facing Marks and Spencer is getting out of control with a lot of customers not being able to find things in store or online. This is due to marketing and the people who are controlling the websites. Sometimes what you see in store is impossible to find online.

"Customers have been steadily losing interest in its womenswear, which has declined in almost every quarter for the past five years. This is something M&S has been visibly trying to rework".

"Food sales good, clothing sales bad. That's been the familiar summary of many M&S results over the past couple of years. In its full-year results, M&S said its food business accounts for around half of its profits and was continuing to perform well. Customers are keen on M&S food – that much is clear".

Rebecca Smith, 2016

<https://www.managementtoday.co.uk/five-big-challenges-facing-m-s-boss-steve-rowe/article/1389807>

Date Accessed on 18/07/2018

3.4) Analysis of Marks and Spencer

3.4.1) The SWOT analysis comprising of factors influencing the internal analysis and external analysis of Marks and Spencer. This section will cover a SWOT analysis to identify why the organisation is faced with its current problems and also identify areas within the SWOT that may help them resolve these problems.

“Strong competitors are the most threat to M&S. For example, in the food market, there are four main supermarkets, such as Tesco, Asda, Safeway and Sainsbury (Oct 2002). They provide not only high-quality but also value-added products to build customers’ loyalty. In the clothing market, Gap, Next, Topshop and other fashionable brands may compete with M&S”.

The areas that may help them resolve these problems by maintaining premium pricing and backing it through investments in advertising. They could also build a strong brand positioning centred on responsible sourcing, waste reduction and community care.

Kawish, 2015

<https://www.scribd.com/doc/46757269/SWOT-Analysis-for-Marks-and-Spencer>

Date Accessed- 14/07/2018

3.4.2) This section will cover and identify 3 areas of PESTLE that may have impact on the organisation and contributing to its problems. This will also show the 3 areas which have been identified how it will help the organisation resolve its problems.

Economic Factors

“During the financial crisis of 2008, while competitors such as Aldi, Asos or Tesco followed a strategy of discounted pricing, M&S emphasised higher quality products and better consumer satisfaction (The Marketing Society, 2010). Whilst this strategy led to a short-term decrease in sales, it resulted in a long-term increase in consumer confidence due to British customers' preference and desire to seek both value and quality”.

Technological Factors

“M&S is in a good strategic position to enjoy the benefits of an altering media landscape, the proliferation of social networks and a rising mobile wave. As regards its fashion business, the speed with which the latest trends are being communicated to designers has increased as has the speed of transportation”.

Legal Factors

"Health and safety regulations, consumer rights, environmental, antitrust and other legal factors affect the company. One of the company's initiatives, 'Behind the Barcode', gives consumers an omni-channel experience by enabling them to order items online for home delivery or in-store collection (Thomson, 2012).

<https://www.ivoryresearch.com/wp-content/uploads/2016/09/MS-Strategic-Analysis.pdf> Date Accessed- 15/07/2018

Stakeholder Analysis

3.4.3) The list of Stakeholders for Marks and Spencer are:

- Customers
- Employee
- Investors
- Suppliers
- Media
- Government and regulators
- Wider Society

Bartleby, 2016

<https://www.bartleby.com/essay/Stakeholders-of-Marks-and-Spencer-and-Their-Influence-PKP3NA57KU4Z>

Date Accessed on 19/07/2018

The impacts the customers have within this organisation are monitoring sales of all products, without them the company wouldn't be as big as it is right now. They also participate in Plan A activities and campaigns. The impact they have is good communication within the work place about how the business is doing and opportunities for people to give feedback through surveys, listening groups and directly to their line manager. Their real involvement in business objectives depends on good communication where information, ideas and concerns can be freely exchanged between everyone at all levels.

3.4.4)) Stakeholder analysis diagram

		Low	High
Power	Low	A Media	B Employees
	High	C Government	D Wider Society

"M&S main objective is to growth and make profits. They have done this by improving on their staff service styles through training of staff to provide excellent customer service. They also worked hard towards ensuring that the company grows and as well as make profits".

"M&S has always had good food standards and helped customers and employees to live a healthier lifestyle. They have introduced the 'Count on Us' range which provides healthier option of food that is low in calories and fats and helps to maintain a good body system. This gives their customers and employees the option of choosing what meals to have".

"The customer network has been designed to deliver to customers a world class experience from the beginning to the end. It is there to deliver simple BT operations and increase efficiency. The network will allow them to launch new services to the market faster than normal and it will help empower their customers to control and have choices that are flexible. This will help enhance customer experience in the company".

Meeting stakeholder needs, 2017

<https://www.ukessays.com/essays/business/organizations-paying-attention-to-its-stakeholders-business-essay.php>

Date accessed on 19/07/2018

4.0) Conclusion

4.1) Marks and spencer is one of the main influential retail brands with a top of the mind recall. Their products are recognized as "value for money" due to high quality, convenience and wide range of products. They have their own branded labels. They have over 1000+ store existing across 40 countries. Marks and Spencer have over 80,000 employees form a part of the workforce globally.

4.2) A main concern for marks and spencer is that they are a strong competition from other retail brands means limited market share. Marks and spencer being a popular brand, they need to protect their brand from misuse of fake imitation products.

Mba skool, 2008.

<https://www.mbaskool.com/brandguide/lifestyle-and-retail/5219-marks-and-spencer.html>

Date accessed on 19/07/18

4.3) Marks and Spencer's is the giant of the UK's high street is known by everyone in the market for the quality it is providing in the past years. The brand value is high as the customers who go to the high street prefer to go to Marks and Spencer's as they can finish the whole shopping in a go.

Business teacher, 2017.

<https://businessteacher.org.uk/swot/marks-and-spencer.php>

Date accessed on 19/07/18

This report has shown that Marks and spencer's has weaknesses and strength, this report has also shown that every stakeholder who has a say in the organisation has ways to improve and help the company grow quicker without losing customers on the process. Food Stock Management is a good example illustrating how a process of change can deliver the required benefits. It has led to a reduction in paper and has increased efficiency through access to better management information. It has also released sales assistant's time so they can focus on providing customers with the services they require.

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