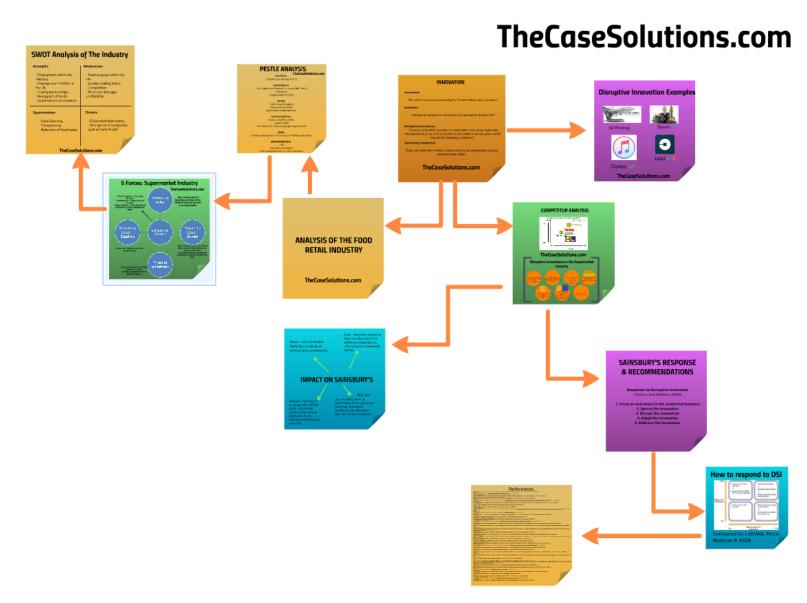
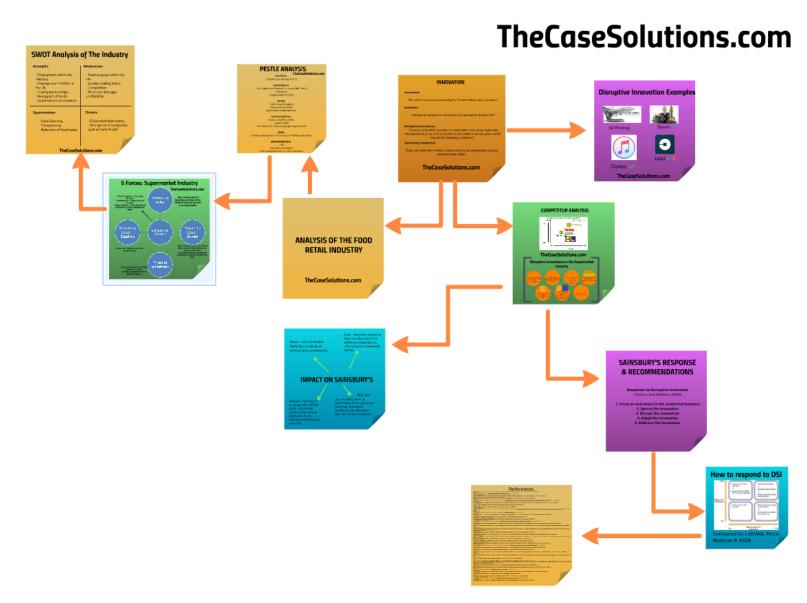
Want to Innovate? Then Act Like a Start-up



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INNOVATION

Innovation

"The action or process of innovating" or "A new method, idea, or product"

Invention

"Creation of a product or introduction of a process for the first time"

Disruptive Innovation

"A process of by which a product or service takes route using simple steps and applications to go from the bottom of the market to the top of the market very quickly displaying competitors".

Sustaining Innovation

"Does not create new markets or value networks but only develops existing ones with better values.

Disruptive Innovation Examples















ANALYSIS OF THE FOOD RETAIL INDUSTRY

PESTLE ANALYSIS

TheCaseSolutions.com

POLITICAL

- Possibility of leaving the E.U

ECONOMICAL

- UK employment lowest in 10 years (BBC, 2015)
 - Fuel prices
 - Sluggish pay increases

SOCIAL

- Online food shopping
- -increased fuel prices
- -disposable income was low.

TECHNOLOGICAL

- trend, everything online.
 - social media
- Self checkouts / Scan as you go / loyalty cards.

LEGAL

- Sunday trading hours. Must close Christmas and Easter.

ENVIRONMENTAL

- CSR
- Reducing food waste
- Fair trade produces e.g. coffee bananas.

5 Forces: Supermarket Industry

TheCaseSolutions.com

- Intense Competition Tesco, Asda, Morrisons
- Competition over Product, Price and **Promotion**
- Discount Retailers Aldi & Lidl growth in market share by 25% in 2008 (Keynote 2010)

Barriers to entry

- Big 4 make up 60% of Market Share (Mintel 2015) - Need to have very low price or very high quality

Bargaining power -Suppliers

Competition / Rivalry

Bargaining power-**Buyers**

- Power Low Suppliers do not want
- to loose contracts

Threat of substitutes

- High Switching costs are non existent
- Buyers decide whether quality can be compromised for price
- To persuade customers supermarkets have price wars and offer the difference back

- Considerably low for food / Medium to high for non food

- Sainsbury's become a threat to specialised retailers

SWOT Analysis of The Industry

Strengths

- Employment within the industry.
- Employs over 1million in the UK.
- Charity partnerships.
- Being part of the EU.
- Supermarket convenience.

Weaknesses

- Food wastage within the UK.
- Sunday trading hours.
- Competition
- Price cuts damages profitability.

Opportunities

- Local Sourcing.
- Transparency.
- Reduction of food waste.

Threats

- Discounted food stores.
- Emergence of companies such as"Hello Fresh"

COMPETITOR ANALYSIS

