**Nestle business plan**

1. **Business background**

Founded in 1867, Nestle is the world's largest food company and ranks among the top 50 of the world's top 500. Nestle is used in 8500 kinds of food, beverage, and medical products. With various packaging and specifications, nestle has more than 22000 kinds of products, which are produced in 516 factories in 61 countries. According to its turnover, Nestle's products are distributed as follows: drinks account for 23.6%, cereal, milk, and nutrition account for 20%, chocolate and candy account for 16%, cooking products account for 12.7%, frozen food and ice cream account for 10.1%, refrigerated food account for 8.9%, pet food account for 4.5%, drugs and cosmetics account for 3%, and other products and undertakings account for 1.1%. In 2003, Nestle's turnover was CHF 87.979 billion, Excluding the impact of exchange rate changes, it increased by 6.3% over 2002, and the net profit was CHF 6.213 billion.

As early as 1868, Henry Nestle, the founder of Nestle, established sales outlets in Paris, Frankfurt, and London, and established the development direction of Nestle's transnational operation. From 1890 to 1902, Nestle successively set up factories in Europe and America, merged with Yingrui condensed milk company, another source of Nestle, and became a world-class food giant at that time. In the following 100 years, Nestle's transnational operation has made proud achievements.

1. **SWOT**

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|  | **Strengths:** Capital, talent, culture, internationalization, status | **Weaknesses:** Cost, distribution, food safety, category innovation |
| **Opportunities:** Brand, competitiveness, talent attraction, business stability | **SO**  Brand Capital: put in a lot of advertising and business marketing to strengthen the brand culture and strengthen its position in the hearts of consumers  Internationalization of business stability: help enterprises not to affect the financial situation of enterprises in case of partial business failure and have better ability to resist risks than other competitors. | **Wo**  Talent attraction - type innovation: through the absorption and utilization of many innovative talents, effectively develop new products and exchange high profits for high costs |
| **Threats:** Cost, new entrant, supply chain, distribution channel, technology patent, policy tendency | **ST**  Corporate culture - new entrants: use corporate culture to express their business philosophy and sales strategy and win the trust of consumers. | **WT**  Cost Safety Innovation: blindly pursuing new products is easy to greatly reduce the enterprise cost. If you invest more in food safety, the products will inevitably be expensive and difficult to sell. |

### 3.4ps

### 1. Products: Nestle should appropriately launch new coffee with more characteristics of young people as a breakthrough in the market, rather than locking itself in the shackles of narrow ideas in the past. For example, Nestle has hardly entered the instant milk tea market. In the choice of hot drinks in winter, many people choose milk tea because of the harm of coffee to their health. The milk tea market itself does not need a high door, so it can take this as an example to develop new products and enter the new market

2. **Price:** the market share of Nestle's medium and high-grade products has always been very high. In contrast with competitors, Nestle gives the impression of high-grade products in the target market, and uses corresponding promotion strategies to stimulate consumption. Now, in terms of entering or competing for the middle and low-end market, can nestle consider introducing some cheap coffee varieties, or reducing the price of coffee and adopting the marketing method of small profit and quick turnover

1. **channels**: with the improvement of living standards and the maturity of Internet sales, people tend to direct sales and online shopping. The former is because the price is relatively low, and the latter is because it is convenient and convenient. Therefore, it is suggested that while the company sells offline, it can also pay attention to the development of e-commerce, expand wider channels, and retain more profits for the company
2. **Promotion**: in the Chinese market, consumers often prefer "cost-effective" rather than low price. Therefore, in addition to the intuitive price reduction and buy n get n, you can also give coffee cups, coffee spoons and other items directly with the box. In terms of cost, even if the production is exquisite or even gorgeous, it is not high. However, the effect far exceeds the value of a cup itself.

**4. Operation plan**

The decision-making level of Nestle Company recognizes that economic globalization has turned the enterprise marketing activities and organizational mechanism from the past "large block" structure into a "module" structure, so it turns its focus to the combination module and implements the module combination marketing. Based on the above facts, we define the strategy of module combination as: dividing the company's marketing department into multiple smaller business departments directly operating in the market, operating flexibly in the market, and making contingency decisions in time. Although each business department is independent, it is subject to the overall strategy of the enterprise. In Nestle's module combination strategy, each branch operates independently in the market as a module, has the right to adopt unique strategies, but accepts the coordination of the company's headquarters.