



HF PROGRESS AB

Business Development and Marketing

Book 1

Current Situation

CONTENTS

| | |
|---|-----------|
| DEFINITIONS | 1 |
| Comprehensive View of Business | 2 |
| Business Development Ladder | 3 |
| Marketing | 4 |
| General Definition | 4 |
| Broader Definition | 4 |
| Market Strategy | 5 |
| Company Hub | 5 |
| Market Strategy | 6 |
| Definition | 6 |
| Market Tactics | 7 |
| Definition | 7 |
| Sales..... | 8 |
| Personal..... | 8 |
| Mechanical..... | 8 |
| MISSION STATEMENT | 9 |
| Mission Statement | 10 |
| Definition | 10 |
| Content of Mission Statement | 11 |
| Objective of Mission Statement..... | 12 |
| Construction of a Mission Statement..... | 13 |
| Task | 14 |
| A Mission Statement Describes and Defines | 14 |
| Your Company's Mission Statement | 15 |
| Mission Statement's Wording..... | 17 |
| This Is Our Mission Statement..... | 17 |
| OPPORTUNITIES/THREATS | 19 |
| Overall Opportunities/threats..... | 20 |
| External..... | 20 |
| Internal | 20 |
| Task | 21 |
| STRENGTHS/WEAKNESSES | 23 |
| Analysis..... | 24 |
| The Products..... | 25 |
| The Products..... | 26 |
| Customers..... | 27 |
| Competitors | 28 |

| | |
|-------------------------------------|----|
| Sales..... | 29 |
| Production..... | 30 |
| Production..... | 31 |
| Premises and Equipment | 32 |
| Premises, Equipment..... | 33 |
| Purchasing, Inventory | 34 |
| Purchasing, Inventory | 35 |
| Personnel | 36 |
| Organisation | 37 |
| Procedures..... | 38 |
| Financial Control | 39 |
| Company Management..... | 40 |
| Planning | 41 |
| Summary | 42 |
| Form, Profit and Loss Account | 43 |
| Form, Balance Sheet..... | 45 |
| Form, Business Ratios..... | 47 |

BUSINESS AREAS **49**

| | |
|---|----|
| Establishing Business Areas | 50 |
| Products/services - Market Segment..... | 51 |
| Task..... | 52 |
| Business Areas..... | 52 |
| Task | 53 |
| Distribution of Turnover | 53 |
| Establishing Market Share | 54 |
| Profitability..... | 55 |
| Establishing Growth Potential..... | 56 |
| Exercise..... | 57 |
| Business Areas..... | 58 |
| Turnover Distribution | 59 |
| Establishing Market Share | 60 |
| Profitability..... | 61 |
| Establishing Growth Potential..... | 62 |

PRODUCT/PRODUCT DEVELOPMENT **63**

| | |
|----------------------------|----|
| Definition of Product..... | 64 |
| Need Adapted Products..... | 65 |
| Product Functions | 66 |
| Product..... | 67 |
| Classification | 67 |
| Product Planning | 68 |
| Product Policy | 68 |

| | |
|---|-----------|
| Product Development..... | 68 |
| Why Does a New Product Fail? | 69 |
| When Do You Discontinue a Product? | 70 |
| The Goods | 71 |
| Marks of Origin and Trademarks | 71 |
| Packaging | 71 |
| Life Cycle of a Product..... | 72 |
| <i>MARKET – KNOWLEDGE</i> | 73 |
| Market Knowledge..... | 74 |
| <i>MARKET – CUSTOMERS</i> | 75 |
| Definition of Market..... | 76 |
| Needs | 77 |
| Individual's | 77 |
| Company's | 77 |
| Demand | 78 |
| The Market | 79 |
| Consumer Market | 79 |
| The Professional Market | 79 |
| Task | 80 |
| Knowledge of The Customer | 80 |
| Customer Relations | 82 |
| Customer Analysis | 83 |
| <i>MARKET – COMPETITORS</i> | 87 |
| Competitors..... | 88 |
| Learning About The Competition | 88 |
| Learning From The Competition | 88 |
| Communicating With The Competition..... | 88 |
| Task | 89 |
| Your Competitiveness - Your Competitive Edge | 89 |
| Analysis of Competitiveness..... | 90 |
| The Competitive Edge | 91 |
| Competitor Analysis | 92 |
| Checklist..... | 92 |
| Help Form | 93 |
| Competitor Assessment | 95 |
| <i>MARKET – SUPPLIERS & DISTRIBUTORS</i> | 97 |
| Suppliers..... | 98 |
| Distribution Systems..... | 99 |

| | |
|--|-------------------|
| <i>THE BUYING PROCESS</i> | <i>101</i> |
| Consumer Decision Process..... | 102 |
| The Professional Market Decision Process..... | 103 |
| Factors and Processes | 104 |
| – that control customers’ purchasing behaviour..... | 104 |
| Public Procurement | 105 |
| <i>SOCIAL ENVIRONMENT</i> | <i>107</i> |
| Social Environment..... | 108 |
| Market Rules | 109 |
| <i>ANNEXES</i> | <i>111</i> |
| Action Programme With Profitability Analysis | 112 |
| Expenditure..... | 113 |
| Savings..... | 114 |
| Help Template | 115 |
| – for evaluation of potential for success in new business areas..... | 115 |

MISSION STATEMENT

Mission Statement

Definition

- How and why a business earns money.
- What creates success in competition with other businesses in the market.

Content of Mission Statement

Factors that support or assist a profitable business venture are:

- Market
- Products (goods/services)
- Production system
- Human and organisational resources

These factors and a combination of them help to create the "Company's Unique Competence".

Objective of Mission Statement

- Guidelines for all business development.
- Concentrates the entire company in a common objective.
- Summarises the company's "essence" in external contacts with:
 - customers
 - suppliers
 - backers
 - authorities
 - etc.