

## **EXECUTIVE SUMMARY**

This paper aimed to develop strategies that will help move Hyundai Naga City dealership forward and recovered its investment in eight (8) years and three (3) months. Hyundai Naga City is one of the branches of Hyundai Alabang, Inc., an authorized dealer of Hyundai Asia Resources Inc. (HARI), the Top 3 automotive brand in the Philippines today. Matrices are used based on the framework of Fred David, environmental analysis and scanning, together with the internal analysis was done to develop the best strategies for the branch. The composition of the external analysis scanned the business environment of Hyundai Naga City dealership which includes the economic developments, socio-cultural, demographics trends, lifestyle changes, technological developments, political and legal aspects and competition.

The author conducted an external analysis to determine the opportunities and threats that have implicit effect in the car dealership business of Hyundai Naga City. Based on the Internal Factor Evaluation (IFE) and External Factor Evaluation (EFE) Matrices in the previous factor evaluations, with the resultant result and scores were 3.2 and 2.9 respectively for the STRONG IFE Matrix and MEDIUM EFE Matrix plotted on Internal-External (IE) Matrix. This means that the branch is doing relatively well by taking advantage of the external opportunities and minimizing or avoiding the threats facing the dealership.

Based on the IE Matrix, the joint effect of the internal and external analysis falls GROW AND BUILD strategies wherein this section has divisions for intensive (Market Penetration, Product Development and Related Diversification); or integrative (Backward Integration, Forward Integration and Horizontal Integration) strategies where it can be most suitable.

Based on the Competitive Profile (CPM) Matrix, Hyundai obtained a weighted score of 2.84, Toyota got the highest weighted score of 3.45, Mitsubishi garnered a weighted score of 2.95 while Ford's got the lowest weighted score of 2.71.

Hyundai Naga City should prioritize competitive advantage and make additional improvements with factors that are low on rating in order to catch up in the future. Results of the studies made through the use strategic management tools like Threats-Opportunities-Weaknesses-Strengths (TOWS) Matrix, Strategic Position and Action Evaluation (SPACE) Matrix, Internal-External (IE) Matrix, Grand Strategy Matrix (GSM), and Quantitative Strategic Planning Matrix (QSPM) concluded that market development, market penetration and product development should be implemented in order to achieve the recommended strategic objectives.

To achieve a competitive advantage in the car dealership industry, Hyundai Naga City should focus on the following strategic long term objectives within the next 10 years:

1. *Revenue Growth* – To be able to achieve total revenue of P408.7M at the end of December 2015 and reach P979M by 2024.
2. *Market Position* – To be the leading dealer of Hyundai dealership in the Philippines by year 2017 and beyond.
3. *Net Income Before Tax (NIBT) Rate* - To be able to generate a NIBT rate of 0.6% in 2015 and 1.8% on years 2019 and 2024
4. *Payback Period* - To attain the projected payback period of eight years and three months on the branch investment

To achieve the abovementioned strategic long term objectives, the author recommended diverse action plans for Hyundai Naga City. An evaluation and monitoring system shall be created to ensure that the project tasks and activities are leading towards the intended set of objectives. Corrective actions for non-conformity or non-achievement of target must be immediately instituted. Successful implementation of the plans showed an increase in market share and consistent achievement of performance targets. In addition, the recommended strategies will make certain that the investments of Hyundai Naga City branch will be recovered in eight years and three months or even earlier.