

keep doing the group process

Week 3 Reflective Journal

In this week, I think our group is on the right to increase our shareholder value. Firstly, we decided to improve the price of bicycle from 1,600 dollar to 1,900 dollar. This is because we want to improve our profit margin that is quite important to our customers. Moreover, our targeted consumers are adventures who are more sensitive to trendy, high-specification and high quality and are less sensitive to price. Therefore, I think we are correct to improve from 1,600 dollar to 1,900 dollar. In addition, we also increase our marketing budget. We increased our public relation budget from 0.5 million to 1 million. Moreover, the advertising budget increased from 0.8 million to 2 million. This is because in my view it is quite necessary. Our brands are not very famous in the market and we need making more people knowing our bicycle brand Wheelle Cool Bikes. Moreover, our group also considered the production limitation due to increasing market budget. Therefore, in this week, our group also made a decision to increase production from 15,000 to 20,000. I think this decision is quite necessary as more market budget may arouse more consumers to buy our products.

Another important change in this week is that we also made a plan to develop the leisure product to target leisure customers. This is a correct decision. This is because our company has not targeted other market. I also suggested developing new products in last week. Leisure customers are an important market. However, I think our group should develop new product in this week. It should be launched to the market as soon as possible.

Moreover, we also made some a decision to make some financial investment in next week. Our group decided to launch a corporate takeover. However, I am worry that the purchased firm may have a low profitability. This may impair our shareholder value. However, my team members did not agree with me. They hope to increase revenue and profit in a short time by using takeover. When we planned to take a firm, our decision will become more complex. This demands us a higher ability.