

Name

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Course

Date

SWOT Analysis of Better Business Bureau (BBB)

As an organization, BBB has both its internal strengths and weaknesses. Moreover, this company is affected by a variety of external forces as well. Therefore, it is vital to examine how these internal and external factors will influence this company and to an extent identify the specific steps of action to undertake to propel the organization to greater heights. The following table summarizes the SWOT analysis of New York BBB Corporation. It must be noted that the company bases its operations on three major pillars, namely: customer service, its core business and charity/donor. These propel its service provisions to its customers.

<u>Strengths</u>	<u>Weaknesses</u>
<ol style="list-style-type: none"> 1) Its brand, which is widely recognized by American customers and the foreign market. 2) Presence of the company online, this enables customers to make their purchases and orders online. 3) The ownership form facilitates most of its success. 4) Its consumer handling techniques creates loyal clients. 	<ol style="list-style-type: none"> 1) Its inability to withstand price competition from well-established competitors. 2) It lacks of diversification and product differentiation. The company operates mostly in the United States where it is majorly based. Local retailers acquired its stores both in Europe and in the Middle East including Australia. 3) Its supply chain is disorganized and operates at very low optimal.

	4) Poor environmental awareness programs record.
<p><u>Opportunities</u></p> <ol style="list-style-type: none"> 1) The company has greater prospects of growth since customers are highly willing to make online orders and purchases. The company is among the first to install online operation programs for its customers hence prospects of growth since they offer this opportunity to a wide client base. 2) The growing popularity of privately or store brands that are often owned by private retailers. 3) The ever-increasing expenditure on general consumer products and services. BBB operates many retail outlets and the revenue from the outlets summed up contributes significantly to the firm's total revenue. 	<p><u>Threats</u></p> <ol style="list-style-type: none"> 1) Intense competition from well-established service providing companies operating in the same line of business. The competitors also keep diversifying. 2) Economic downturn resulting in the decline of purchasing power, disposable income and amount of credit accompanied with high interest rates. 3) Ever increasing costs of operations emanating from the costs of inputs to be used in the process.
<p><u>Current Trends</u></p> <ol style="list-style-type: none"> 1) The constantly increasing attention of the government toward the environmental practices and issues of companies and how they handle such issues. One should bear in mind that BBB 	

Corporation already had trouble with watchdog because of its poor waste management procedures.

- 2) The increasing popularity of online and internet business and willingness of majority of clients and stakeholders to make their transactions online are a bust to business in the contemporary world.
- 3) Another trend is the increasing number of people who are willing to buy privately owned enterprises and stores.
- 4) The constant and consistent technological improvement in the management of business operations where tasks are to a very small extent handled manually, most operations are mechanized hence efficiency and effectiveness.

Internal analysis

Internal analysis involves a keen analysis of the major functions of the organization, its abilities as compared to those of the competitors. In its efforts to achieve competitive edge and marketability of its operations, BBB has decided to modernize its operations. These are conducted in its efforts to encourage and support best market practices while celebrating being a model given it is one among the few to initiate online transactions. BBB operates its internal operations based on trust and this has enabled it earn accreditations, awards which not any other company is eligible for in the United States. The internal cores and operations of BBB are much in line with all its values alike. Concerning integrity issues, the organization operates in utmost honesty and ethics in all its business activities. They treat the clients with integrity honoring their promises and leaning from previous mistakes.

All its departments right from Sales & Marketing Finance & Accounting, Human Resources Research & Development, Information Systems Management, and Production &

Distribution departments. Modern equipment is installed in the entire departments as major capital expenditures for the year. BBB has set very high standards and it upholds them in the process of its operations in the market place, its departments are well established and well coordinated with its stakeholders like the Council of Better Business Bureaus (CBBB) which is the network of BBBs in the US and Canada. In line with the relationships between business and consumers, CBBBs enhance high levels of honesty and responsibility. The Human Resource department has established modern recruitment procedures that helps BBB get the best staff, the department offers workshops and frequent trainings for the employees to be up to date in the ever dynamic environment. Its online operation system has an integrated information technology system to aid it track all its dealings with the clients.

As a weakness, BBB began to invest in technologies and information systems a bit late, specifically in 2000. This is the reason they have long been unable to estimate the demand for their products and services more accurately. This was poor service provision by BBB Corporation, and it lead to customer dissatisfaction (Onkvisit and Shaw 222).. Despite these setbacks, 81% of the public stakeholders are aware of BBB; this is because BBB is the most vital resource identified by consumers in terms of service provision, reliability and reputation of the offers they make to their clients. The BBB provides constant and consistent information on a variety of businesses and other charities, resolves amicably the disputes involving it with its consumes and extends education programs to its clients on current non-profit issues.

External analysis

External factors are the outside parameters that influence the efficiency and effectiveness of a business in its internal operations. Externally the stakeholders composed of the population

and the demographic elements affect a business. The political, legal and economic elements are also variables with massive influence on the internal structures and they specifically define how they are implemented and working (Onkvisit and Shaw 302). BBB has therefore institutionalize an effectively run public relations departments which is fully loaded and packed with PR activities to help the organization integrate its activities well with the government, customers, suppliers and other important stakeholders. BBB through its technical department updates its technology frequently as the changes occur. The growing importance of online commerce and increasing popularity of private brands should also be given an upper hand and explored as an opportunity.

The Not for profit organization through its education programs has ensured that the society is made aware of how relevant BBB's programs are relevant to the socio-cultural relations of the organization. Through the employment of the modern online technology, BBB helps the people that we care most about in accessing up to date charity reliable information and hence helping them fuel their businesses (Epstein & Marc 2004pg. 412). They help in case of disputes to resolve them. An internet survey on the popularity of BBB and its programs indicate that over 79% of people prefer contacting BBB for enquiries on information since it is highly reliable. The consumer base of BBB runs into millions per annum.

BBB also experience threats in the market place that it needs to handle as follows; it needs to focus more on diversification of its information services and operations. This is for the sole reason that the foreign markets are still green about the firm's operations and activities. As a result, BBB majorly depends on the purchasing power of American consumers after its foreign stores were sold.

Specific Action Steps to be taken by the Company

To facilitate the efficacy and competency of BBB in the market as an information provider, the top-level management lead by the CEO is required to do the following. Develop strategies to cut down on costs and better human resource management procedures so that the performance of BBB is made to match those of the international standards an environment in which it operates (Epstein & Marc 2004pg. 298). The other important trend, that the management of BBB should consider advancing is, more customers prefer to acquire services from private brands given that they are less expensive hence quite affordable hence this arm must be fully developed and made operational. These are composed of informational services produced or owned and distributed by a retail chain as in the case with BBB.

The increasing popularity of store brands is explained by economic crunch witnessed and the willingness of clients to save on costs. BBB can employ this trend as the company also has some store brands. This trend may not last for long and the leadership and management of BBB should find ways of differentiating its informational service provision, switching costs of suppliers and firms in the industry as they concentrate on a single suppliers and costs analysis in relation to total purchases. They should also look at the impacts of inputs on costs or on differentiation among other parameters (Onkvisit and Shaw 202).

The management of BBB through the leadership of the CEO must resolve the problem of ethics and environment to show a sense of responsibility to its corporate citizens. This is because a company's reputation with its stakeholders majorly comes from its ethical and environmental records (Epstein & Marc 2004pg. 207). In addition to this, the trust of customers is gained when and only when a company has good environmental and ethical records. Overall, the competitive

strength of BBB Corporation is based on the excellent functioning of its supply chains both in the US and in its foreign markets.

Works Cited

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