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Introduction

According to Dib *et al.*, (2012), the expression "marketing environmental analysis" describes a strategic and analytical approach that facilitates locating intrinsic and international environmental aspects that have an impact on an organisation's ability to function effectively. As mentioned by Statista Research Department (2022), only a diminutive segment of the populace is expected to be non-digital customers in 2022, when the country is envisaged to have nearly 60 million e-commerce users. Hence, e-commerce has irrefutably recognised itself as the benchmark for customers across the UK thereby strengthening the scope for marketing.

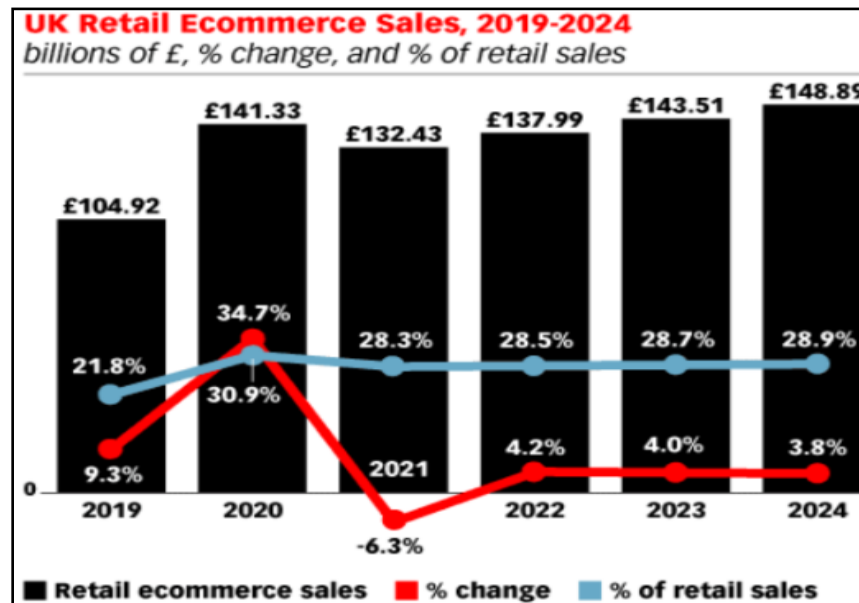


Figure 1: UK Retail and Ecommerce sales gaining advantage with sustainable marketing practices

(Source: Statista Research Department, 2022)

The report on the environmental marketing analysis on the selected organisation of "The Very Group" is conducted to determine the aspects of the external and internal influence of the business environment on the organisation through a critical approach. The elements of PESTLE, Porter's five forces, extended marketing mix and SWOT are all considered for demonstrating the role of marketing enacted for the growth of the organisation. The report culminates with the relevant recommendation for the future of the organisation.

Overview of the organisation

The Very Group (TVG) caters to the thousands of online customers in the UK and Ireland, notably those from low-income households. TVG sells all that 4.8 million consumers could require, excluding food, throughout the electrical, household, haute couture, and more industries (Hughes, 2021). TVG is a cutting-edge virtual company with over £2.3 billion in annual selling that incorporates retail and versatile transactions to make attractive brands easily accessible to more consumers (theverygroup.com, 2021). Skygate, TVG's shipment hub, opened on March 23, 2020, when the first nationwide lockdown was proclaimed. Since then, it has been extremely crucial in assisting the corporation in meeting its consumers' expectations.



Figure 2: Overview of the company with its group sales- The Very Group

(Source: theverygroup.com, 2021)

Part A

Critical analysis of the marketing environment and role of the organisation

Benefits and drawbacks of the PESTLE analysis

According to Brassington and Pettitt (2006), situational analysis through PESTLE allows business owners to see their opportunities through the viewfinder of the overall economic growth. It aids in understanding the strategic positioning in light of all macroeconomic influences. The insightful model defines a bird's-eye view of the corporation's current position as well as glimpses into prospective tendencies. These perspectives also assist the company in making near-term choices and developing its long-term strategy. As contended by Khanlari (2015), because the PESTLE variables are interactive and modify regularly, the assessment is inconsistent at any moment. Furthermore, the majority of the information needed for the analysis is not widely obtainable, which keeps adding to the disadvantages of PESTLE evaluation. The blueprint produces outcomes through a multi-dimensional investigation stage that necessitates competence and experience in this domain.

Analysis of the PESTLE factors

Components	Implications
	 THE VERY GROUP
Political	Boris Johnson as the Prime Minister of the UK commences the fresh season as an irreversibly relatively weak prominent politician, with his popularity scores substantially lower than a year ago and his jurisdiction within his ruling coalition eroding (gov. uk, 2022). Even as Brexit and its influence on economic conditions and availability are still being constantly supervised, concerns like Covid-19 highlight the necessity of monitoring geopolitical threats throughout the TVG distribution network.
Economic	The Bank of England has alerted that the United Kingdom's economic system will register its lengthiest decline since the global financial meltdown in the fourth quarter. In the meantime, inflation is expected to exceed 13% in October. According to data released in August 2022, gross domestic product (GDP) fell by 0.1% quarter on quarter, less than the

	0.3% shrinkage predicted by economists (Smith, 2022). Hence, TVG constantly keeps track of major macroeconomic identifiers and geopolitical tensions, which include, but are not constrained to, Covid-19 and Brexit.
Socio-cultural	The most prevalent activities identified by adult people who mentioned their living expenses had enhanced were splurging less on non-essentials (59%), utilising less gasoline in the household (54%) and buying stuff around more with more than 34% (Fung, 2021). With these activities and trends in view, TVG established best practice guidelines for production lines to foster social detachment, thermal screening, and daily maintenance to decrease the likelihood of Covid-19 dissemination.
Technological	Following a timeframe of considerable economic chaos, the UK experienced a potent expansion in 2021, with the economic growth expanding by 7.5%. This entails hastening tech-led development. The tech industry is the UK's mainstream economic resounding success; its participation in the UK economic system increased by 26.5% between 2010 and 2019. Very.co.uk, Littlewoods.com, and LittlewoodsIreland.ie are virtual multi-retailers that sell over 2,000 well-known brand products and earn 2.2million website traffic per day, with 81% of digital shopping accomplished on portable apps (Wright, 2021).
Legal	In the United Kingdom, a fresh surge of privacy civil suits is threatening retailers' potential to divulge consumer information, which includes common practices such as participation in data collectives or auctioning customer details. As a result, The Very Group integrates its UK-regulated subsidiary's corporate governance and conformance potential in a multitude of pivotal locations across the Group, which include privacy protection, cyber security, and contingency planning. It has entrusted endorsement tiers, along with collective bargaining agreement approval and authentication.
Environmental	Skygate is inaugurated as the TVG's fulfilment centre that remains in

	charge of 95% of orders placed, stockpiles six million products and processes 750,000 products per week (theverygroup.com, 2021). In addition, the location is assisting TVG in meeting its environmental targets by removing one million miles from the highway, minimising waste production, and strengthening TVG's temperature, illumination, and electricity footprint.
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Table 1- PESTLE Analysis

Analysis of Porter's Five Forces Model

The five forces model developed by Michael Porter facilitates a company to determine the mapping of specific competitive forces thereby creating an opportunity to devise a relevant strategy for the company. TVG is comparatively a new player in the market in comparison to its rivals (Sheehan, 2011). The new entrants in the market create a potential threat for TVG since the entry barrier is low as the investment through a digital medium is quite affordable for the rivals to enter the fashion garment industry. Hence, the threat from the rivals like Misguided, Lavish Alice and others create a potential threat to TVG (Hooley, Piercy, and Nicoulaud, 2020). Similarly, the bargaining power of the customers is high as they tend to switch over to other companies with minimal costs incurred.

The threat of the vendors is moderate since there are numerous of them in the UK market to provide affordable raw materials in bulk (Dibb *et al.*, 2012). The other components of the five forces include the threat of substitutes and the threat from the existing companies. The threat from the existing market players like Boohoo, ASOS, M&S, H&M and others is also high since they have market dominance with a cumulative 75% in the market of the UK (Brassington and Pettitt, 2006). The substitutes are organic clothes, which the customers are making a steady shift with the evolving trends of fashion. Hence, this force is also burgeoning in the operations of TVG.

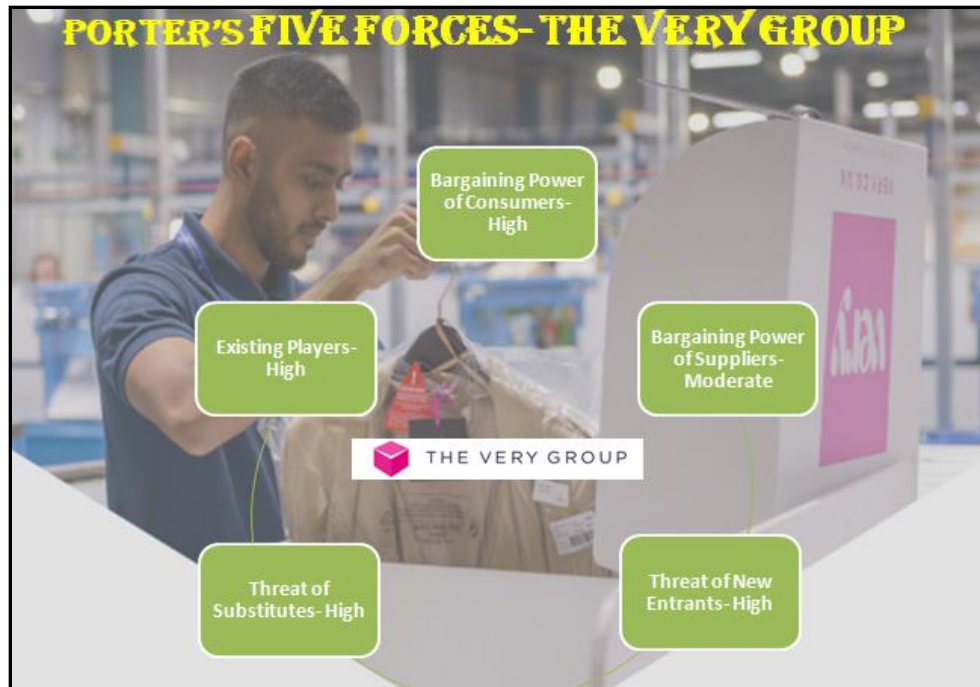


Figure 3: Analysis of Porter's Five Forces for comprehending competitive advantage

(Source: Created by the Author)

Analysis of the SWOT

Strength ▶ The mobile selling application employed by TVG has become the strength of the group by enhancing 82% of the sales (Kotler, 2018). ▶ Incorporated more brands to the portfolio of the retail online sales by TVG which includes important brands like Dyson, Adidas and Nike	Weaknesses ▶ A significant reliance on third-party vendors by TVG has declined the rate of sustainability diligence that in turn negatively impacted their reputation ▶ Higher turnover of employees in TVG is considered a weakness for the retention of the brand image of the company
Opportunities ▶ Opportunity is created by TVG through Re-Fashion where clothes can be recycled and used by the	Threats ▶ Imitation of the products by rivals can pose a severe threat to the brand image of TVG

customers thereby reducing landfilling ► Creating employment for Women in the market of India has created the opportunity for brand awareness for TVG	► The new generation of buyers is more prone to explore new and innovative trends which may reduce the brand loyalty of the purchasers
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Table 2- SWOT Analysis

Analysing the STP

Segmentation

The segmentation analysis for TVG's marketing environment caters to majorly two segments, which are mentioned in the following table

Types of segments	Criteria	Consumers
Geographic	Online option is available for consumers irrespective of their geographical location. However, the company operates majorly in the UK and Ireland.	The consumers of TVG products are from the metropolitans where they can easily access the products through high-speed courier services.
Demographic	Products of TVG cater to all the segments of women, men and children. Moreover, additional categories of home appliances and electronics are also available.	The major customers for this segment are women and children from the age range that span from 3 years to 45 years. The customers are well informed to place orders through mobile applications. (Sood, 2017).

Table 3: Segmentation analysis

Targeted Audience

The targeted audience of TVG belongs to the Youth group and children who are more enthusiastic to buy fashion garments from the ease of home. The flexible way of payments has created opportunities for TVG in creating a database of 3.8million customers by the year 2021 despite the pandemic (Hughes, 2021). An undifferentiated targeted audience is chosen by TVG to cater to the large base of customers.

Positioning

The marketing initiatives undertaken for TVG relate to emphasising its position as an attractive and online-focused lifestyle retailer in Ireland and the UK market (Samanta, 2014). The products are affordable which creates a benefit-based positioning for customers from all social classes and locations.

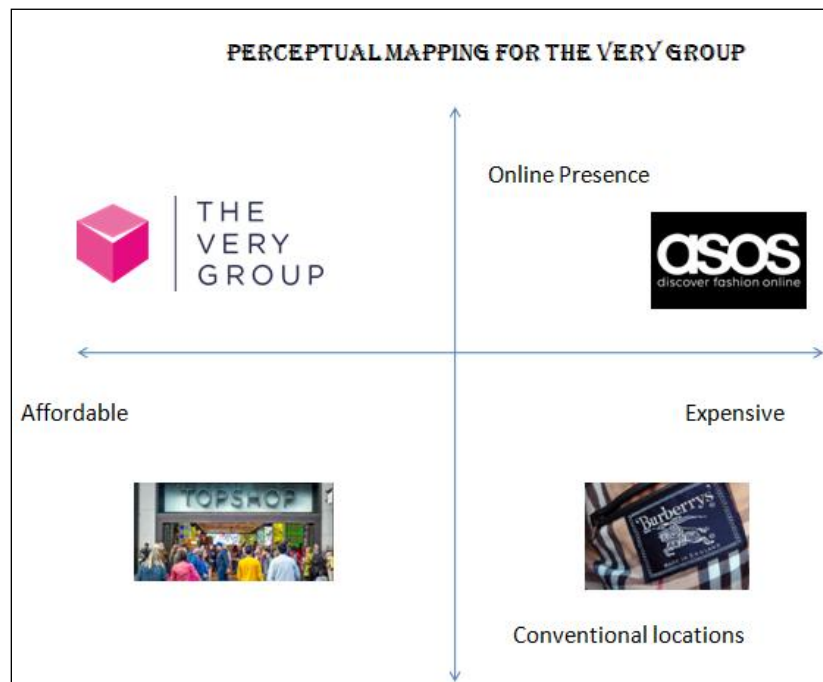


Figure 4: Perceptual Mapping for TVG

(Source: Created by the Author)

Discussion on the Marketing Mix Strategies

The marketing mix strategies are mentioned in the following:

Product- TVG provides corporate with the scope of online branding and line extension with different categories of products. There are multiple categories of online products including designer brands, sports and leisure, home and gardening, and electrical apart from the categories of apparel sold for men, women and children.

Place- The choice of distribution of the products is mainly the direct channel of distribution from the online application of the company (Temporal, 2011). The next-day delivery option with click and collect is also made available for UK customers.

Price- TVG has incorporated penetration pricing for its multiple products. However, for the designer brands, customers with higher incomes can afford the products from them. For instance, a colour-block Midi Dress for women is sold for £20 while a similar dress from a designer brand is sold for £360 (theverygroup.com, 2021).

Promotion- The products are displayed at regular intervals through social media advertisements with links to Facebook, Instagram, and other sites.

People- The People involved in the marketing of the products of TVG are the marketing team, sales representatives, influencers on social media platforms and delivery people from the shipment hub to the doorstep of the customers.

Physical Evidence- The physical evidence of the marketing process relates to the invoice, tangible products bought with attractive packaging and sometimes the ambience of the TVG created through the digital display on its webpage (Drummond, Ensor, and Ashford, 2007).

Process- The consistent customer services offered through attractive digital display and the ease of transaction involves the marketing process of TVG.

Summary

In summary, it may be mentioned that the marketing environment of TVG takes into consideration the present and upcoming risks in business. However, the blueprint in the marketing environment provides different opportunities to cater for a large base of customers.

Part B

Recommendation strategies for the organisation

According to Ansoff's Matrix, diversification of products while considering new and emerging markets to disseminate the products can be beneficial for TVG (Wang, 2014). The company has incorporated a new scheme where the products reaching their saturation level of the product life cycle can be renewed through the Re-Fashion scheme. Climate change is a consistent issue that needs TVG to focus on its sustainable sourcing process from different countries like China and India (Fung, 2021). The new segment of sportswear can fetch a growth of 7% by the end of the second quarter of 2023 with digital marketing initiatives (Khanlari, 2015). Market expansion strategies in developing countries must be considered by TVG where penetration pricing of the products will incur good returns for the company.

Conclusion

In summary, it may be projected that an analysis of the comprehensive business environment provides a company to formulate global market expansion strategies. As the business dynamics are continuously shifting in the global market, rising opportunities for income, product development and creating a digital experience for the users are becoming essential. TVG needs to consider providing unique experience for the customers to build a reputation in the global market. The challenges including political unrest, climate issues, and technological complexities can be overcome with tactical approaches incorporated by TVG in its marketing endeavours.

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Appendix

Overview of the Marketing Management- The Very Group

Overview of the Company

The Very Group (TVG) caters to the thousands of online customers in the UK and Ireland, notably those from low-income households. TVG sells all that 4.8 million consumers could require, excluding food, throughout the electrical, household, haute couture, and more industries (Hughes, 2021). TVG is a cutting-edge virtual company with over £2.3 billion in annual selling that incorporates retail and versatile transactions to make attractive brands easily accessible to more consumers (theverygroup.com, 2021). Skygate, TVG's shipment hub, opened on March 23, 2020, when the first nationwide lockdown was proclaimed. Since then, it has been extremely crucial in assisting the corporation in meeting its consumers' expectations.

“In addition to the strong commercial performance, we continued to strengthen the underlying financial position of the Group.”

£2,317.1m
Group revenue

£81.7m
Profit before tax



THE VERY GROUP

Recommendation strategies for the organisation

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Some components of PESTLE factors

Political

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Economic

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UK economy grew by 7.5% in 2021
Yearly GDP growth, %

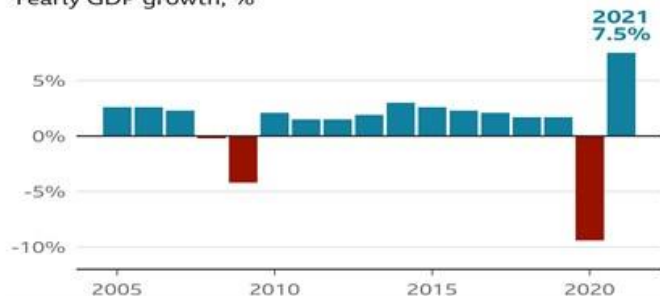


Figure 5: Overview of the marketing management of The Very Group