

# VISION, MISSION, AND DEFINITION OF STRATEGY



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# VISION AND MISSION

- **VISION STATEMENT:**

A very simple sentence or tagline that expresses the fundamental goal of a firm

- **TAGLINE (OR SLOGAN)**

Memorable catch phrase that captures the key idea of a business, its service, product or customer

- **MISSION STATEMENT**

A paragraph that describes the firm's goals and competitive advantages (action needed to reach the fundamental goals). Main contents:

- Goals and intent
- Philosophy and ethics
- Rationale and target markets
- “Our business and what it should be”

**In other terms:**

- In the vision, you should find some general goals of a company
- In the mission, you should find the general reason why you should buy the company's products instead of competitive products and the main actions



# VISION AND MISSION in **APPLE**



## Our Vision

*“We believe that we are on the face of the earth to make great products and that’s not changing. We are constantly focusing on innovating. We believe in the simple not the complex. We believe that we need to own and control the primary technologies behind the products that we make, and participate only in markets where we can make a significant contribution. We believe in saying no to thousands of projects, so that we can really focus on the few that are truly important and meaningful to us. We believe in deep collaboration and cross-pollination of our groups, which allow us to innovate in a way that others cannot. And frankly, we don’t settle for anything less than excellence in every group in the company, and we have the self-honesty to admit when we’re wrong and the courage to change. And I think regardless of who is in what job those values are so embedded in this company that Apple will do extremely well.”*

## Our Mission

*“Apple designs Macs, the best personal computers in the world, along with OS X, iLife, iWork and professional software. Apple leads the digital music revolution with its iPods and iTunes online store. Apple has reinvented the mobile phone with its revolutionary iPhone and App store, and is defining the future of mobile media and computing devices with iPad.”*

<http://panmore.com/apple-mission-statement-vision-statement>

# VISION AND MISSION in the COCA COLA GROUP



## Our Vision

Our vision serves as the framework for our Roadmap and guides every aspect of our business by describing what we need to accomplish in order to continue achieving sustainable, quality growth.

- **People:** Be a great place to work where people are inspired to be the best they can be.
- **Portfolio:** Bring to the world a portfolio of quality beverage brands that anticipate and satisfy people's desires and needs.
- **Partners:** Nurture a winning network of customers and suppliers, together we create mutual, enduring value.
- **Planet:** Be a responsible citizen that makes a difference by helping build and support sustainable communities.
- **Profit:** Maximize long-term return to shareowners while being mindful of our overall responsibilities.
- **Productivity:** Be a highly effective, lean and fast-moving organization.

## Our Mission

Our Roadmap starts with our mission, which is enduring. It declares our purpose as a company and serves as the standard against which we weigh our actions and decisions.

- To refresh the world...
- To inspire moments of optimism and happiness...
- To create value and make a difference.

# Common objectives, their performance criteria and main measures

Profit and financial objectives	Profitability	<ul style="list-style-type: none"> <li>•Profit</li> <li>•% Profit / sales</li> <li>•Contribution margin</li> <li>•ROI</li> </ul>
	Contribution to owners	Earnings per share
	Utilization of fixed assets	Capacity utilization
Growth objectives / marketing objectives	% yearly growth	Sales (\$ and volume) Profits
	Competitive strenghts	Market share Brand awareness & preference
	Contribution to customers	Price/quality ratio Customer satisfaction Customer Loyalty
Social responsibilities objectives	Contribution to employees Contribution to society	



# Market share and price index

- Total market in volume: 500,000,000 liters
- Total market in value: 550,000,000\$
- Sales Competitor A = 25,500,000 liters; 28,800,000\$
- Sales Competitor B = 13,000,000 liters; 10,000,000\$
- Sales Competitor C = 11,300,000 liters; 15,000,000\$
- Other Competitors= 450,200,000 liters; 496,200,000 \$
  
- Average market price ?  $550.000.000\$/500,000,000 \text{ l.} = \mathbf{1.1\$}$
- Market share in volume competitor C?  $11,300,000 / 500,000,000 \times 100 = \mathbf{2.26\%}$
- Market share in value competitor C?  $15,000,000 / 550,000,000 \times 100 = \mathbf{2.72\%}$
- Relative market share competitor C?  $15,000,000/28,800,000 = \mathbf{0.52}$
- Relative market share competitor A?  $28,800,000/15,000,000 = \mathbf{1.92}$
- Price index competitor A?  $28,800,000/25,500,000 = 1.12\$$  ;  $1.12\$/1,1\$ \times 100 = \mathbf{101.8}$
- Price index competitor B?  $10,000,000/13,000,000 = 0,77\$$ ;  $0.77/1,1 \times 100 = \mathbf{70}$

# What is the profitability of the Segment?



- Segment size = 60 million (<15 yrs)
- Segmentation Adoption Percentage = 35%
- Purchase Behavior = \$500 x 1 time purchase
- Profit margin % = 10%
- Fixed Cost = \$50M
  
- 35% of 60,000,000 = 21,000,000
- 21,000,000 x 500\$ x 1 = 10,500,000,000
- Profit Margin = 1,050,000,000
- Segment Profit = 1,050,000,000 – 50,000,000 = **1,000,000,000**

# Goals, Assets, Capabilities and Competences



## Goals:

- What is to be achieved and when results are to be accomplished.  
Not *how* these are to be achieved

## Assets

- Stores, staff, locations, inventory system, customer database, online portal, cash flow, international operations, brand

## Capabilities

- are the capacity to do something. means the degree of skill in the task's performance.

## Competences

- is the degree of skill in using capabilities and resources to reach the goals of the company





# What is Strategy

“the determination of

- the basic long-term goals and objective of an enterprise
- ... and the adoption of courses of action (considering capabilities and competences)
- ... and the allocation of resources necessary for carrying out these goals”