
SWOT Analysis Example #2

Strengths:

- 1)The beers manufactured by United breweries have a prominent brand position and brand image in the customer's mind. Largest selling beer in India having a market share of more than 50 %
- 2)The company offers a wide variety of brands according to consumer needs. There are different varieties according to the alcohol content
- 3)United breweries has around 31 production facilities in India, thus having it's presence across India having a massive penetration
- 4) Due to its widespread presence, the brewery units are present near to suppliers, thus having a sourcing advantage.
- 5) Cost saving can be done easily due to mass production
- 6)The brand has valuable association with it. For example: The association of kingfisher with RCB team in IPL (Indian premier League)

Weakness:

- 1)Large number of brands are present and hence maintenance of those becomes expensive
- 2)Due to its availability across the country, it was a challenge to standardize the process and data handling across the country
- 3) The packaging is not attractive and user friendly when compared to competitors

Opportunities:

- 1)There is an opportunity for long term growth of the company, due to increasing consumer consumption patterns, lifestyle and urbanization
- 2)Flavored beers / beers with low alcohol content, could be aggressively marketed, so that there could be policy changes to have them in supermarkets/retail outlets.
- 3)Craft beer market can be tapped which is gaining popularity current

Threats:

- 1)The merge between SABMiller and AB InBev who are the next market players is a huge threat
- 2)There is a Change in consumer preferences to craft beer/microbreweries compared to

branded beers. Thus, the consumption of branded beers may decline

3) Government has control over distribution in most states, thus restricting the growth

4) Profit margins would be impacted due to increasing taxation. In most of the states, the government has control over the pricing, which may lead to decreasing margins

5) Due to the advertisement ban with respect to alcohol, the brand awareness is declining

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