

STUDY OF THE INTERNAL SITUATION OF PROGES COMPANY USING SWOT ANALYSIS

Dudaș Anca Iulia*

*University of Oradea, Faculty of Environmental Protection, 26 Gen. Magheru St., 410048 Oradea, Romania, e-mail: iulia_dai@yahoo.com

Abstract

The purpose of this paper is to determine the strengths, weaknesses, opportunities and threats of Proges company using SWOT analysis. SWOT is an acronym composed of S-strengths (strengths), W-weakness (weaknesses), O-Opportunities (opportunities) and T-threats (threats).

The strengths and weaknesses includes advantages and disadvantages present and future of the company towards its competitors. Opportunities and threats can be identified in the present and future operating environment of the company. To achieve this fact we did an analysis at the company Proges where we talked with employees from different departments and the manager who have provided serious research for achieving as accurate as possible SWOT analysis. Proges is a group of companies importing and distributing materials for interior design in Romania. The Group has a number of over 65 stores and logistics centers in Romania, its own auto park and a distribution network.

After studying the documentation and on the basis of discussions held we could establish the strengths, weaknesses, opportunities and threats of Proges company presented in this paper.

Keywords: strengths, weaknesses, opportunities and threats.

INTRODUCTION

To establish objectives and strategies of a company prior actions are needed such as the internal analysis of the situation (SWOT analysis) and external analysis of the situation (PEST analysis) which gives the answer to the question "Where are we now?". Otherwise, marketing strategies within an enterprise or business answer to the question "How do we get there?". To position "there" marketer must establish marketing objectives, respectively to answer the question "Where do we want to get?". So the substantiation of marketing strategies has as previous stages external situation analysis, internal situation analysis and objective setting, and as a later stage the control of achieving established performance through objectives.

Internal situation analysis has as its object strengths, weaknesses, opportunities and threats of enterprise, being known as SWOT analysis.

SWOT Analysis is analyzed as a way of potential valorification of the enterprise.

MATERIAL AND METHOD

To make this paper we did an analysis at the place of research - Proges headquarters. Here we talked to the manager of this company and employees from various departments (especially in the marketing department), from which we received relevant information and a rich documentation to achieve SWOT analysis. We also appealed to latest bibliographic sources in the field.

RESULTS AND DISSCUSIONS

Strengths (+):

- "know how"
- Supplementary margin of addiction
- Greater margin on stores
- Direct access to customer
- Implementing sales policy
- Stores standardization
- Retail force with national covering
- Retail costs
- Effective verification tools of promoting means
- Using promoting channels
- Existence of own logistics from where it results the sales increase with at least 50%
- Good quality of products (wide range)
- Special order delivery to customers
- Exclusivity on certain range and manufacturers
- Existence of own brands
- Existence of a purchasing department with experience
- Special order system
- Existence of a procedures manual
- Checks and BO can be collected faster
- Training for new employees
- Upgrade of products range
- Capacity to increase the productivity
- Online sales system
- Online promoting system
- Upgrading the product portfolio in accord with market demand
- Company has built a strong image on the market
- Arising of new specialists with orientation towards sales and customers
- Respect of existing legislation
- Quality certificates according to ISO

- preoccupation for maintenance of collaborative relationships with clients
- its own The existence distribution networks, extended in several counties
- possibilities of achieving products and services at the level of proposed quality standards.

Weaknesses (-):

- Difficulties in coordinating store staff
- The need for an initial buffer stock
- Marketing and promoting costs on stores
- Fixed costs – utilities
- Costs with the equipment of sales force
- Lack of transport services and counseling at home
- Lesser margin on resale
- Interdepartmental information flow
- High costs of promotion
- Reduced reaction rate on the Logistics
- Logistic Information System
- Stocks with low rotating Spin
- Slow implementation of new products
- Low monitoring of competition
- way of solving the defects
- Continuity for products with the lowest prices on the market
- Lack of communication on project side
- Sales training
- Lack of acquisitions staff
- Improper distribution of tasks on the acquisition department
- The inefficiency of specialized training
- Special orders system with long duration of honor
- Absence of a special contract for large construction companies
- Deficient management of promotional materials
- MP insufficient staff and acquisitions
- Lack of centralized recruitment / weak training program.

Opportunities:

- Disappearance of small resellers from where it results growth in traffic and sales of Proges stores
- increases orientation of the purchaser towards natural products (triple-laminate parquet, massive)
- return of Spaniards, Italians
- New product innovations made by Proges partners
- Implementation of the PAL

- Switching to ecologist policies
- State subsidies
- Green energy, ecological products
- Changing the Romanian system of values
- Development of products due to the knowledge accumulated on this field but also tend to diversify the range of products
- The creation of global markets and the necessity for some assurances on different time periods.

Threats:

- Global crisis
- New rules of BNR to restrict credits
- Depreciation of RON-EURO
- Negative status of population regarding future
- Stopping investment projects
- Decreasing of investments on the the budget family and company
- Development of Do it yourself channel (Bricostore, Obi, Praktiker)
- Development of "interior decoration and furniture" chains (Kika, Lutz)
- Decrease of number of resellers
- Additional pressure on prices from competitors
- Extension of specialized networks (Piri Diego)
- Development of sales network of producers in Romania (Barlinek, Vox)
- Misinformation of customers about the origin of products
- National economic and financial system instability
- Competition
- Lack of consumer education for products. The main reasons for the low level of penetration or mentality and decreased relative income of ordinary Romanians.

CONCLUSIONS

Performance evaluation of a firm requires performance standards the quantification in measurable size of objectives and express foresight of their value in moments of control. Evaluation and control methods used depend on the type, culture, business they conduct, management style and so on, and only after comparing the results can be established the real situation and possible corrective actions.

In this paper we have identified with SWOT analysis - strengths, weaknesses, opportunities and threats of Proges company. Of the strengths of the company we remind: good quality of the products, special order delivery at the client domicile, exclusivity on certain product lines, the ability to increase productivity, online sales system, online promotion system, upgrading the product portfolio in accord with the request market, quality certificates according to ISO, concern for the maintenance of collaborative relationships with clients.

Among the weaknesses of the company we mention: difficulties in coordinating store staff, lack of transport services and consultancy at home, slow implementation of new products, weak monitoring of competition, special orders system with long duration of honor, the absence of a special contract for large construction firms, faulty management of materials, lack of centralized recruitment system.

We like to think that what turned Proges into a prestige national brand, beyond territorial expansion and consistency of communication, was the value that has offered to its customers without compromise.

During the 10 years of activity were sold over 25 million square meters of laminate flooring and hardwood flooring, 5 million square meters of carpet and PVC over 500,000 rugs, hundreds of thousands of interior doors, curtains and draperies.

In a market in constant change, Proges has proposed to offer customers solutions as diverse regarding interior design and the most profitable quality-price ratio. As a company, Proges intends to understand better customer's need to feel the most comfortable at home, constantly providing professional advice and a wide range of products.

REFERENCES

1. Anghel, L., 1994, Marketing-probleme, cazuri, teste, Ed. Expert, București.
2. Anghel, L., 2000, Marketing, Editura ASE, București.
3. Cetină Iuliana, 2001, Marketingul competitiv în sectorul serviciilor, Editura Teora, București.
4. Chiran A. și colab., 2006, Management, marketing și gestiune economică, Editura Performantica, Iași.
5. Cosmescu, I., Ilie, L., 1999, Economia serviciilor, Editura Universității „Lucian Blaga” din Sibiu.
6. Diaconescu M., 2005, Marketing, Ed. Universitară, București.
7. Dumitru, I., 2004, Marketing strategic, o abordare în perspectiva globalizării, Editura Uranus, București.
8. Gîndu Elena, 2006, Marketing – organizare, strategii, decizii, comportamentul consumatorilor, Editura Tehnopress, Iași.
9. Grigoriu, E., 2001, Marketing, Editura Agroprint, Timișoara.
10. Ionescu, I., 2004, Economia întreprinderii de turism și comerț, Editura Economică, București.
11. Iosif, Gh. N., Bran Florina, Manole V., Iosif S., Stoian Maria, 1999, Ecomarketingul societăților comerciale, Editura Tribuna Economică, București.
12. Kötler, Ph., 1998, Principiile marketingului, Editura Teora, București.
13. Olaru M., 1999, Managementul calității, Editura Economică, București.
14. Olteanu, V., Cetină, I., 1994, Marketingul serviciilor, Editura Marketer&Expert, București.
15. Patriche, D., 1994, Marketing Industrial- Editura Expert, București.
16. Spircu, L. ș.a., 1994, Analiza datelor de Marketing, Editura All, București.
17. Stăncioiu Aurelia-Felicia, 2004, Strategii de marketing în turism, Editura Economică.
18. Stanciu, Sica, 2002, Marketing General, Ed. Dareco, București.
19. ** colecția de reviste Capital + suplimente
20. ** colecția de reviste Ziarul financiar.