IndividualAssignment

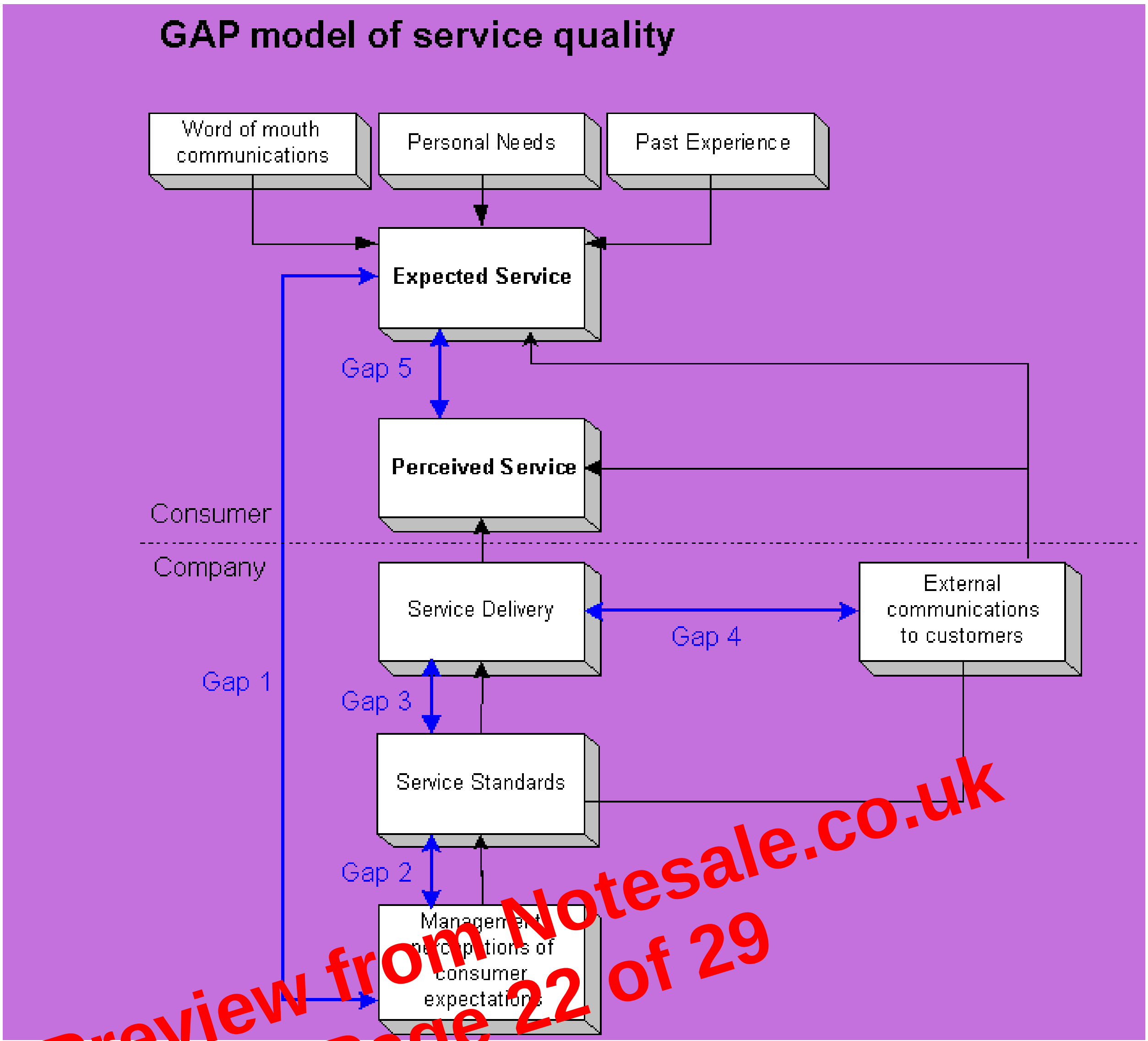
Module Name: Marketing Management

Program: MBA Stage 1

Submission Deadline: August 29th 2014

Introduction

This report is focused on analysis of business activity of ALDI, a low price grocery leader, with more than 5,000 stores worldwide. The company has been founded in 1914 in



Appendix 2. Steps in Market Segmentation

Program	Lean	Six Sigma	Systems Approach
Theory	Remove waste	Reduce variation	Improve process
Application Guidelines	Identify value Identify value stream Flow Pull Perfection	Define Measure Analyze Improve Control	Understand process and system Link to accounting sheets Select opportunities to improve the process Employees create action plans for improvements Managers oversee the improvement program True performance is scored using a Baldrige model
Focus	Flow focused	Problem focused	Opportunity focused
Assumptions	Waste removal will improve business performance Many small improvements are better than systems analysis	A problem exists Measurements are valued System output improves as variation in all processes is reduced	Supporting processes linked to main process Main processes linked internally All improvements can be leveraged within the system
Primary Effect	Reduced flow time	Uniform process output	Understanding linkages in the system
Secondary Effects	Less waste Fast throughput Less inventory Improved quality	Less variation Uniform output Less inventory Improved quality	Conservation of resources and reduction of waste Less inventory Less waste Improved quality
Criticisms	Statistics or system analysis not valued Training all employees can be time consuming	System interaction not considered Process improved independently of system Black belts may become an elite corps	Lacks popular appeal of other methods Takes time to develop the skills to use the tools properly

Source: Pojasek (2003)

Appendix 4. Report Highlights in Power Point Presentation

Logistics: Outsourcing

- Lower operational costs;
- Advantageous external expertise;
- Danger of data leakage;
- High operational dependence;
- Higher process interruption risks

Segmentation: Theory

- Market division into distinct groups of customers;
- Characteristics: behavioral, demographic, psychographic and geographic;
- Correlation with targeting and positioning (STP Model)