

## **Case Study Report**

# **THE HOUR GLASS**

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## **Executive Summary**

This report will critically analyse the various factors that influence both the industry and the organization itself to create and sustain its competitive advantages over the competitors in the watch industry. Both preliminary and secondary researches were conducted to better understand the organization, The Hour Glass.

There are four key attributes of strategic management. The first is directed at overall organisation goals which include The Hour Glass's performance assessment and the various challenges faced. The second section addresses the industrial and environmental analysis which helps identify the various driving forces of the industry. Objectives of both long and short term were then listed down to aid the organization in fulfilling and obtaining its goals in the long run. The third section discusses important concepts such as the key success indicator (KSI), Porter's five forces, Value chain which addresses the various key issues. In addition, the report will also identify and analyse the competitors to better understand the industry via strategies such as TOWS and GE Model.

The final section of this report will come out with recommended strategies and control measures that The Hour Glass could adopt and implement.

## **1.0 Introduction – Luxury Watch Retailer**

In the industry of luxury watches, Swiss watch makers currently owned close up to 100% of luxury watches which take up approximately 48% of the whole watch industry (Katya, 2009). As behaviour and trend changes in recent years, luxury watches are now not only seen as prestige products, more people now own more than a watch to use it as an accessory that must match with the fashion wear (Gautschi, Lausanne, Garelli, & Perret, 2005). In the industry of Singapore luxury retailer, the key player includes The Hourglass, Cortina Holding and Sincere Watch Limited. Comparing the sales growth of the three companies, exceptionally for Sincere Watch Limited, the other two companies did fairly well in the year of 2010 to 2011 and achieved significant increase in the sales growth.

### **1.1 Organization Overview**

The Hourglass was established in 1979 and is now the current leading luxury retailer in Asia. The Hourglass has 25 boutiques shop throughout 9 cities. The 25 boutiques operate in shopping districts of Australia, Hong Kong, Japan, Malaysia, Singapore, Thailand and Jakarta Indonesia. The sales revenue of 2010 shows gross profit of \$483.6 million shows a 10% increase and a net profit of 3.4 million with an increase of 153.8% increase compared with 2009 (The Hour Glass, 2011).

### **1.2 Challenges Faced**

#### **1.2.1 Rise of Imitations**

Counterfeiting represents 5% to 9% of the worldwide market. Counterfeiting and buying counterfeited is a criminal activity will be a criminal activity. However, more individuals are going to these businesses as it provides them with lucrative profit. Although government is fighting against this illegal business but it is difficult to stop it completely. Problem of counterfeit watches also affected the horologe trade. Therefore, it will be a major issue for the hourglass as it will affect their business.

#### **1.2.2 Dependent on Technology**

In this modern society, there is a huge increase of people using mobile phones. In Singapore the number of people using a mobile phone subscriber is 1,436 per 1,000 populations (Department of

Statistics Singapore, 2011). Mobile phone enables the consumer to see the timing and this will then replace the needs of having a watch. Thus, this will indirectly have a negative impact on the sales of the “The Hour Glass”.

### **1.2.3 Price conscious**

Nowadays, with much education, consumers are getting more demanding than the past. While luxury consumers still love their favourite high-quality brands, they like them at lower prices. This applies to the watch industry as well. The problem of price was crucial due to the fact of the economy recession and as a consequence of all the turmoil, several companies went through a series of unprecedented mergers and acquisition.

### **1.2.4 Brand loyalty**

Becoming the top of mind brand is the key to market position and focus in the luxury watch industry, customer centricity comes less from unyielding information gathering and more from taking action on the insights gained. However, in the growing market of watch industry, different brands with different technology, designs and innovations have entered the market. Thus, The Hour Glass would be difficult to achieve brand loyalty in customers as they are selling a vast variety of brands.

## **2.0 Environment Analysis**

### **2.1 External Environment (PEST)**

#### **2.1.1 Political**

ASEAN has Free Trade Agreements (FTA) with many countries around the globe (Association of Southeast Asian Nations, 2009). This proves to show that Hour Glass is strategically located in a trading hub where importing and exporting do not require additional taxes or tariff barriers from those countries with FTA.

#### **2.1.2 Economic**

- **Small Domestic Market** – Since Singapore has a very small domestic market, international trade is highly important for Singapore, as it has virtually no natural resources. A large percentage of trade is conducted to meet domestic demand for energy, food, and other necessities. The Hour Glass has since established itself in nine cities throughout Asia Pacific.

However, the domestic market has since become saturated and that the room for expansion in Singapore remains slow and unprogressively.

- **High Income earners** – In 2010, Singapore’s GDP (PPP) per capita was US\$56,521.73 behind Qatar and Luxembourg. With the Singaporean government recently revaluing its currency upwards by 1.3 percent in order to contain imported inflation, Singaporeans are expected to be wealthier with its GDP (PPP) per capita increasing by 4.60 percent in 2011 (EconomyWatch Content, 2010). Thus, Singaporean would be willing to spend on luxury products which include watches as quality and values are perceived in the mind of the consumers.
- **Pole position as retail Hub** – Singapore may be a niche market for many things, but expensive watches are one of the exceptions. The number of tourists visiting Singapore grows and is accompanied by even bigger spenders from elsewhere in the region, which is drawn to Singapore because it boasts the latest and widest selection of horological creations anywhere in Asia (Ming, 2010).

### 2.1.3 Social-Cultural

- **Ageing population** – Singapore is one of the fastest and may suffer the most among Asian economies from an ageing population; with the average growth in economic output falling more than 40 per cent over the next 25 years. This will affect supply and demand factors of businesses. Therefore, it will directly affect the hourglass business in a long run as there will be a decreasing in demand. In addition, it will be harder to employ young skilled workforce due to reduction in labour growth (Lee, 2008).
- **High quality of life** – Singapore has been hailed as having the best quality of life in Asia and eighth-best in the world. Therefore, more people will be able to afford luxury products. This will be positive points for the hourglass as there will be more demands. In addition, Singapore also emerged tops in being the safest country in Asia therefore it will also attract more tourist to visit and purchase products (Barker, 2010).
- **Culture lifestyle** – Singaporean mostly has the mindset of “Kiasu” which means afraid of losing out to others. Therefore, people mostly of them will works very hard so as to buy

luxury products to fulfil their materialism desire and at the same time to make them feel more superior compare to others. This has positive factors on the hourglass as it can expect a higher purchasing power from the consumers.

#### 2.1.4 Technological

- **Technology Infrastructure** – With the advancement of internet technology, Hour Glass can now tap on a new channel by offering new designs through their website. However, this can also provide a threat to the company as more providers will be available online.
- **Function and Technology** – As the rapid improvement of technology, the watch technology have also advanced from battery run to automatic and currently the latest invention is the solar powered watch (Teahupoo, 2008). With whole lot of new feature of watch invention, it would increase the demand for the consumers who wants to get hold of the technology.

## 2.2 Internal Environment

### 2.2.1 Past Financial Performance Assessment

Ratios	Financial Year		
	2009	2010	2011
Current Ratio	4.84	4.69	5.10
Quick Ratio	4.36	4.11	4.03
Debtor Collection	3.00	3.01	2.28
Creditor Payment	2.71	5.00	1.95
Stock Turnover	5.72	4.37	3.79
Gearing Ratio	16.7	18.3	7.40
Return on Sales	17.0%	13.9%	15.6%
Gross Profit to Sales	12.3%	10.6%	13.3%

(Source: *The Hour Glass Financial Statements FY 2009-2011*, Refer to Appendix A for “The Hour Glass’s” Financial Statements)

### 2.2.2 Past Financial Performance Assessment Implications

The organization is capable of paying its current liabilities using its current and liquid assets. This can be shown that the organization is able to sustain itself by paying its liabilities using



assets owned by the organization. Current ratio portrayed the organization's ability to pay off its current liabilities. However, its quick ratio showed that it will take a longer time to pay off its liabilities in the year 2011. This goes to show that The Hour Glass's inventory turnover is slower as compared to previous years. Hence, there is a need to ensure that The Hour Glass sell its goods in the fastest time possible and not to keep its inventory lest it incur unnecessary costs.

### 2.2.3 Value Chain

This value chain would identify the source of competitive advantage for The Hour Glass

Identify what value they are creating for their precious customers.

Values criteria	What Value “The Hour Glass” creates to their customers?	Evaluation				Sustainability
		Value	Rarity	Imitability	Organized	
Firm Infrastructure	The Hour Glass has well strategized tactic that caters to the entire South East Asia.	✓	✓	X	✓	No
HRM	Hire the proper person for the Job and provide constant upgrading programs	✓	✓	✓	✓	Yes
Procurement	Watch specialist from The Hour Glass would provide suitable recommendation to customers as well as identifying any problem of watches after post purchased	✓	X	✓	✓	Yes
Marketing & Sales	Organize event and galleries of unique watches and technology	✓	X	✓	✓	Yes
Service	Offering accurate information regarding the product and cater prestige service experience to customers	✓	✓	X	✓	Yes
Operations	Establish retail outlets in shopping area where luxury shopping occurs	✓	✓	✓	✓	Yes
Technology	CRM strategy carried out to ensure all customer satisfaction experience is guaranteed.	✓	X	✓	✓	Yes

### 3.0 Industry Analysis

#### 3.1 Key Success Factors of “The Hour Glass”

No.	Key Success Factors	Descriptions
1.	Strong Brand Management	The range of luxury products carried with high brand equity will boost the image of Hour Glass.
2.	Efficient Inventory Management	This management system helps to assist in stock replenishment, it helps to improve speed and order picking accuracy, warehousing and distribution applications (Goliath, 2008). It can also keep inventory levels at its optimum condition and as well as to create employee efficiency in warehousing.
3.	Marketing and merchandising management	Effective segmentation that targets at high income earners. Creative and niche advertising to focus on the brand values and brand association of the watches that Hour Glass sells.

#### 3.2 Porter’s Five Forces

According to (Porter, 1998), the assessment of the balance of power in a business situation can be carried out through the application of the Porter’s 5 Forces model, to help understand the strengths of the organization’s current competitive position in the market. *Refer to Appendix C for general outline of Porter’s 5 forces.*

### 3.2.1 Bargaining Power of Buyers

- **Substitutes available** – As luxury watches target mid to high income consumers, substitutes for luxury watch such as the mid-price range watch may pose a threat to The Hourglass. In addition, consumers who are in loyalty toward certain brands would not patronize “The Hour Glass” but the authentic dealer instead. The entire situation would conclude that there would be a high bargaining power of buyer.
- **Established brand** – As The Hour Glass was established more than 30 years and have performed relevantly well in the industry, their brand name has then greatly sustained strongly in the industry. With strong branding it also inherited strong trust factor from consumers. Therefore, bargaining power of buy would be low due to the trust factor they give to The Hour Glass.
- **Concentrated customer** – In the industry of luxury watches, in relation to market segment, the targeting segment is targeting mid to high income consumers. As concentration of luxury products is leaned towards the sellers, it would be deemed that the demand of luxury watch is higher and would result in low bargaining power from buyer.

### 3.2.2 Bargaining Power of Suppliers

- **Heavy reliance on suppliers** – As Hour Glass do not produce their home brand watch, they rely heavily on their existing suppliers for almost all of their inputs (products). This caused the suppliers to have ‘High’ bargaining power because Hour Glass has no other options for alternative suppliers of the similar brand.
- **From heavy to mutual reliance** – However, these suppliers need to rely back on Hour Glass which has the largest market share and concurrently is the market leader of this industry to distribute their product. Therefore, this neutralizes the bargaining power of suppliers from high to medium. Both the suppliers and Hour Glass need to rely on each other to create a win-win situation because Hour Glass has the market and the suppliers have only the product of quality.
- **Vertical integration impossible** – “The Hour Glass” does not have the capabilities to move backwards and become their own supplier. This is due to the fact that the existing suppliers’ products already have a positive perception in consumer’s mind, and if Hour Glass were to create their own product, consumers will likely to deem their products as of lower quality, because Hour Glass was never in this profession.

### 3.2.3 Threats of New Entrants

- **High capital investment** – In the luxury watch retailer industry, it would require a very strong financially-able firm to come out with huge amount of money to inject into the business. One of the major expenses incurred would be having to liaise with many suppliers to import brands like “Rolex”, “Tag Heuer”, “Patek Philippe” and etc. The Hour Glass does not produce their own watches and thus outsourcing to other companies can sometimes be very expensive and thus technological know-how becomes a great advantage to retailers.
- **Economies of scale** – Established in 1979, The Hour Glass Limited has grown over the years to emerge as Asia’s leading specialist luxury watch retailer (The Hour Glass, 2006). Since then, the luxury watch industry is dominated by a few high-volume competitors (E.g. Sincere, Cortina) and thus it is going to be harder for a new entrant to enter than an industry with a large number of small to medium competitors.

### 3.2.4 Threats of Substitutes

- **Increasing of Counterfeits** – There is an increasing of counterfeiting issues. Consumer may know that counterfeited watches are illegal and the material may be harmful but they will still purchase it. This is so as the advancement of technology enables the standard and quality of the imitation to get better and more realistic. Therefore, more consumers are going for imitation as its look exactly the same and the price is much cheaper. Beside the traditional counterfeits, high end counterfeit is another big issue as some famous watchmakers or manufactures use authentic and counterfeit components in their products. The result of it can be so impressive that even the real manufacturer could sometimes be misled. Therefore, some consumer may be buying the watches without knowing that it is a counterfeit (Gautschi, 2005).
- **Fierce Competition** – As hourglass is just a retailer, it takes its stock from the supplier. Due to this, it lacks of differentiation as other shop is selling the same products. There will be a lack of brand loyalty for consumer. Therefore, consumer may just go to the competitors’ shop such as Sincere or Cortina to get the products they wanted. In addition, consumer could also go to the main distributor as they may think that it is more reliable or much cheaper compared to buying from the retail shop.

- **Increasing of luxury products** – In this modern society, function of a watch may not be a most important feature for consumer as they may see the timing with their mobile phone or at their gadgets. Instead consumer they may see luxury watches as luxurious and fashionable accessory so as to fulfil their ego needs. Thus, consumer may choose to buy other luxury goods such as bracelet, necklace and more to replace buying of watches (Gautschi, 2005).

### 3.2.5 Competitive Rivalry within the Industry

- **Decrease demand in luxury watches** – As the price of gold and diamonds reach an all-time price high, this is shown to have a direct negative impact on the performance and profit margin of luxury watch companies. (CPP-Luxury, 2009)
- **High end luxury watches have special distribution rights** – Distribution rights are equal among the 3 companies hence competitions are equal and will be intense.
- **Direct competitor: Sincere Watch, Cortina Holdings** – This market consists of 2 other luxury watch retailers which hold a fair amount of market share and are of equal size (In terms of business).
- **Indirect competitor: Mid-range luxury watch retailer, City Chain** – Other indirect competitors can tap on such opportunities and improve on their sales margin since there's a decrease in demand of luxury watches, the lower-end watches will become more popular in the market.

### 3.3 Competitor Analysis

Morden (2007) mentioned that one of the key requirements of strategic analysis would be to appraise and understand the competitive situation faced by the organisation in its respective market segments. It focuses on the competitors which an organisation competes with directly. By doing so, The Hour Glass will be able to determine the competitors' probable reactions, anticipate the response of the competitors to the likely moves of other companies and also develop a profile of the nature of possible changes the competitor might undertake.

### 3.3.1 Forms of Competition

Types	Organizations
Brand Competition	Sincere, Cortina Holdings
Industry Competition	Citychain Pte Ltd, The Watchers of Switzerland
Form Competition	Apple, Samsung

#### 4.0 TOWS Analysis

	<p><b><u>Strength</u></b></p> <ul style="list-style-type: none"> <li>- Huge reserve capital</li> <li>- Strong brand equity</li> </ul>	<p><b><u>Weakness</u></b></p> <ul style="list-style-type: none"> <li>- Not much advertising done</li> <li>- No product innovation</li> <li>- Limited product classification (High-end watches)</li> </ul>
	<b>SO Strategies</b>	<b>WO Strategies</b>
<p><b><u>Opportunities</u></b></p> <ul style="list-style-type: none"> <li>- ‘Trendsetters’ younger generation and fashionable</li> <li>- Able to move further into the UK and EU region to open up larger markets.</li> <li>- More people are using watch as a fashion accessory which means more demand for the kind of product.</li> </ul>	<p><b>Backward integration/Partnership</b> - The Hour Glass is able to manufacture and establishing their owned luxury watch brand. By doing so, The Hour Glass increases their bargaining power to their supplier as well as their customers.</p> <p><b>Investing in watch technology</b> - Tapping into different markets or entering new contract deal would be much easier with The Hourglass huge reserve capital and good brand equity.</p>	<p><b>Observe market competition and trends</b> – Be alert on what is the current trend in the market and what competitors are doing so Hour Glass can react on promptly to changes or promotions from them and stay as the market leader.</p> <p><b>Tap on cultural advantages</b> – In different countries and region, people prefer different things; an example would be Indians prefer gold more than diamonds; hence Hour Glass could retail more gold watch where such consumer exists.</p>
	<b>ST Strategies</b>	<b>WT Strategies</b>
<p><b><u>Threats</u></b></p> <ul style="list-style-type: none"> <li>- Rise of counterfeiting (Refer to 3.2.4)</li> <li>- Increasing of luxury products (Refer to 3.2.4)</li> </ul>	<p><b>Offer other luxury products</b> – The Hourglass could provide its own luxury products such as bracelet and necklace as The Hourglass has huge reserve capital and strong brand equity.</p>	<p><b>Direct marketing</b> – To communicate straight to the customers with advertising techniques such as mobile messaging, email, interactive consumer websites, catalogue distribution and premium magazines as direct marketing messages emphasize a focus on the customer, data, and accountability.</p>



## 5.0 Objectives for “The Hour Glass”

### 5.1 Short Term Objectives

- Achieve yield growth of market share by 14% the end of year 2016
- Implementation of customer loyalty program
- Increase customer service quality as an additional perceive value for Hourglass
- Increase awareness of hourglass by having more media involvement such as charity and sponsorships
- Representing more than 80 luxury brand of watches across nine cities throughout Asia Pacific

### 5.2 Long Term Objectives

- Continue the expansion into global markets, this could create market diversification and improve the overall revenue from overseas market.
- Improve service quality and customers satisfaction by searching for new partners and brands to provide customers with a wider spectrum of selections.
- To be the global and world-class luxury watch retailer with the largest market share across multiple nations.

### Financial results in terms of \$'000

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Revenue	486,662	517,617	550,000	590,000	620,000	660,000
Total Asset	274,766	314,509	355,000	395,000	440,000	500,000
Total Liability	50,945	57,048	60,000	63,000	65,000	68,000
Gearing Ratio	18.5	18.1	16.9	15.9	14.7	13.6

*(Extracted from: The Hour Glass Annual Report 2010/2011)*

The financial objectives for Hour Glass was to achieve approximately S\$660,000 in total revenue, increase their net Asset to approximately S\$500,000 worth, and keep their liabilities as low as possible by Financial year 2015. This could then reduce the annual gearing ratio and create more reliance on the shareholders instead from borrowings.

## 6.0 Recommendations Strategies

### 6.1 Ansoff Matrix

		Existing Products/Services	New Products/Services
Existing Markets	Existing	<p><b>Market Penetration Strategy</b></p> <p>Create loyalty programs to prevent customer from switching such as membership card.</p> <p>Direct marketing through advertising via distributing channel such as premium magazine.</p> <p>Enhance and integrate Customer relationship management (CRM) system by using technology to organize, automate, and synchronize business processes.</p>	<p><b>Product development Strategy</b></p> <p>Integrate of both watches and mobile phone together so as to come out with the hourglass products.</p> <p>Deliver value added services and excellent customer service, able to make each customer feel as if they are the most important customer.</p> <p>Provide online services such as ecommerce that catered to the changing needs and lifestyle of the consumers.</p>
		New Markets	<p><b>Market Development Strategy</b></p> <p>Market expansion into untapped European countries (e.g. Germany, France, Spain and etc.)</p> <p>Offer a wider range of products for demographics segmentation (e.g. Older generations, Gender – Female watches)</p>

## **6.2 Market Development**

### **6.2.1 Criteria to be considered**

#### **Market Characteristics**

- **GDP growth of country:** It refers to the market value of all final goods and services produced within a country in a given period and thus associated with the indicator of a country's standard of living. Therefore, a country with a higher GDP rate would be the ideal place for Hour Glass to invest in. (Refer to Appendix B)
- **Culture of market:** The overarching culture of a business relating to the attention it focuses on markets/customers, skills used to create value for customers and lastly the level of belief that the ultimate purpose of the business is to create superior customer value, profitably. Thus, Hour Glass has to relook into similar-context culture countries to avoid conflicts.
- **Population size:** A particular section, group, or type of people living in an area or country. Hence, effective population size is the number of individuals in a population who contribute offspring to the next generation given by the bigger population size within the domestic markets. Therefore, countries with bigger population size provide better opportunity for the company to expand.

#### **Business Strengths**

- **Market Share:** Market share is the portion or percentage of sales of a particular product or service in a given region that are controlled by a company. Hour Glass has a big market share, thus comparing to the other companies that Hour Glass are going into, it has a competitive advantage over smaller firms in the same industry.

		Competitive Position		
		Strong	Medium	Low
Market Attractiveness	High	China	Japan	Brazil
	Low/Medium	United States	Australia	Poland
		Germany	Holland	South Africa

(Source: Gross domestic product ranking table, World Development Indicators, The World Bank)

Based on the criterion that was considered for the GE model, China, Japan and the United States are the only countries that Hour Glass would consider in the near future while expanding internationally. On the other hand, Holland, Poland and South Africa are the countries to avoid at all cost.

### Overview

The GDP growth China is the second highest, standing at US\$ 5,878,629 million, and it is recommended for Hour Glass to venture into this market due to the fact that China has high market attractiveness and a strong competitive position. Considering the fact that China is from Asia, culture differences would not vary much from Singapore context comparing to the United States, although they are the highest in GDP 2010. As mention, the level of belief that the ultimate purpose of the business is to create superior customer value and thus language barrier will not be an issue with China the desired country to invest. Lastly, the population in China is on a high and ever growing. The last thing Hour Glass needs is to have customers, who are willing to spend on luxury, premium watches from them.

## 7.0 Balanced Scorecard

The Balance Scorecard approach aims to provide a framework to work within so as to execute the strategies more efficiently and effectively and to ultimately achieve the objectives. It can be viewed from four perspectives, by focusing on the financial, customer, internal, and learning and growth aspects of the organization.

Perspectives	Strategic Objectives	Strategic Controls
Financial	To achieve a revenue of more than S\$650k by 2015 through direct selling.	Monitoring of monthly sales revenue, arrange for luxury promotions and advertising if necessary. Keep expenses within sustainable budget.
Customer	To expand their product ranges to meet the specific target markets as well as capitalize on current trends towards luxury watches.	Maintain/Improve customer satisfaction, this could attract more customers and create brand loyalty. Maintain/Improve service quality. Luxury product with ace service quality would create better buying experience for customers. Improve and adjust on product range. This will allow more range of customers to be attracted to Hour Glass.
Internal	To increase brand management efforts and brand awareness to stay competitive and relevant in the industry	Marketing team has to be observant on market trends and competitors behaviour. This will allow Hour Glass to react promptly to promotions by competitors or other happenings in the market and stay on as the market leader.
Learning and Growth	Bring in more professional training consultants to share experience and technological know-how knowledge.	Provide sales team for annual training, as they are the critical contact point between Hour Glass and the customers. Trainings could include communication and new knowledge about watches.

## **8.0 Conclusions**

Being an Asia's leading cultural retail enterprise in the industry, it is important for The Hour Glass to constantly evaluate and monitor itself in the industry. Environmental and industrial analysis will enable Hour Glass to audit itself and know where they stand in the industry. This would ensure Hour Glass to react and respond accordingly to meet to the changing demands of the intensified competition today. Hour Glass should, in the meantime, ensure that all employees stand on common ground and strive to reach the objectives together.

Through a process of auditing and analysing the environment and industry, it is also essential for Hour Glass to implement appropriate strategies that is able to address the needs and concerns of the organization. However, in the constantly changing environment, it is important that Hour Glass should not be complacent and maintain at its current positioning. The organization should recognize that it is imperative to constantly evaluate and monitor its competitive position in the industry and to ensure that it strives to exceed consumers' expectations by creating value with its competitive advantage.

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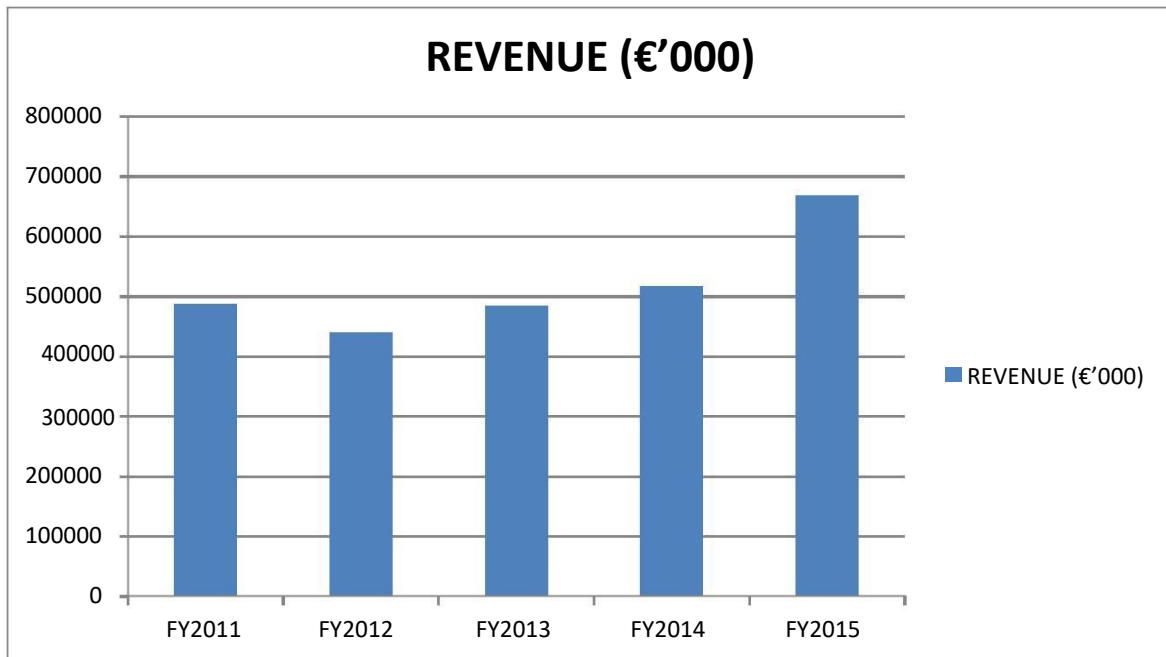
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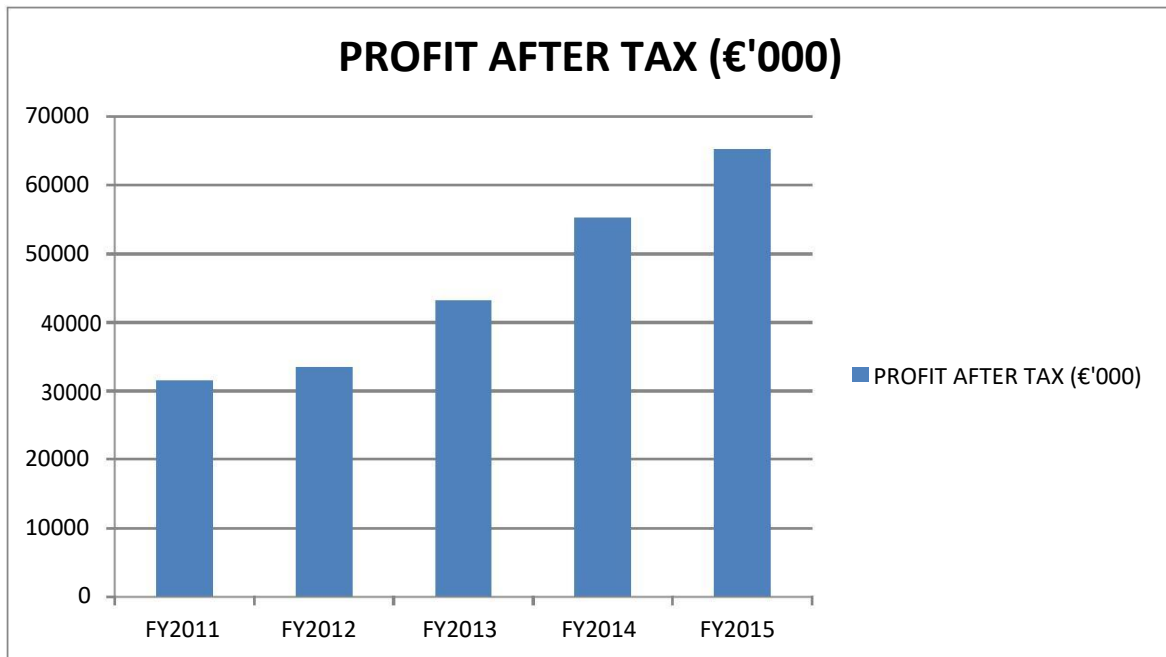
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**Appendix A: Financial Statement**



**Figure 1.0: According to the Annual report of “The Hour Glass”**



**Figure 2.0: According to the Annual report of “The Hour Glass”**



## Appendix B: Gross domestic product ranking table.

### Gross domestic product 2010

Ranking	Economy	(millions of US dollars)
1	United States	14,582,400
2	China	5,878,629
3	Japan	5,497,813
4	Germany	3,309,669
5	France	2,560,002
6	United Kingdom	2,246,079
7	Brazil	2,087,890
8	Italy	2,051,412
9	India	1,729,010
10	Canada	1,574,052
11	Russian Federation	1,479,819
12	Spain	1,407,405
13	Mexico	1,039,662
14	Korea, Rep.	1,014,483
15	Australia	924,843
16	Netherlands	783,413
17	Turkey	735,264
18	Indonesia	706,558
19	Switzerland	523,772
20	Poland	468,585
21	Belgium	467,472
22	Sweden	458,004
23	Saudi Arabia	434,666
24	Norway	414,462
25	Venezuela, RB	387,852
26	Austria	376,162
27	Argentina	368,712
28	South Africa	363,704
29	Iran, Islamic Rep.	331,015
30	Thailand	318,847
31	Denmark	310,405
32	Greece	304,865
33	Colombia	288,189
34	Finland	238,801
35	Malaysia	237,804
36	United Arab Emirates	230,252
37	Portugal	228,538
38	Hong Kong SAR, China	224,458
39	Singapore	222,699
40	Egypt, Arab Rep.	218,912
41	Israel	217,333
42	Ireland	203,892
43	Chile	203,443
44	Philippines	199,589
45	Nigeria	193,669
46	Czech Republic	192,152
47	Pakistan	174,799
48	Romania	161,624
49	Algeria	159,426
50	Peru	153,845
51	Kazakhstan	142,987
52	Ukraine	137,929
53	Hungary	130,419
54	New Zealand	126,679
55	Kuwait	109,463
56	Vietnam	103,572
57	Bangladesh	100,076
58	Qatar	98,313
59	Morocco	91,196 <sup>a</sup>

World Development Indicators database, World Bank, 19 September 2011