**RESPOND TO EACH STUDENT AND WRITE 75 WORDS FOR EACH FOLLOW UP RESPONSE**

* **Use the appropriate APA formatted scholarly reference sources and corresponding in-text citations in all your postings.**
* **Ok to challenge or disagree with the student. Remember to be respectful**

**Learning Activity 2**

Requirement 1:

* Use the alternative strategies as identified in Learning Activity 1 of W5 as the focal points for quantitative analysis

     Requirement 2:

* Complete all the necessary computations by using the analytic tool QSPM matrix to review the strategic alternatives as identified this week in Learning Activity # 1 to identify just ONE strategy to move forward.
* In other words, create your own QSPM and show all the appropriate math within that QSPM, so that you can compare and contrast the weighted scores for the whole pool of the alternative strategies, and identify that optimal strategy based on the computed outcomes of this quantitative analysis

    Requirement 3:

* Provide a detailed explanation of the ONE strategy identified by using this QSPM tool, and explain with at least 3 underlying reasons why that quantitatively optimal strategy is critical to the organization’s future success.
* Support the rationale of each of your explanations.

   Requirement 4:

* Use the appropriate APA formatted scholarly reference source and corresponding in-text citations in all your postings.

**Student 1**: Calvin Bowens

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Key Internal Factors** | **Differentiation**   | **New Products – Same Market** | | **New Market Expansion** | | **Take Market Shares** | |
| **Internal Strengths** | **Weight** | **AS** | **TAS** | **AS** | **TAS** | **AS** | **TAS** |
| Innovation | 0.25 | 3 | 0.75 | 4 | 1 | 4 | 1 |
| Vertical Integration | 0.25 | 2 | 0.5 | - | - | - | - |
| Brand | 0.25 | 3 | 0.75 | 4 | 1 | 4 | 1 |
|  |  |  |  |  |  |  |  |
| **Internal Weaknesses** |  |  |  |  |  |  |  |
| Logistics & Distributions | 0.10 | 4 | 0.40 | 4 | 0.40 | 4 | 0.40 |
| High cost of Raw materials | 0.05 | 1 | 0.05 | 3 | 0.15 | 2 | 0.10 |
| New product concepts | 0.10 | 3 | 0.30 | 3 | 0.30 | 3 | 0.30 |
|  | **1.00** |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Key External Factors** |  |  |  |  |  |  |  |
| **Opportunities** |  |  |  |  |  |  |  |
| Foreign Markets | 0.13 | 2 | 0.26 | 3 | 0.39 | 3 | 0.39 |
| Penetration through mergers | 0.32 | - | - | 1 | 0.32 | 4 | 1.28 |
| Corporate Responsibility in the community | 0.10 | - | - | - | - | - |  |
|  |  |  |  |  |  |  |  |
| **Threats** |  |  |  |  |  |  |  |
| Economy | 0.27 | 2 | 0.54 | 2 | 0.54 | 3 | 0.81 |
| Smaller businesses entrants | 0.13 | 3 | 0.39 | 1 | 0.13 | 3 | 0.39 |
| Foreign governments Policies | 0.05 | 1 | 0.05 | 1 | 0.05 | 1 | 0.05 |
|  | **1.00** |  |  |  |  |  |  |
| **Total Sum of Attractiveness Scores** |  |  | **3.99** |  | **4.28** |  | **5.72** |

Based on the information provided in the QSPM for Shaw Industries, the Sum of Total Attractiveness Scores reveals the “take market shares” as the most striking in the set of strategies. The superior score of 5.72 indicates smart strategies which are in line with all applicable external and internal factors that would influence Shaw’s decision one way or the other. Although, a new product in the same market, is ideal, and in theory seems to be the appropriate course of action, the QSPM paints a completely different picture.

Currently there are new products being launched in the Asian and African markets where carpeted flooring options have never been required thanks largely to the hot weather. This opportunity represents markets not normally known as great opportunities due to the nature of their location. New segments and markets should always be identified as an opportunity if they exist. With any industry, there’s always room for constant growth opportunities through the means of mergers and acquisitions, thus delivering constant value to the consumers, and in some cases at reduced cost. Mergers and acquisitions represent an opportunity of change. A chance to combine collective experiences and expanding the value of the brand a company can deliver to its customers.

Differentiation is the direction and strategy for Shaw Industries. The QSPM dictates the focus as being take market shares. This will be done by continuing to create innovative means of delivering quality products, and building on the unrivaled brand their customers have come to know; in doing so, Shaw will eventually capture more market shares, and reach those foreign markets.

**References**

Boykin, G. (2017). *How to identify alternative plans in strategic marketing plan.* Retrieved from The Houston Chronicle - Chron : http://smallbusiness.chron.com/identify-alternative-plans-strategic-marketing-plan-75324.html

Shaw. (2017). *Company profile*. Retrieved from Shaw Industries Group, Inc: https://shawinc.com/Company-Profile

**STUDENT 2** Kevin Mutter

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| QSPM |  | Market Development | | Product Development | | Mergers and Acquisitions | |
|  | Weight | AS Rating | TAS Weighted Score | AS Rating | TAS Weighted Score | AS Rating | TAS Weighted Score |
| High Profitability | 0.2 | 3 | 0.6 | 3 | 0.6 | 4 | 0.8 |
| Workplace Culture | 0.2 | 2 | 0.4 | 3 | 0.6 | 2 | 0.4 |
| Training Programs | 0.2 | 3 | 0.6 | 2 | 0.4 | 3 | 0.6 |
| Competitive Market | 0.2 | 4 | 0.8 | 3 | 0.6 | 3 | 0.6 |
| Design Pressure | 0.1 | 2 | 0.2 | 4 | 0.4 | 2 | 0.2 |
| Future Market | 0.1 | 1 | 0.1 | 4 | 0.4 | 1 | 0.1 |
| Totals | 1 | (Leave this cell blank) | 2.7 |  | 3 |  | 2.7 |
|  |  |  |  |  |  |  |  |
| Housing Trends | 0.2 | 3 | 0.6 | 4 | 0.8 | 1 | 0.2 |
| Product Differentiation | 0.1 | 4 | 0.4 | 3 | 0.3 | 4 | 0.4 |
| Demand for Environmentally Responsible Products | 0.15 | 4 | 0.6 | 4 | 0.6 | 4 | 0.6 |
| Disposable Income | 0.15 | 2 | 0.3 | 2 | 0.3 | 2 | 0.3 |
| Consumer Spending | 0.15 | 2 | 0.3 | 2 | 0.3 | 3 | 0.45 |
| Government Regulation | 0.25 | 1 | 0.25 | 2 | 0.5 | 3 | 0.75 |
| Totals for EFE | 1 | (Leave this cell blank) | 2.45 |  | 2.8 |  | 2.7 |

The QSPM model is a way to take the weighted scores from the IFE and EFE matrix and place the two matrices together to be able to evaluate how taking a generalized strategy and using specific strategies that would fit under a concept in an effort to best understand what strategy may be more beneficial for the company in the long run. The three concepts that were evaluated under this model were market penetration, product development, and mergers and acquisitions under the horizontal integration concept.

Out of the three specific strategies that were evaluated by the QSPM model, the one that scored the highest was product development. This strategy is going to be critical to the success of the company for three reasons. Product differentiation creates value in the business, it is non-price competitive, and it creates the brand loyalty that is evident in a differentiation strategy (Kelchner, n.d.) The demand for differentiated products is high. Mohawk is in the business of creating products that have a high quality and may cost a bit more. In order for Mohawk to stay on top of product development the company is going to have to look at the current and future housing trends to develop the products customers are looking for. Consumers are looking for a socially responsible companies. They want to know that the products they buy are developed in a safe manner and will not have adverse effects on the environment. These two concepts are going to also place a strong bearing on product design pressure. A new innovative carpet could be the best carpet that last 50 years, but its production methods are environmentally hazardous and once the carpet is disposed of it creates and equal hazard. This would not allow for social responsibility.

References:

Kelchner, L. (n.d.). The advantages of a product differentiation strategy. In *Chron Small Business*. Retrieved from http://smallbusiness.chron.com/advantages-product-differentiation-strategy-17691.html