

Strategic planning and business development of tea industry in Iran (Case study: Senic Tea Company)

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Abstract: Each organization to be pioneering in their industry should be creative and try to react to environmental events intended. Thus organizations for success in competitive markets should be taking advantage of the knowledge and skills of their managers, unique and coherent action plans as strategic planning and thereby, the acquisition of a brighter future good substrates provide. Therefore, the company should determine the mission, to identify opportunities and threats in the external environment and the internal environment of the organization's strengths and weaknesses, and then analyzing the resulting data, and formulate comprehensive strategies to adopt. Senic Tea Co. started its activities in 2004 in the city of Qom, but there's a remarkable achievement, not yet reached its real place in the tea industry. In the present study as a comprehensive framework for strategy formulation strategy Senic Tea Company (SWAT) was used. For this purpose, researcher, first information about the internal and external environment of the organization through questionnaires and interviews with the target population, and the collection and analysis after SWOT matrix and extracting strategies for each area to determine the attractiveness of the strategy. Accordingly, the first strategy for promoting the companies include: identifying potential markets and export products to regional and trans-regional markets.

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1. Introduction

Recent developments in global, technological advances, increasing the daily concerns and changes in lifestyle and tastes and taste of people, food and packaging industry has caused a great development, so that companies and factories have been operating in this industry requires, in order to grow and survive in this field are always trying to get the best result. [8] Thus, practitioners in the field should study the market, know the tastes and needs of consumers and enjoying the hidden world of technology as well as creativity to consider international standards and supporting innovative ideas, action diversified new crops superior quality and flavors, shapes and packaging are fresh. The owners of these industries could further empower oneself against other competitors and meet the needs of their current customers, in order to maintain their loyalty, their target markets broadened and new consumers to create and maintain. [7] Group production and packaging of tea Senic, in 2005 with the goal of producing high quality tea bags with different flavors, the first in the country to set up manufacturing Ht tea bag packing with waterproof sheeting in a variety of flavors. In this study, a comprehensive framework for planning Senic Tea Co. SWAT strategy is applied.

The strategy for collecting data through library and field studies (including complete questionnaires and

interviews with managers and staff) have been carried out. The population in this study, a total of 28 managers and staff are Senic tea production, the population due to low volume and in order to maintain the reliability and validity of the data further, the entire target population as the study sample were studied.

Methods:

Senic Tea Co. was used comprehensive framework for planning strategies SWOT. The model with the use of specific tools and methods try to identify and evaluate different methods and helps strategist, to select the best strategies in various fields. SWOT framework has four main steps which are:

- 1- Start stage: In this stage, the organization's mission statement as it is prepared.
- 2- Input phase: In this phase, the main factors necessary information inside and outside the organization for strategy formulation, characterization and detection. This step involves formation evaluation matrix internal and external factor evaluation matrix.
- 3- Phase matching and comparison: The main factors (strengths and weaknesses) and external main factors (opportunities and threats), using tools like SWOT matrix (SWOT) matrix and internal and external (IE) is adjusted strategies to be in line with the

organization's mission and appropriate internal and external factors are being identified.

4- Decision stage: At this stage Quantitative Strategic Planning Matrix (QSPM) different strategies identified in the implementation phase, evaluated and judged their relative attractiveness is determined. [4]

Senic tea company mission statement:

Group production and packaging of tea Senic with the help of God and with the goals of the Food Industry also utilizes the power of your interior design professionals and construction of modern machinery manufacturing and food packaging deals. Thus, in addition to achieving a significant share markets all its efforts to increase the quality and quantity of their products to international standards customer satisfaction trying to use the experiences and research scholars and faculty. According to the organization's philosophy is based on respect for the

rights of all stakeholders, the company strives to provide their consent to its products whilst providing a hygienic environment for all Iranians brings health and vitality, creating a favorable climate for the promotion of scientific and technical, Staff, and opportunities for increscent to provide of their excellence.

Input stage:

A) external evaluation matrix (EFE)

The aim of this phase of the study area searched in the external environment to identify opportunities and threats associated with the Senic Company's tea production. This paradigm suggests that the design matrix is largely prescriptive strategists this allows the environmental, economic, social, political, technological, legal and market conditions in the period assessed. [5] On the matrix of factors affecting tea production companies Senic detected.

External Factors Evaluation Matrix (EFE)

Table 1 - External Factors Evaluation Matrix (EFE) affecting tea Production Company

Score	grade	Coefficient	External Factors	No.
Opportunities				
0.30	3	10%	O1 : Changing people's attitudes towards the consumption of flavored tea	1
0.30	3	10%	O2 : Failure to provide similar products by competitors	2
0.20	4	5%	O3 : The lack of diversity in the tea industry	3
0.15	3	5%	O4 : The absence of strong competitors in the domestic market	4
40%	4	10%	O5 : Increased government support of domestic producers	5
0.06	3	2%	O6 : Extension of the use of tea bags in the domestic market	6
Threats				
0.05	1	5%	T1 :Instability in prices and tariffs	1
0.30	2	15%	T2 : Raw material shortages and high prices	2
0.20	2	10%	T3 : Similar products smuggled illegally into the country of origins	3
0.13	1	13%	T4 : Not balanced market in tea fields	4
0.03	1	3%	T5 : Negative attitude towards the production of tea	5
0.04	2	2%	T6 : Economic sanctions against Iran	6
0.03	1	3%	T7 :The rules and red tape in manufacturing and food packaging	7
0.06	2	3%	T8 : The rapid advance of technology packed tea bags	8
0.04	1	4%	T9 :Strong presence of foreign competitors in international markets	9
2.29		100%	Source [1,3]	

Internal factor evaluation matrix (IFE)

The aim of this phase is study the area to assess the internal environment to identify strengths and weaknesses. This means that some aspects of the

planning objectives by executing its assignments, or inhibitor may provide mechanism suitable conditions for identification of-sight. [6]

External Factors Evaluation Matrix (EFE)

Table 2- internal factor evaluation matrix (IFE) affecting Senic tea Production Company

Score	grade	Coefficient	Internal factors	No.
Strengths				
0.39	3	13%	S1 :Produce superior quality products in a variety of new flavors	1
0.24	3	8%	S2 :Taking advantage of the technologies in production and packaging	2
0.36	4	9%	S3 :Welcoming and supporting new ideas and engaging	3
0.06	3	2%	S4 :Continuous attendance at exhibitions and conferences related	4
0.20	4	5%	S5 :Customer focus and respect for the rights and interests of consumers	5
0.30	3	10%	S6 :The use of raw materials and quality	6
0.06	3	2%	S7 :Education, active military affairs to produce	7
0.28	4	7%	S8 :Modern design and manufacture of packaging machinery company	8
Weaknesses				
0.10	2	5%	W1 :The lack of reliable and consistent customer for almost Productions	1
0.05	1	5%	W2 :Being a newly established company than the existing competitors	2
0.04	2	2%	w3 :Low turnout companies in foreign markets	3
0.10	1	10%	W4: People familiar with the company and its products	4
0.20	2	10%	W5 :Lack of Assessment System	5
0.24	2	12%	W6 :Failure to deliver the products in stores	6
2.62		100%	Source [1,3]	

Phase matching and comparison:

A) SWOT Matrix

SWOT matrix is one of the most important tools by which managers can compare the information of internal and external factors and using it to provide a variety of possible strategies. Matrix (SWOT) consists of a table is a two-dimensional coordinates of each of the four regions that represent a set of strategies, these strategies include:

Invasive strategy (SO) - Any interested firm is always in a position to be able to take advantage of strengths, most of environmental opportunities derive maximum benefit.

Competitive strategies (ST)- This strategy is based on using strengths to avoid threats is based on intended to enhance the capabilities of the reduced threat.

Conservative strategy (WO) - The purpose of this strategy is to reduce the potential advantages of using loopholes in environmental opportunities.

Defensive strategies (WT) - in this case, the aim of the strategy is to reduce the possibly weaknesses and threats.

At this stage, due to the above mentioned viewpoints of experts and the appropriate strategies for each of the four areas was selected SWOT matrix [6, 3]

Table 3- SWOT Matrix

Weaknesses (W)	Strengths (S)	IFE
W1	S1	
W2	S2	EFE
W3	S3	
W4	S4	
W5	S5	
W6	S6	
	S7	
	S8	

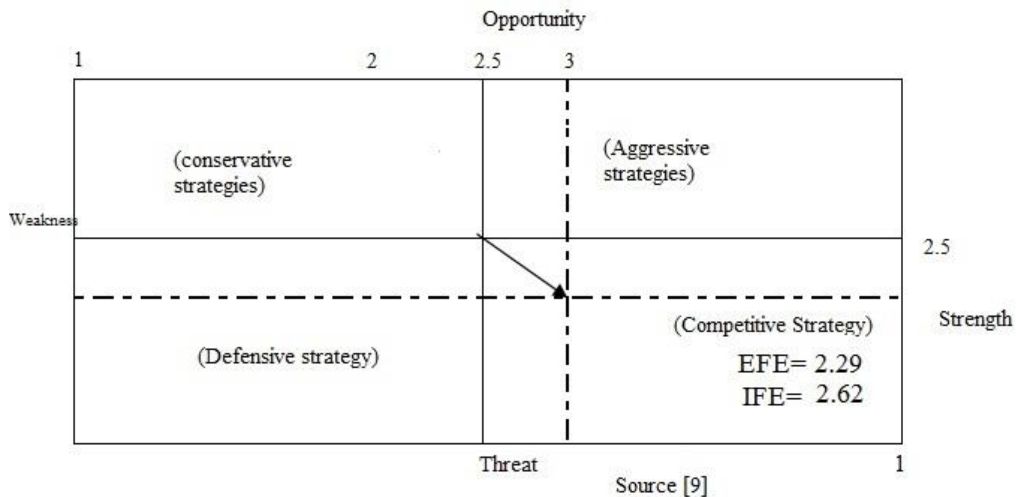
WO Strategies 1. Reduce the cost of company products 2. Networking with customers	SO Strategies 1. The promotion of science and technology company and the opportunities available 2. Increase investment to expand operations enjoying fine unused	Strengths - O O1 O2 O3 O4 O5 O6
WT Strategies 1. Increase advertising rates and utilization of motivational factors for attracting clients	ST strategies 1. Identify potential markets and export products to regional and trans-regional markets. 2. Creating powerful integrated network for the distribution of products 3. Maintain leadership in the market in terms of quality and variety of products	Threats (T) T1 T2 T3 T4 T5 T6 T7 T8 T9

B) Internal and External Matrix (IE)

In regard with the four strategies, extracted from the matrix Swot and according to the location of the companies surveyed in the matrix SO internal and

external strategies to assess and the final selection of the matrix strategic planning are clearing a bit returns. [9]

Figure 1 - Internal and External Matrix (IE)



Decision stage

Quantitative Strategic Planning Matrix (QSPM)

One of the most common techniques and tools in evaluating strategic options and to determine the relative attractiveness of decision strategies used in

the matrix is Quantitative Strategic Planning (QSPM) is desired these matrix basis strategy objectively offers strategic options to set the level of importance, will be prioritized.

Table 4 - Matrix Planning Quantity (QSPM)

The third strategy Maintain leadership in the market in terms of quality and variety of products		The second strategy Make a united and powerful distribution network		first strategy Identify potential markets and export products to regional and trans-regional markets			Quantitative Strategic Planning Matrix (QSPM)	
score	grade	score	grade	score	grade	Coefficient	Opportunities	
0.30	3	0.4	4	0.4	4	0.1	O1	
0.3	3	0.4	4	0.3	3	0.1	O2	
0.15	3	0.15	3	0.2	4	0.05	O3	
0.20	4	0.3	4	0.2	4	0.05	O4	
0.3	3	0.3	3	0.3	3	0.1	O5	
0.08	4	0.08	4	0.08	4	0.02	O6	
1.33		1.53		1.48			Total Opportunities	
								Threats
0.1	2	0.05	1	0.1	2	0.05	<i>T1</i>	
0.15	1	0.15	1	0.15	1	0.15	T2	
0.1	1	0.2	2	0.2	2	0.1	T3	
0.13	1	0.13	1	0.26	2	0.13	T4	
0.3	1	0.6	2	0.6	2	0.3	T5	
0.04	2	0.2	2	0.02	1	0.02	T6	
0.03	1	0.03	1	0.06	2	0.03	T7	
0.06	2	0.06	2	0.06	2	0.03	T8	
0.04	1	0.04	1	0.04	1	0.04	T9	
0.95		1.30		1.49			Total Threats	
								Strengths
0.39	3	0.39	3	0.39	3	0.13	S1	
0.32	4	0.32	4	0.32	4	0.08	S2	
0.27	3	0.27	3	0.36	4	0.09	S3	
0.06	3	0.06	3	0.06	3	0.02	S4	
0.15	3	0.2	4	0.15	3	0.05	S5	
0.4	4	0.3	3	0.4	4	0.1	S6	
0.06	3	0.08	4	0.08	4	0.02	S7	
0.21	3	0.21	3	0.28	4	0.07	S8	
1.86		1.83		2.04			Total Strengths	
								Weakness
0.1	2	0.1	2	0.1	2	0.05	<i>W1</i>	

0.05	1	0.05	1	0.1	2	0.06	W2
0.02	1	0.04	2	0.04	2	0.02	W3
0.2	2	0.1	1	0.2	2	0.1	W4
0.1	1	0.2	2	0.2	2	0.1	W5
0.24	2	0.24	2	0.12	1	0.12	W6
0.71		0.63		0.76			<i>Total Weakness</i>
4.85		5.29		5.77			Total scores of attractions

Conclusion:

so to sum Quantitative Strategic Planning Matrix (external - internal factors) are given by the following table.

Table 5- attractive strategy towards internal and external factors

Average	Attractiveness of the external factors	Attractiveness of the domestic factors	Strategies
2.88	2.97	2.80	ST1: Identify potential markets and export products to regional and trans-regional marked
2.64	2.83	2.46	ST2: build powerful integrated network for the distribution of products
2.42	2.28	2.57	ST3: maintaining market leadership in terms of quality and variety of products

Based on the evaluation matrix of the mean for strategic planning, identification of potential markets and export products to regional and trans-regional markets as the best strategy is selected.

Suggestions:

1. Implementation of Standards and Technology
2. advertise and promote brand products
3. Identify opportunities and diverse customer tastes
4. studies and marketing research and market development to identify areas without defense
5. Create units to address customer feedback

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