

12.1_E

Internal factors	Strengths	Functional area	Weaknesses	Functional area
	The workforce is experienced and skilled at selling.		A lot of money is tied up in stock.	
	Advertising costs have not been high because there is an established customer base.		Sales figures are beginning to fall.	
	Clothes are high quality and very fashionable.		Profits are down on the same period last year.	
	The shop is well placed in the centre of the town.		Some staff are absent a lot.	
			The clothes are badly displayed.	
			The rent on the shop premises is high.	

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External factors	Opportunities	Words from Exercise A	Threats	Words from Exercise A
	Borrowing money is cheap so spending is high.		A new out-of-town shopping centre has recently opened.	
	A new supplier of fashionable clothes for men has recently been in touch.		It has several big chain stores which sell clothes with well-established brand names to all ages and income groups.	
	The internet is an important outlet for clothes retailers.		The local business tax will increase next year.	
	There is a shop for rent in the new shopping centre.			

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Answers

Internal factors	Strengths	Functional area	Weaknesses	Functional area
	The workforce is experienced and skilled at selling.	human resources	A lot of money is tied up in stock.	finance
	Advertising costs have not been high because there is an established customer base.	marketing	Sales figures are beginning to fall.	finance
	Clothes are high quality and very fashionable.	marketing, operations	Profits are down on the same period last year.	finance
	The shop is well placed in the centre of the town.	marketing	Some staff are absent a lot.	human resources
			The clothes are badly displayed.	marketing
			The rent on the shop premises is high.	finance

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Answers

External factors	Opportunities	Words from Exercise A	Threats	Words from Exercise A
	Borrowing money is cheap so spending is high.	interest rates, economic cycle	A new out-of-town shopping centre has recently opened.	competitors, location
	A new supplier of fashionable clothes for men has recently been in touch.	product range	It has several big chain stores which sell clothes with well-established brand names to all ages and income groups.	competitors, market leader, product range
	The internet is an important outlet for clothes retailers.	distribution channel, location	The local business tax will increase next year.	taxation
	There is a shop for rent in the new shopping centre.	distribution channel, location		