



Strategic Management Plan for a Supermarket (McTan Grocery Store - Novaliches, Quezon City, Philippines)

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Abstract

Built in 2010, McTan Grocery Store is a supermarket in Novaliches, Quezon City. Even if everything is a calculated risk, the owner developed it by understanding how to operate a firm. It began as a tiny wholesaler and eventually had two or three branches, but it also shut down right away for several reasons. McTan Grocery Store carefully considers every aspect of how to run the business and what to do to increase sales. This strategic management document intends to offer tactical techniques for the creation of competitive advantage. To comprehend complicated issues in a practical setting, this study applied a case-study methodology. To assess the

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business environment, opportunities, and risks, the research also applied the PESTLE analysis. According to the study's findings, McTan Grocery Store's largest rival in their neighborhood of Novaliches, Quezon City, is Ever Grocery. Additionally, it was determined and advised that the company employ techniques like market penetration and development. Integration should also be considered in this circumstance. In general, the company should research additional business-growth methods if it wants to have a competitive advantage.

Keywords: Boston Consulting Group (BCG) Matrix; Competitive Profile Matrix; Grand Strategy Matrix; Quantitative Strategy Planning Matrix (QSPM); Space Matrix

1. Introduction

A mission, a focus that will direct the organization's operations, and a strategy to carry out the mission are all necessary. The strategy of the company is defined by both the strategy and the mission. Defining strategic management is a combination of strategy and management. According to Ullah and Khanam, strategic management is a simplified system that encourages organization direction, environmental scanning, SWOT analysis, strategy design, implementation, and control considering real-world circumstances. Management entails the efficient use of both human and material resources to accomplish the goals of the organization. A strategic management model, therefore, is a representation of the suggested organizational structure of strategic management, which combines management activities with strategies.

Case study approach according to Crowe et al. (2011) is a style of research process that results in an in-depth, comprehensive grasp of a complicated issue in its relevant context. It is a well-known research technique that is frequently used in many different disciplines, particularly the social sciences. In using the case study method, it will largely depend on the research questions. According to Yin, the case study method will be more applicable if your inquiries aim to clarify some current events, such as by addressing the questions "how" or "why." The case study approach can provide further details about any delivery gaps or the potential advantages of a certain implementation plan.

The subject of this strategic management is a merchandising business named, McTan Grocery store. It is a sole proprietorship owned and founded by Orlando Tan on October 10, 2010. It is duly registered with DTI. The store is located at Fairview Maligaya Subdivision Novaliches, Quezon City and is exactly found in the boundary of Quezon City to North Caloocan. It is a wholesale market which offers a wide variety of general merchandise and a full-service supermarket. It was expanded from selling limited and basic commodities to an

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operating wholesale merchandising business, which is far more efficient for both the owner and consumers.

The purpose of this paper is to accomplish the vision and mission of the business. Another purpose of it is to reach its objectives and goals. In addition, this paper will focus on possible problems that business may encounter such as natural calamities, business competition, inflation, and deflation. Furthermore, the purpose of this paper is also to identify the SWOT of the business or to identify the appropriate business strategies.

This paper aims to know the problems, solutions, and improvements of the sole proprietorship named McTan Grocery Store.

1. How did you come up with the decision to open this kind of business?
2. What improvements have you made to your company plan so far?
3. Is your organization/business positioned well among competitors?

2. Research Method

The two major goals are closely related. An institution with a reputation for good data quality is likewise more likely to have highly motivated respondents. More motivated respondents are more likely to submit data of high quality. The data collecting must be supported by comprehensive system solutions. The solutions will connect many tasks together and facilitate information sharing and reuse. To effectively follow up on data gathering initiatives, the solutions must also provide insight into status and progress and produce pertinent management information. Sampling and data management will be better integrated into the data gathering process.

In the process of identifying external risks for a risk management plan, an effective use of the PESTLE Technique is a strategic management tool. It examines risks in several subgroups under the umbrella categories of Political, Economic, Social, Technological, Legal, and Environmental. Since the business has access to a lot of previous data on efforts of a similar sort, internal risks are easily assessed. Due to external risks that are beyond the company's control and about which little information is readily available, construction projects are vulnerable to failing or suffering severe financial losses. The SWOT analysis tool and other

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strategy tools should be used in combination with this analytical approach. The PESTLE Analysis is used to make sure that no important detail has been missed.

Political Factors

As cited in Williams (2019), government policies, tax laws, and political stability affect businesses either directly or indirectly which has great implications on how the businesses manage its operations and strategic decisions. McTan Grocery Store offers various products to the market with them being in a retail and wholesale industry, so they also consider the varying political factors that affect the products they sell to consumers. The increase on excise taxes of products containing tobacco, alcohol, sugar laced beverages etc. is an example of a political factor that greatly affect McTan Grocery store since increase in taxes leads to increase in prices that can limit the capacity of consumers to purchase such products which then lowers the revenue that the store can gain. Also, political stability impacts business positively since policies formed in this state are more business-friendly that helps promote local businesses (William, 2019). Being in a politically stable country will be beneficial to McTan as it will focus on policies that will be helpful to businesses rather than jeopardize it.

Economic Environment

According to Thomas Bush (2016), The process of examining all the various outside influences that have an impact on a firm. This is very helpful for leaders in any firm who want to outperform rivals, develop revenue streams, and expand their organization, much like most other aspects of business research. Salary increases have not been as significant. Although the rate of inflation is increasing, there has been no improvement in people's earnings. This has made it possible for McTan Grocery Store to recruit qualified personnel at market-rate wages. A greater GDP growth rate benefits businesses since it allows them to diversify their product offerings and reach out to new markets. To succeed, businesses must be able to accurately track consumer purchase patterns and recognize new value offerings. Since 2010, the McTan Grocery Store has been open for roughly 12 years. They began as a modest wholesaler and eventually expanded to include two or three additional branches, but due to certain circumstances, they were forced to shut it down. As a result of the other branch's distance,

Social Factors

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In a study conducted by PESTLE Analysis Contributor, another significant set of impacts on consumer behavior is social variables. These are specifically the results of individuals and groups influencing one another through socioeconomic class, culture and subculture, family, and other reference groups. The McTan Grocery Store is impacted by changes in consumer taste and preferences, the company's brand, consumer religious views, and product demographics. We may gain insight into the experience economy by learning how millennials and baby boomers feel about leisure activities and what sorts of activities they favor. Companies can sell more items by understanding the demographics of the nation. Making products that cater to the needs and wants of the elderly population in the Philippines, for instance, might boost business profitability. As the population ages, fewer goods that need a lot of technology will be required. Education is a further factor that affects both the standard of job and the amount of pay. High levels of education are required for better jobs, and the demand for aspirational items rises as income levels rise. Different cultures place different values on authority and have different attitudes regarding it.

Technological Factor

According to Thomas Bush (2016), some examples of technical aspects are manufacturing processes, information and communication resources, production, logistics, marketing, and e-commerce technology. These affect how a business operates, sells its products, interacts with its customers, partners, and competitors, and can do so. McTan Grocery Store may employ digitization to improve several processes to solve the primary problem of corruption in the local economy. Additional components are necessary for a satisfying customer experience, such as the acceptance of mobile payments through various portals like GCash or PayMaya. Better mobile applications and user-friendly technologies are at the core of any successful firm. Unlike in the past when they didn't cover internet operation, McTan Grocery Store now offers delivery when customers purchase over messenger. The McTan Grocery Store also has brand-new trucks and cars for us to use for picking up and delivering orders. The store also provides its patrons with cutting-edge scan and pay technologies. Due to their extensive company experience, loyalty and service may be one of their strongest competitive advantages. Additionally, they have a system in place whereby customers may order products and they will be responsible for delivering them to their homes or places of work.

Environmental/Competitive Factor

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In this paper the environmental/competitive factors that will be considered are raw materials, pollution, and price competition. In Shaw (2020) an important environmental factor of businesses that offer goods are their products' safety and expiration dates. McTan Grocery Store offering various goods need to make sure that their products are safe for consumption and must consider its time frame. In addition to this, they must make sure that the raw materials used by their supplier is also safe for their consumers/customers since edible items have each of their own expiration or consumption dates. Pollution is also another factor that needs to be considered in this paper since food packaging is one of the significant contributors to the environmental problems that society has (HowandWhat.net, 2021). McTan waste production due to the packaging of the products they sell and the amounts of materials they use that can harm the environment must be handled properly so that they can help the environment and the society. And McTan must also be mindful of the price competition since they have competitors around them that offer the same products/goods so being in tune with the prices that their competitors in the market are offering is beneficial and helpful in how they strategically price their products.

Legal Factor

One such law, which this paper will consider is the Republic act 7394 or the Consumer Act of the Philippines which aims to protect the interests of consumers and their general welfare as well as set standards for the conduct of business and industry (Official Gazette, 1992). McTan Grocery Store's pricing of their products must be just and in accordance/close to suggested market prices so that the rights of the consumers are not violated. They must also ensure that they provide their consumers proper receipts and that the products/goods they offer are safe for consumption.

Other laws and ordinances, which must be followed is the Labor Code of the Philippines which makes sure that the rights of the workers are protected as it sets the guidelines for proper hiring and termination of employees (Labor Code of the Philippines | Bureau of Labor Relations, 2014). McTan Grocery Store having several employees is a significant factor on why it is important to make sure that it adheres with the rules of the Labor Code and that their employees know their rights and that none of it are being violated. Also, as stated by the Department of Trade and Industry, all businesses are required to secure the necessary permits or licenses since this helps in ensuring to everyone especially the consumers that they follow the proper standards set by the government (Department of Trade and Industry, 2021). McTan being in the business for such a long time must make sure that all their necessary documents and permits are complete

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and up to date which is also a way for them to ensure to their customers that they adhere to the policies and laws of the country.

3. Results and Discussion

A. Competitive Profile Matrix

The Critical Success Factors are vital for Growth and prospects for the business of McTan Grocery Store. Ratings are vital, even if everything is important to McTan Grocery. Thus, the range of these ranks is 1-4. The order in which they are prioritized by McTan Grocery Store varies, with four being the highest and one (1) being the lowest:

- 4- means having superior importance
- 3- means having above average importance
- 2- means having average importance
- 1- means having poor importance

Table No 1: The Competitive Profile Matrix for McTan Grocery Store

Critical Success Factors	Weight	McTan Grocery Store		Alfamart		Ever Grocery	
		Rating (1-4)	Score	Rating (1-4)	Score	Rating (1-4)	Score
Branch Location	.12	4	.48	4	.48	4	.48
Competitive Advantage	.09	3	.27	4	.36	4	.36
Technology	.08	3	.24	4	.32	3	.24
Customer's Loyalty	.10	3	.30	2	.20	3	.30
Customer service	.09	4	.36	2	.18	3	.27

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Quality Management	.13	3	.39	3	.39	3	.39
Effective Transportation	.07	3	.21	2	.14	4	.28
Management and Administration	.08	3	.24	2	.16	4	.32
Brand Reputation	.14	2	.28	4	.56	4	.56
Effective Planning	.10	3	.30	2	.20	3	.30
Total	1.00		3.07		2.99		3.50

This matrix identifies McTan Grocery Store's competitors as well as compares them with various critical success factors in the industry. The analysis of this matrix also reveals the business' comparative strengths and weaknesses as opposed to those of its competitors namely, Alfamart and Ever Grocery.

From the McTan Grocery Store's 3.07 weighted score, Ever Grocery has 3.50 which means it is more ahead against McTan Grocery. But most effective environmental factors include the branch location, competitive advantage, and brand reputation wherein this appears to lead to increased revenue growth.

B. IFE Matrix, EFE Matrix and SWOT strategy

The IFE Matrix of McTan Grocery Store shows the key internal factors, strengths, and weaknesses that affect the business. Internal resources and attributes that distinguish a business from its competitors are referred to as strengths. As a result, weaknesses are factors that a company lacks and where rival businesses have a competitive advantage over them.

Table No 2-A: The Internal Factors Evaluation Matrix for McTan Grocery Store

	Strengths	Weight	Rating	Weighted Score
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1.	A well-thought-out and well-packaged plan that is necessary for investment and support for the business.	0.06	4	.24
2.	They have learned what the factors are and how they will handle their business.	0.05	4	.20
3.	They have knowledge of what works best for their business along with their sales.	0.04	4	.20
4.	The owner pays close attention even to the minor details that help maintain the quality of the daily operation.	0.05	3	.15
5.	Issues are communicated and solved right away.	0.04	2	.08
6.	The business was able to upgrade their equipment to meet the demands of the customers.	0.04	3	.12
7.	Obtained vehicles bring convenience to both the seller and buyers.	0.06	3	.18
8.	Multiple payments such as GCash & PayMaya methods to provide hassle-free transactions to customers.	0.05	4	.20
9.	Customers prioritizes first the quality of the products.	0.05	3	.15
10.	Loyalty and a good service will gain the trust and respect of the customer.	0.06	3	.15

Table No 2-B: The Internal Factors Evaluation Matrix for McTan Grocery Store

	Weaknesses	Weight	Rating	Weighted Score
1.	It took a lot of effort, time, and money to establish the business.	0.03	3	.09
2.	Having a hard time to find someone to entrust the operation.	0.07	4	.28

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3.	Having an untrained and unskillful manpower will greatly affect the improvement of one's business.	0.04	3	.12
4.	Employees are using their phone during their duty that can lead to unfocused and divided attention to their work.	0.05	3	.15
5.	Aisles are blocked with boxes and there is no space for customers to walk in.	0.03	4	.12
6.	Customers and employees may be at danger from health and safety hazards at the store due to poor ventilation.	0.04	3	.12
7.	Lack of parking space to accommodate customers and employees	0.03	2	.06
8.	Operations closure due to poor allocation of management	0.04	2	.08
9.	Has strong existing competitors	0.07	3	.21
10.	Location of inventory storage is from far the main store	0.10	3	.30
	TOTAL	1.00		3.20

As a result, the weight allocated to a certain aspect in Strengths reveals the factor's relative importance. This results in a total weighted score of 1.67, with the equally highest ranking of four (4) as strengths are success factors for McTan Grocery Store's business growth. All strengths are given 4-6 percent weight multiplied by the ranking of three (3) to four (4) based on the level of importance by McTan Grocery Store.

There are still limiting aspects or limitations to McTan Grocery Store's company, even though it is one of the suppliers that predominantly retails a general variety of items as well as supplying them wholesale. The location of its storage facility carries a 10% weight in the IFE Matrix and is hence the component that is most weakening. Secondly, with a weight of 7%, are the company's current rivals, who might pose a danger to the enterprise. With a total weighted score of 1.53, McTan Grocery Store should prioritize the following weaknesses. In this instance, the IFE McTan Grocery Store is compromised by Strengths and Weaknesses. With

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a total weighted score of 3.20, the company's strategies are clearly intended to address both its strengths and weaknesses as they pertain to the functional areas of a business.

External Factors Evaluation (EFE) Matrix:

The External Factor Evaluation (EFE) Matrix of McTan Grocery Store shows the external factors, opportunities, and threats that affect the business. It is an analytical technique related to SWOT Analysis.

Table No 3-A: The External Factors Evaluation Matrix for McTan Grocery Store

	OPPORTUNITIES	WEIGHT	RATING (1-4)	WEIGHTED SCORE
1.	They have a close connection with their customers.	0.06	3	0.18
2.	The business can gain more loyal customers due to their proper treatment.	0.07	4	0.28
3.	Utilizing the advanced technology, they have in the market to provide convenient shopping for the customers.	0.05	3	0.15
4.	Building a strong relationship with friends is an opportunity that is advantageous to both.	0.04	2	0.08
5.	Whatever the needs of your clients may be, you can keep the same inventory. They buy it from you when you have it.	0.05	3	0.15
6.	Stores are rising demand for eco-friendly items and increase their sales and revenues by carrying natural and organic products.	0.06	4	0.24
7.	A diverse revenue stream which holds its success that is driven primarily by a tech-savvy and younger generation	0.03	3	0.09

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8.	Good customer service will gain the trust and respect of the customer and be the reason for them coming back to the store.	0.05	4	0.20
9.	Opening a variety of opportunities with new trends and using cognitive advertising to influence consumers' decision-making.	0.05	4	0.20
10.	Investing will benefit the grocery store with wider development considerations because they can be quickly sold, with low transaction cost.	0.06	3	0.18

Table No 3-B: The External Factors Evaluation Matrix for McTan Grocery Store

	THREATS	WEIGHT	RATING (1-4)	WEIGHTED SCORE
1.	The possibility that a business won't be managed very well.	0.05	3	0.15
2.	Potential loss of customers.	0.04	3	0.12
3.	Loss of revenue from stolen products and lack of items to sell due to delays.	0.04	4	0.16
4.	The possibility that items claimed will not be returned to correct owners.	0.03	2	0.06
5.	Well-known supermarkets are a big risk to a typical grocery store.	0.08	4	0.32
6.	The business establishment is only rented and can be the reason to shut down anytime.	0.06	4	0.24
7.	The costs of daily goods are fluctuating, which results in customers' high price sensitivity.	0.06	3	0.18
8.	Increasing operation costs can lead to loss of profit	0.05	2	0.10
9.	Maintaining a long-term relationship with a supplier	0.04	3	0.12

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10.	Having poor food storage will lead to several problems which are bacteria, mold growth and even food waste.	0.03	2	0.06
TOTAL		1.00		3.26

As a result, the weight provided to a certain element reflects how McTan Grocery Store reacted to that external factor. Each opportunity in this situation is different, yet they all contribute significantly to the growth, stability, and profitability of the company. Therefore, a weighted score is obtained by multiplying weight by rating. The total weighted score is the accumulation of each matrix's individual weighted scores. The scale goes from 1-4. The rating ranges from 1-4. Four (4) being the superior response to one (1) having the poor response of McTan Grocery Store. The mean score across all matrix ratings from 1 to 4 is 3.15. In this instance, the EFE McTan Grocery Store is compromised by Opportunities and Threats. With a total weighted score of 3.26, the company's strategies are clearly intended to address both its opportunities and dangers as they pertain to its different market categories. Threats connected to changes in the retail and wholesale industries as well as other companies in the company pose a problem for McTan Grocery Store's strategic planning and unrivaled performance.

SWOT STRATEGY

SWOT analysis refers to a company's Strengths, Weaknesses, Opportunities, and Threats. In this scenario, McTan Grocery Store, which can assist in developing a company plan, may also assist in assessing its internal environment, namely its Strengths and Weaknesses (SW), and its external environment, specifically its Opportunities and Threats (OT).

Strength and Opportunity (SO) Strategies:

1. SO1 Establishing strong relationships through reaching out to customers and engaging them more by offering incentive programs such as product discounts, loyalty cards and coupons to make them feel valued. (S1-2, S4, S9-10, O1, O2, O4, O8-10,)
2. SO2 Prioritize the quality of the products by using eco-friendly items for reducing waste production. (S2-S4, S9, O5-7, O9, O10)



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3. SO3 Upgrading equipment and transaction methods to accommodate new trends and to take less time will make the business even more secure. (S3, S4, S5-8, O3, O9)

Weakness and Opportunity (WO) Strategies:

1. WO1 Develop and implement employee training and seminars for the business to have more qualified employees in executing different tasks independently as well as handling customers to help the business expand and gain more revenues and customers. (W1-4, W8-9, O2, O5-8, O10)

2. WO2 1. Plan and invest in a more efficient layout of the facility including the continuance of various payment options to accommodate more customers as well as provide more ease in their buying experience in the store. (W5-7, W10, O3, O8-9)

3. WO3 1. Build and strengthen relationships with customers, employees, friends that can help and support in the achievement of the business' goals and continuous development. (W2, W10, O1, O4, O8)

Strengths and Threats (ST) Strategies:

1. ST1 With the owner's proper business knowledge, he should be able to disseminate the proper allocation of tasks to his employees in all their branches. With all the branches operating, they will be able to generate more sales, resulting in increased income. (S1-10, T1-10).

2. ST2 Formulate a proper maintenance plan to protect the quality and quantity of goods from possible loss of revenue (S2, S3, S4, S5, S7-9, T2-4, T6-9, T10).

3. ST3 Have a variety of brands with price difference to meet the needs of wider market with different income demographics (S1, S2, S3, S4, S6, S10, T5, T7)

Weaknesses and Threats (WT) Strategies:

1. WT1 Reduce the threat of competition by developing and managing a good product line. (W1-3, 8-9, T1-10).

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2. WT2 Using better technology and digitalized service that are convenient to the customers. (W4-7, 10, T1-4).

3. WT3 Strengthen and establish brand reputation to maintain good customer services. (W6-7, T5, T6, T9-10).

C. SPACE Matrix

Strategic Position and Action Evaluation (SPACE) Matrix is a strategic management tool like SWOT Matrix. It represents a four-quadrant graphing axis which indicates McTan Grocery Store's organization as either part of the conservative, aggressive, defensive, or competitive strategic strategies. Each group of the quadrants is based on the average scores of ratings given to four types of positions. As follows: Financial Position (FP), Stability Position (SP), Competitive Position (CP) or Industry Position (IP).

Figure No. 1: Strategic Position and Action Evaluation Matrix for McTan Grocery Store

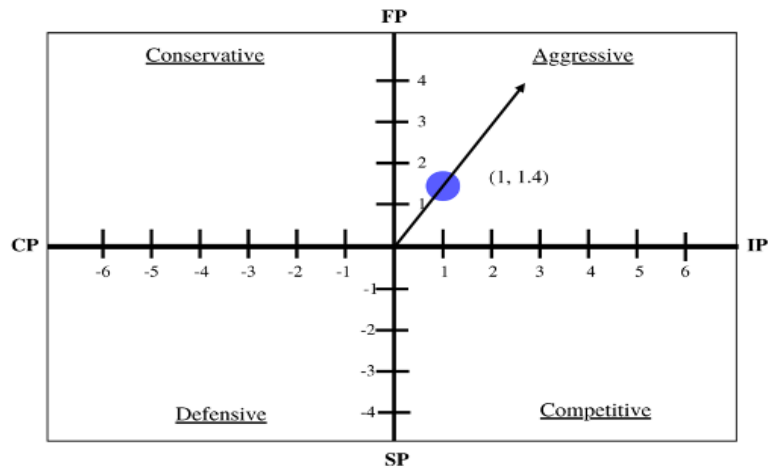
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Financial Position (FP)		Stability Position (SP)	
Inventory Turnover	5	Price range of competing products	-3
Working Capital	5	Demand variability	-4
Cash Flow	6	Technological changes	-4
Net Profit	6	Competitive pressure	-5
Return on Investment	5	Risk involved in business	-4
Financial Position (FP) Average	5.4	Stability Position (SP) Average.	-4
Competitive Position (CP)		Industry Position (IP)	
Product Quality	-1	Growth potential;	3
Customer Loyalty	-2	Profit potential	4
Technological Know-How	-3	Financial stability	4
Brand & Image	-5	Productivity	5
Product life cycle	-5	Resource utilization	5
Competitive Position (CP) Average	-3.2	Industry Position Average	4.2

The Financial Position (FP) of the store resulted in an average of 5.4 because of the inventory turnover, working capital, cash flow, net profit, and return on investment. Consequently, the Stability Position (SP) showed an average of -4 due to competitive pressure, demand variability, price range of competing products, technological changes, and risk involved in business resulting in a -4 SP Average caused by possible fortuitous events. In its Competitive Position (CP), the product quality, customer loyalty, technological know-how, brand image, and product life cycle resulted in an average of -3.2 due to its reputation in the industry for the last 12 years. Lastly, its industry position resulted in an average of 4.2 due to the growth potential, profit potential, financial stability, productivity, and resource utilization brought by the upswings in the market. This SPACE matrix positions McTan Grocery store in the Aggressive Quadrant that means it has the financial means to implement various strategies. The recommended strategies which may be integrative or intensive includes backward, forward, and

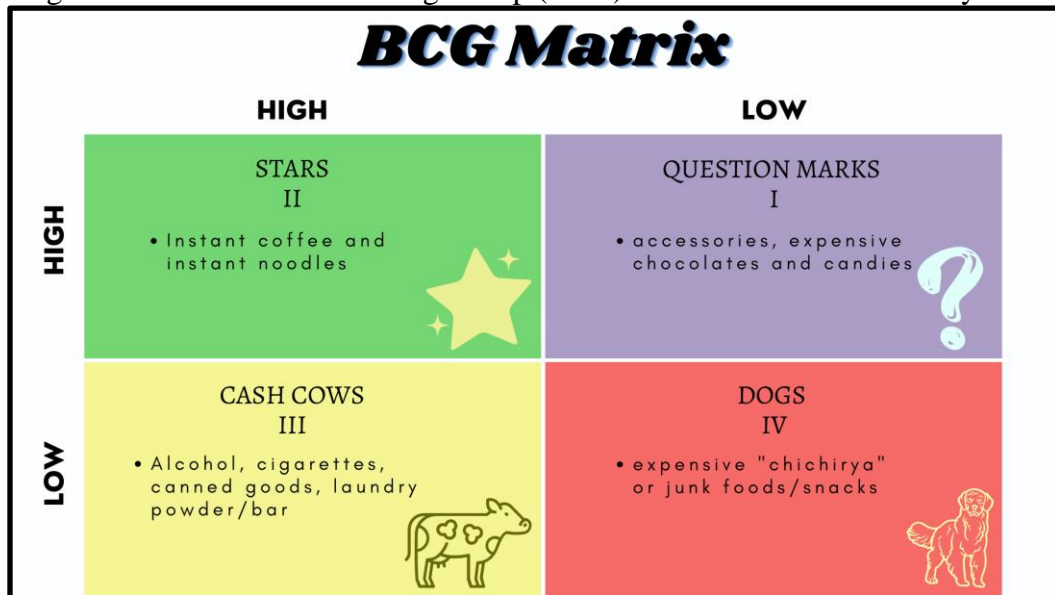


horizontal integration, market penetration, market development, product development, as well as diversification.

D. Boston Consulting Group (BCG) Matrix

Boston Consulting Group (BCG) product portfolio Matrix is designed to help businesses in long-term strategic planning and help entities with considerable growth opportunities (Hanlon, 2021).

Figure No. 2: Boston Consulting Group (BCG) Matrix for McTan Grocery Store



The BCG Matrix stated above depended on McTan Grocery Stores' offered products that played a crucial role on McTan Grocery Store's cash generation and cash usage.

McTan Grocery Store offered goods namely instant coffee and instant noodles placed on quadrant II stars because it has been the best-selling products at the store since the starting year of the business. It has the potential to bring more sales in the coming years. On the other hand, products such as alcohol, cigarettes, canned goods, and laundry powder/bar falls under

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quadrant III cash cows because it has a high inventory turnover due to its high demand. Since McTan Grocery Store caters to low-middle income earners, accessories, expensive chocolate, and candies falls under quadrant I question mark. Hanlon (2022) asserts that products fall in the question mark category that are new in the market. Although, these products can experience increased sales when they are first introduced in the store as it peaks customer's curiosity. As time goes by, the market may not opt to repurchase as it is way beyond their financial threshold. Lastly, the CFI team (2022) explained that products in the "dogs" quadrant operate in a market that is expanding slowly and has a small market share. Expensive "chichirya" or snacks fall under this category as customers of McTan Grocery Store opt for a budget-friendly alternative of the products.

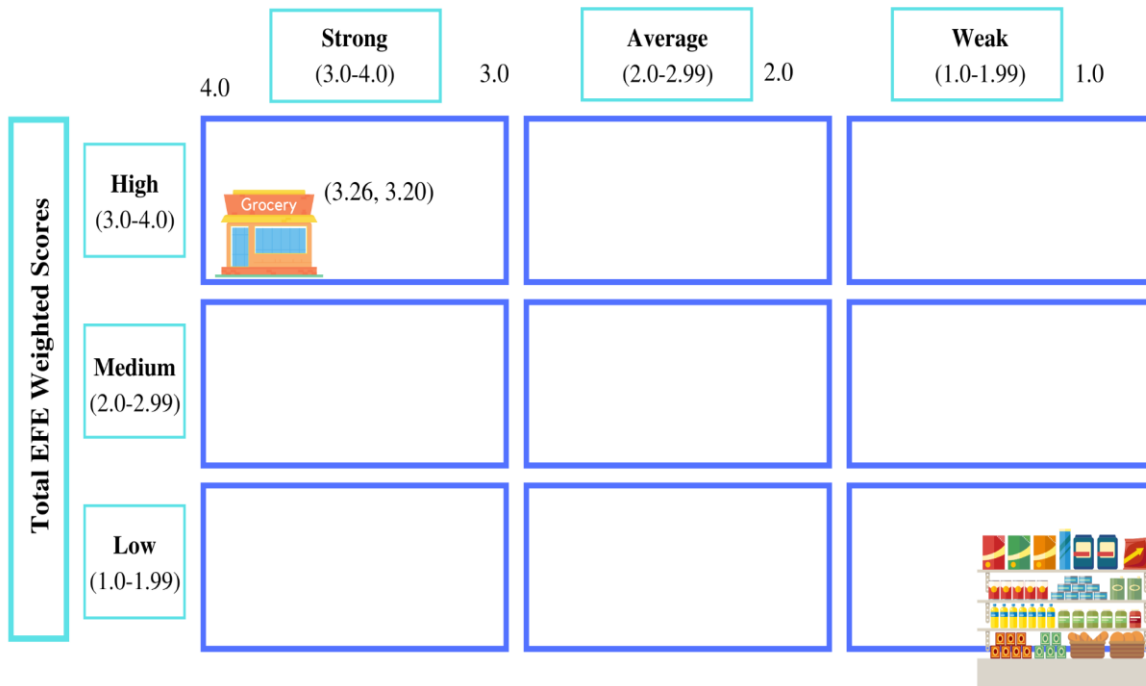
E. Internal-External (IE) matrix

The Internal-External (I-E) Matrix is somewhat of a continuation and combination of the IFE and EFE Matrices. The I-E Matrix depicts nine boxes, each representing one of three quadrants. The "Grow and Build" section is represented by quadrants I, II, and IV. The "Hold and Maintain" section is represented by quadrants III, V, and VII. The "Harvest or Divest" or "Harvest or Exit" section is represented by quadrants VI, VIII, and IX. The IFE Matrix total weighted score is plotted on the x-axis of the I-E Matrix, and the EFE Matrix total weighted score is plotted on the y-axis of the I-E Matrix.

Figure No. 3: Internal-External (IE) Matrix for McTan Grocery Store



The I-E Matrix for McTan Grocery Stores included below:



Based on the results of the IFE and EFE matrices performed on McTan Grocery Store, the x-axis of the IE matrix was a total IFE matrix score of 3.20 and the Y axis of IE matrix was the total EFE matrix score of 3.26 then the position of the company could with distinguished on in the above figure. The company is in Quadrant I, which pertains to “Grow and Build” as their corresponding strategy. To utilize this, McTan Grocery Store could follow an integrative strategy which pertains to backward, forward, or horizontal integration, or an intensive strategy which may be market penetration, market development, and product development. These generic strategies agree with the strategies developed by using the SPACE and Grand Strategy Matrices.

F. Grand Strategy Matrix

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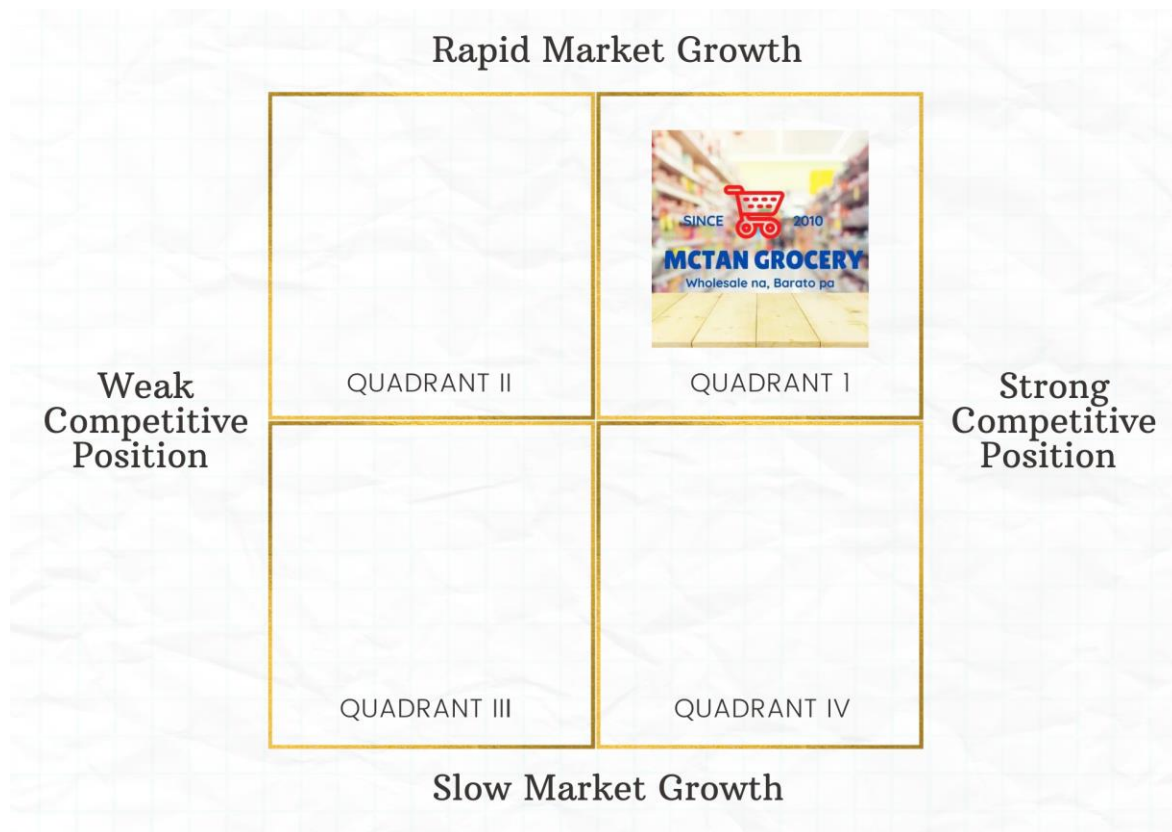
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The Grand Strategy Matrix is a strategic tool used to identify a business situation that allows the researchers to come up with new strategies. The Grand Strategy Matrix is well-organized and transparently represented on a four-quadrant grid. The graph's y-axis shows market growth, with positive y-values signifying quick growth and negative y-values signifying negative growth. An organization's competitive advantage is illustrated on the x-axis, with positive x-figures showing a strong position and negative x-figures showing a weakened one.

Figure No. 4: Grand Strategy Matrix for the McTan Grocery Store



The McTan Grocery Store is in Quadrant I which is recognized for its strong competitive position and slow market growth. By discussing its strong competitive position, it focuses on effective operations management and improved procedures. Based on McTan Grocery Store's



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possible strategies is its two sections (Instant Coffee and Noodles & Alcohol, Cigarettes, Canned Goods, and laundry powder/bar). As a result of this competitive advantage, Mctan Grocery Store continues to outpace its main competitors. Because of its accomplishments, present positions, and promising future, it is placed in the Quadrant I of The Grand Strategy Matrix. McTan Grocery Store’s location in Quadrant I shows that it is an outstanding strategic position. Market Development, Market Penetration, Product Development, Forward Integration, Backward Integration, Horizontal Integration and Related Diversification are all relevant methods that can be properly considered.

G. Quantitative Strategy Planning Matrix (QSPM)

The study of the McTan Grocery Store will solely employ the Decision Stage (Stage #3) of the Quantitative Strategy Planning Matrix (QSPM). About the internal and external elements acquired in prior matrices, the QSPM is a strategic management approach that is used to evaluate the attractiveness of the strategies established for the McTan Grocery Store in the Matching Stage tools. The purpose of the QSPM is to demonstrate that not all derived methodologies are applicable to the McTan Grocery Store since certain general strategies have not been evaluated against the specific internal and external elements specific to the business.

Table No 4: The Quantitative Strategy Planning Matrix for McTan Grocery Store

The QSPM for the McTan Grocery Store is included below:

	Market Development (Expansion of its target market within the community)	Market Penetration (Grow business’ market shares by increasing sales among competition that are already in the market)
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	Opportunities	Weight	AS	TAS	AS	TAS
1	They have a close connection with their customers.	0.06	3	0.18	4	0.24
2	The business can gain more loyal customers due to their proper treatment.	0.07	3	0.21	4	0.28
3	Utilizing the advanced technology, they have in the market to provide convenient shopping for the customers.	0.05	4	0.20	3	0.15
4	Building a strong relationship with friends is an opportunity that is advantageous to both.	0.04	3	0.12	3	0.12
5	Whatever the needs of your clients may be, you can keep the same inventory. They buy it from you when you have it.	0.05	2	0.10	2	0.10
6	Stores are rising demand for eco-friendly items and increase their sales and revenues by carrying natural and organic products.	0.06	3	0.18	4	0.24
7	A diverse revenue stream which holds its success that is driven primarily by a tech-savvy and younger generation	0.03	3	0.09	1	0.03
8	Good customer service will gain the trust and respect of the customer and be the reason for them coming back to the store.	0.05	4	0.20	3	0.15
9	Opening a variety of opportunities with new trends and using cognitive advertising to influence consumers' decision-making.	0.05	3	0.15	2	0.10
10	Investing will benefit the grocery store with wider development considerations because they can be quickly sold, with low transaction cost.	0.06	3	0.18	4	0.24

	Market Development	Market Penetration
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		(Expansion of its target market within the community)		(Grow business' market shares by increasing sales among competition that are already in the market)		
	Threats	Weight	AS	TAS	AS	TAS
1	The possibility that a business won't be managed very well.	0.05	3	0.15	3	0.15
2	Potential loss of customers.	0.04	2	0.08	4	0.16
3	Loss of revenue from stolen products and lack of items to sell due to delays.	0.04	1	0.04	2	0.08
4	The possibility that items claimed will not be returned to correct owners.	0.03	3	0.09	2	0.06
5	Well-known supermarkets are a big risk to a typical grocery store.	0.08	4	0.32	3	0.24
6	The business establishment is only rented and can be the reason to shut down anytime.	0.06	4	0.24	3	0.18
7	The costs of daily goods are fluctuating, which results in customers' high price sensitivity.	0.06	3	0.18	4	0.24
8	Increasing operation costs can lead to loss of profit	0.05	3	0.15	4	0.20
9	Maintaining a long-term relationship with a supplier	0.04	2	0.08	3	0.12
10	Having poor food storage will lead to several problems which are bacteria, mold growth and even food waste.	0.03	3	0.09	3	0.09



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		Market Development (Expansion of its target market within the community)		Market Penetration (Grow business' market shares by increasing sales among competition that are already in the market)		
Strengths	Weight	AS	TAS	AS	TAS	
1	A well-thought-out and well-packaged plan that is necessary for investment and support for the business.	0.06	4	0.24	2	0.12
2	They have learned what the factors are and how they will handle their business.	0.05	3	0.15	2	0.10
3	They have knowledge of what works best for their business along with their sales.	0.04	4	0.16	1	0.04
4	The owner pays close attention even to the minor details that help maintain the quality of the daily operation.	0.05	4	0.20	4	0.20
5	Issues are communicated and solved right away.	0.04	4	0.16	3	0.12
6	The business was able to upgrade their equipment to meet the demands of the customers.	0.04	4	0.16	3	0.12
7	Obtained vehicles bring convenience to both the seller and buyers.	0.06	3	0.18	1	0.06
8	Multiple payments such as GCash & PayMaya methods to provide hassle-free transactions to customers.	0.05	4	0.20	3	0.15



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9	Customers prioritizes first the quality of the products.	0.05	4	0.20	3	0.15
10	Loyalty and a good service will gain the trust and respect of the customer.	0.06	3	0.18	4	0.24

		Market Development (Expansion of its target market within the community)		Market Penetration (Grow business' market shares by increasing sales among competition that are already in the market)		
Weaknesses		Weight	AS	TAS	AS	TAS
1	It took a lot of effort, time, and money to establish the business.	0.03	4	0.12	3	0.09
2	Having a hard time to find someone to entrust the operation.	0.07	3	0.21	1	0.07
3	Having an untrained and unskillful manpower will greatly affect the improvement of one's business.	0.04	4	0.16	2	0.08
4	Employees are using their phone during their duty that can lead to unfocused and divided attention to their work.	0.05	3	0.20	2	0.20
5	Aisles are blocked with boxes and there is no space for customers to walk in.	0.03	2	0.06	2	0.06
6	Customers and employees may be at danger from health and safety hazards at the store due to poor ventilation.	0.04	3	0.12	4	0.12



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7	Lack of parking space to accommodate customers and employees	0.03	2	0.06	4	0.16
8	Operations closure due to poor allocation of management	0.04	2	0.14	2	0.14
9	Has strong existing competitors	0.07	4	0.27	1	0.04
10	Location of inventory storage is from far the main store	0.10	3	0.30	1	0.05
TOTALS				6.5		5.48

For McTan Grocery Store, market penetration and market development are equally alluring intense growth tactics. The ideal QSPM strategy for McTan Grocery Store is market development with a total score of 6.5. It helps the business develop and prosper within the neighborhood. This succeeds because McTan Grocery Store can still handle internal and external factors while keeping its competitive edge, despite the obstacles posed by competitors like Alfamart and Ever Grocery.

Meanwhile market penetration is the second recommended strategy with a score of 5.48, it is one of McTan Grocery Store's aggressive growth tactics and is used to make up for this by growing sales relative to the competition that currently exists in the market. It is advised that McTan Grocery Store employ strategies like social media advertising to enhance its current items. These strategies might boost McTan Grocery Store's net income while retaining shareholder wealth rather than maximizing profit. The brand awareness of McTan Grocery Store will be well recognized among the grocery businesses in their neighborhood thanks to these techniques.

Recommendations:

- McTan Grocery Store should seize and monitor opportunities to their advantage to actively compete with their industry competitors.** By analyzing and managing their challenges and turning them to their competitive edge, the company would be able to

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- generate many sales, and this will be useful for the company. McTan must also weigh the risks that might slow them down, such as steadily increasing market competition.
2. **McTan should enhance their strengths while also improving on their weaknesses.** By focusing on the enhancement of their strengths, the business can gain more revenue in their future but one significant factor they should also consider is their weaknesses as it may be used for them to be taken advantage of by their competitors. They should be ahead of their competitors by managing and improving the weaknesses of their business as this can be critical since this may be used by their competitors to get ahead of them.
 3. **Develop new markets.** McTan should take advantage of the growth strategy of expanding their grocery store in other locations or branch out to offer their products to other groups of consumers.
 4. **Develop additional strategies through Market Penetration.** McTan's should highly consider adding other branches as well as taking advantage of various forms of advertisements to increase its market share and the categorization of their target market.
 5. **Improve customer satisfaction by continuously improving their services in store.** McTan should continue to improve their services by thinking of new innovations that can ease the buying experience of their customer aside from providing them priority lanes and various modes of payments.
 6. **Improve the store's layout.** One significant issue in the observation of the store is its layout which showed narrow walkways and such so improving to a more efficient and effective management of the store's floor space is encouraged.
 7. **Build a storage facility near the main store.** Having the storage of inventories nearby will make it more effective and efficient for employees to store and retrieve products immediately and not be a hindrance whenever they are tasked to do so.
 8. **Develop a backup plan in case the rent is raised.** Even though McTan's owner is good friends with the owner of the location the store is positioned at, they should still develop other courses of action such as have a backup location etc. since they stated that they will be forced to stop its operation if the owner increases the rent to a price, they won't be able to afford.
 9. **Offer additional training for employees.** Training can greatly improve the skills of employees in various or specific aspects of the job which can be of help to the segregation of duties since it will ensure that certain employees can handle the task on their own.

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10. **Invest in advertisements of their brand.** McTan should invest on various advertising strategies and to also take advantage of various social media platforms in making their brand known and to also attract more customers.

4. Conclusion

For a business to be successful, it needs strategic management. The business will be able to succeed by developing a strategy to gain customers and have plans on how to achieve the increasing profit of the grocery store. The challenge of providing adequate, affordable, and healthy food options remains in limited resources. Systematic strategies are required to move the needle in any meaningful way. This report aimed specifically to explore and support grocery business development. To assure the long-term sustainability of the grocery store, these components are the core of PESTLE technique or strategic management. Political, economic, social, technological, legal, and environmental factors are the factors in the successful growth of McTan Grocery Store. By maintaining a long-term transaction with the supplier on providing quality products and cheap products, which can lead them to increase the number of customers that will buy, and it will increase its profits. The business strategies have been effective to their internal factors which are to strengthen and weaken, also Environmental and Policy changes that encourage access to healthier options could have the most impacts. The business will be in a better position to deliver their best services that can encourage clients to come to their store. It affects internal factors of the business. It will gain more revenue in the future but one significant factor they should consider is their weaknesses as it may be used to them to be taken advantage of by their competitors. The growth of their grocery store will make them better and to expand more.

5. Acknowledgement

This Strategic Management paper would not have been possible without the kind support and assistance of various individuals who have contributed their expertise and experiences; hence we would like to express our heartfelt gratitude to each one of them.

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