BUSINESS PLAN: DISTRIBUTOR OF BUILDING MATERIALS.

FINAL DEGREE PROJECT

GRADO EN ADMINISTRACIÓN Y DIRECCIÓN DE EMPRESAS
12/05/2017

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Tutor: EMILIO JESUS GOLF LAVILLE
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1. Introduction.

1.1. Summary and motivation.

In this project is a marketing plan of a family business located in the construction sector. The company analyzed is Tiles Navarro dedicated to the distribution of building materials, such as floor and wall tiles, parquet, health, screens and the products necessary for its placement.

In the following marketing plan we will define the script that the company must take to achieve the company be sustainable, profitable and market leader it can be. For this will be carried out the methodology typical of a marketing plan joined other analysis of operations, human resources and economic-financial.

The structure of the project will consist of an introduction to the company, which consists of a description of it, background and current situation, background and current status of the construction sector in Valencia, the introduction of different concepts on constructive and different analysis, in which we will find:

- A strategic analysis consists of the analysis of the macroenvironment and microenvironment for the compression of the Valencian in the construction sector and what will be the circumstances affecting the enterprise directly and indirectly.

According to the results obtained in the strategic analysis will be carried out an assessment and diagnosis of the company and taking into account the objectives of this will be the marketing plan.

- Analysis of the marketing plan for the segmentation of the market and know the best way to address these segments. In this marketing plan is needed to set goals over a period of time defined to measure if the marketing plan is giving good results from both points of view, qualitative and quantitative.

- The following after setting the objectives is to outline the strategic and specific actions to be carried out in order to attain the objectives set.

- And to finish the marketing plan should establish a plan for monitoring and control that enable us to measure the results of that plan and know if the plan has failed to achieve the objectives set out above.

The motivation that moves me to develop this project is the enthusiasm to convert the family business that was founded by my grandfather and continued my parents, a leading company in the sector. Before I start my universitats studies i always clear my intentions of studying Business Administration and Management Company in order to apply all the knowledge I could learn during my studies, which have been directed solely and exclusively to my training so in the future it might be the perfect owner/manager of the company studied. The fact of having worked all their lives in the company helps me have a clear and accurate picture of what I want to achieve with this project, I have spent many years with my father working in the company is always in constant pursuit of an ideal model of business that is what I intend to get there With this study. Now 28/03/2017 is that the ideas that are going to reflect in this project would not be possible if you do not have the experience I have in the sector and the continuing talks with my father and my grandfather on the business.
My personal motivation will not only develop this project if you do not carry it out in the next few years of my life and my grandfather, the person who insisted on my education, be proud of what their children and a grandson.
1.2. Basic data of the company.
Basic data of Joaquin Navarro Alarcon S.L.

<table>
<thead>
<tr>
<th>Company name</th>
<th>Joaquin Navarro Alarcon S.L</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trademark</td>
<td>Tiles Navarro</td>
</tr>
<tr>
<td>CIF</td>
<td>B 96197140</td>
</tr>
<tr>
<td>Owner/S</td>
<td>90% Los Angeles Navarro Alarcon, Adrian Guevara Navarro 10%</td>
</tr>
<tr>
<td>Administrator only</td>
<td>Los Angeles Navarro Alarcon</td>
</tr>
<tr>
<td>Registered office</td>
<td>Xativa 46800, Valencia. Industrial B, C/ de Santa Ana directly without number.</td>
</tr>
<tr>
<td>SOCIAL Object</td>
<td>Retail trade of all kinds of building materials, furniture, toilets, as well as items for your installation.</td>
</tr>
<tr>
<td>Telephone</td>
<td>962282000</td>
</tr>
<tr>
<td>Address</td>
<td>Row of the stint grossa</td>
</tr>
<tr>
<td>E-MAIL</td>
<td><a href="mailto:Comercial@azulejosnavarro.com">Comercial@azulejosnavarro.com</a></td>
</tr>
<tr>
<td>Social Networks</td>
<td>Facebook: tiles navarro</td>
</tr>
</tbody>
</table>

1.3. Background and current situation of the company.

1.4. History
Tiles Navarro is a family company derived from Tiles Victoria S.L. was founded by Joaquín Navarro Fig Trees 27/09/1983 who started out as a plumbing in 1974 under the
name of Plumbing Xativa and which was diversifying its activities, one of them was to enter the world of ceramics, in 2001 Adrian Guevara Ortiz and Los Angeles Navarro Alarcon decide, under the trademark of Agocer, open a great Establishment dedicated to the distribution of all kinds of construction materials such as tiles for flooring and paving, parquet, health, bathrooms, taps, kitchens and all kinds of products for the decoration of the interior and the exterior of the home. This venue is located in Avinguda de la Constitució No.2, at the entrance of the Llosa de Ranes 46815, Valencia.

In 2006 the company is situated in a great position in the sector being recognized by their suppliers as one of the industry's most powerful companies and awarded in the area of trade and service of the valencian community, to offer their products and services to more than 6500 clients, over 12 260 construction companies and distributors.

The following year in 2007, operates the real estate bubble and the crisis Tiles Victoria, opposite a serious period that takes you to the bankruptcy situation 09/12/2011 which don't get out and ends with its dissolution on 25/11/2013.

In 2012 at the same time that tiles victory is doomed to dissolution, Joaquin Navarro Alarcon S.L. with the trademark of Tiles Navarro, of which the administrator is Joaquin Navarro Alarcon, by the inability that had Adrian Guevara Ortiz and Los Angeles Navarro Alarcon administrator given the situation of Tiles Victoria S.L.

The opening of the new local in the polygon b from Xativa in a strategic location ideal and with a local to mount an exhibition of first category.
Tiles Navarro operates 2 years in this area because of the lack of space in the warehouse and the high rent, decides to be transferred through the exposure to a more economic and lease another local store to be able to give a better service, located in the same shopping avenue. Currently Tiles Navarro operates with exposure in C/ Santa Ana Xativa without number and using how to store the old local tiles victory in La Llosa de Ranes.

1.4.1. Geographical scope.

The territory of the company will be Jávea and its surroundings. Jávea is a municipality in the Valencian Community located in the south of the province of Valencia and is the capital of the region of the coastal, and in 2015 had 29,095 inhabitants according to the INE.
BUSINESS PLAN: DISTRIBUTOR OF BUILDING MATERIALS.

Geographic data

<table>
<thead>
<tr>
<th>Region</th>
<th>The coastal</th>
</tr>
</thead>
<tbody>
<tr>
<td>EXTENSION</td>
<td>77.00 km²</td>
</tr>
</tbody>
</table>

Limits

Xàtiva is the capital of the region of the coastal town, located in the southwest of the province of Valencia. The term is divided in two by the mountain range of the Serra Vernisa which, in addition, separates the coastal valley to the north of the Bixquert Valley to the south. Xàtiva is bordered to the north by Villanueva de Castellón, Manuel, Perth, Llosa de Ranes and Landmark. To the East with narrandera, LLOC-nou d'en Fenollet and Genoese. Finally to the West with Novetle, Valleys, Corberà Rotglà, Coastal Farm, and canals.

Distance FROM THE CAPITAL

63 KM

Infrastructure of COMUNIDACION


Demographic data

| No. of women: | 14855 |
| Num. of men:  | 14341 |
| Population:   | 29400 |
| No. of Households: | 14341 |
| Population density: | (383.81 inhabitants/km²) |

The Coastal and its neighboring regions will be the territory where the company should be positioned as a leader in its sector. It is bordered to the north by the region of La Palma and Ribera Alta, on the east by the La Safor, on the south by the Albaida Valley and on the west by the Alto Vinalopó.

1.4.2. Legal framework.

According to the portal of the merchant of the Valencian Community there are 3 types of obligations to which the retailer is subject: generic, basic to consumers and pricing.
General obligations.

Set of duties to be fulfilled by the merchant.

- In general, the established by the rules relating to the property whose sale offer. In particular have to be complied with the rules relating to the composition of the products, labelling and safety, as well as the sector's special or commercial sectors that constitute the object of your activity, and to withdraw from its establishment the goods that do not comply with these standards.
- Demonstrate to the competent authority be in possession of the authorizations and licenses that are due.
- Be current in the payment of the taxes of any kind which are taxable.
- Meet the standards of protection of the rights of consumers and users.

Basic obligation in front of consumers.

General rules and autonomous in matters of defense of consumers and users, traders must meet:

- Register next to the articles their corresponding sales prices to the public.
- Deliver invoice, receipt or document certifying the operation performed properly broken down in your case, except that the consumer has expressly waived its delivery.
- At the disposal of the consumer complaint forms.
- Deliver the warranty document in any sale of articles of lasting nature.
- Carry out their promotional activities without incurring in illegal forms of advertising, in particular, without incurring in misleading advertising.
- Engage with consumers without existence of unfair terms.
- Marketing Articles safe and with an adequate service of technical assistance.

The authorisations and previous communications, to be carried out by the merchant.

- The dealer must request authorization from the competent department of commerce for:
  - The opening, modification or expansion of large surfaces, that is, establishments that have a sales area of equal to or greater than 1,000 square meters, or in populations of less than 40,000 inhabitants, having a surface area equal to or greater than 600 square meters.
  - Make sale home and distance selling (including those made over the Internet). Fill in application form RAC-03 and documentation that is specified on the back of the same according to the conditions of sale.
  - Direct Sales in fairgrounds with withdrawal of merchandise.

The merchant should communicate to the Department competent in matters of trade, at least one month in advance, the realization of the following promotional activities:

- Sales in liquidation.
- Sales of balances.

In any case, it shall request authorization or license to the town hall corresponding to:
- The opening of a commercial establishment (also in cases where that is licensed by the Department as large surface area).

**Limited Company.**

The Limited Liability Company is a company, which has the social capital divided into equal stakes, indivisible and cumulative (not negotiable instruments can be incorporated into or referred to actions), and in which the partners do not acquire personal responsibility for corporate debts.

This type of society, governed by the Law 2/95, of 23 March, and the Royal Legislative Decree 1/2010, of 2 July, which approves the revised text of the Capital Corporations Act.

<table>
<thead>
<tr>
<th>Name</th>
<th>• Name of the society according to the will of the negative Certification Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constitution</td>
<td>• Elaboration of statutes and the granting of the public deed. Registered in the Mercantile Registry</td>
</tr>
<tr>
<td>No. Partners</td>
<td>• Without limit. It should be the sole proprietorship</td>
</tr>
<tr>
<td>Contributions TO THE SOCIAL CAPITAL</td>
<td>• Money, work, property or rights. May not be less than 3,000.00 euros and must be fully disbursed from the start of the activity</td>
</tr>
<tr>
<td>Responsibility</td>
<td>• Limited to the capital of the company. Each partner shall be liable for up to the limit of its contribution and not with their personal assets</td>
</tr>
<tr>
<td>Rights OF THE PARTNERS</td>
<td>• Participate in the profits and losses of the company in proportion to their contribution to social capital.</td>
</tr>
<tr>
<td>SOCIAL SECURITY</td>
<td>• Partners Administrators - Special Scheme for Self-employed Rest: See &quot;Cotizacion&quot;</td>
</tr>
<tr>
<td>-----------------</td>
<td>----------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Taxation</td>
<td>• Corporate Income Tax</td>
</tr>
<tr>
<td></td>
<td>• SL of new creation during the first 2 years with positive taxable at the reduced rate of 15% (*)</td>
</tr>
<tr>
<td></td>
<td>• From 3rd year at the general rate of 25% (**)</td>
</tr>
</tbody>
</table>
1.5. Current situation of the sector.

To understand the environment we need to talk to different sectors, starting from the most generic to the most specific.

The construction sector.

In Spain, after years of severe recession, the sector maintains a solid recovery. The construction activity grew up to 20.3% compared to January 2015, the largest annual increase of all member states, according to the data of the statistical office community and grew up with force at the start of 2016. In 2017 growth is expected to remain around the construction of 3%, driven mainly by the residential and commercial segment, while the growth in the segment of public construction and civil engineering will be more moderate. The profit margins remained stable in 2016 and is expected to remain in 2017. The payment experience in Spain has been good in the past two years, and there has been a low number of failures. This is mainly due to the fact that the financially weaker companies have left the market during the recession. It is expected that the insolvency in the construction industry in Spain will stabilize or even decrease slightly in 2017, after significant reductions in 2015 and 2016.

The evolution of the construction in the different markets of the world is uneven, strongly related with economic growth in each country, the feeling of investors, as well as with the confidence of business and consumers. The construction activity differs significantly in many countries. However, even in markets where the growth of the construction has been very robust in recent years, it remains true that competition is high, margins are reduced, the public clients usually pay late and the proportion of corporate failures remains higher than in most other sectors.

Despite its cyclical nature, from a global perspective, there are new opportunities and challenges ahead. The technology has increasingly impact on the construction: the emergence of the augmented reality, the drones, 3D printing, the Building Information Modeling, autonomous teams and advanced building materials, will profoundly change the sector", says the report, which analyzes in detail the situation of the sector in Germany, Saudi Arabia, Australia, Belgium, Spain, United Arab Emirates, France, Netherlands, United Kingdom, Singapore and Sweden.

The global demographic changes also play an important role in the construction. "The population in the urban areas of the world continues to rise, what will drive the demand for housing, as well as the transport and social infrastructure of public services. At the same time, many societies, especially in the West, are faced with the aging of the population, which would distort the real estate investment patterns".

The booming sector reforms.

After the crisis, the real estate market will never be the same, especially because the choice of consumers at the time of search home has changed, and it has been to opt for alternatives to the purchase of new housing. Vacation rentals is the first choice of young people today, but home ownership is the priority of any Spanish, that if, every time you choose more to reform the housing that is already available or for purchasing a second-hand house to reform before the purchase of a new home.

Although economic indicators marked that it is a good time to undertake reforms, these are still assuming a large disbursement for families, to fix this issue many companies offer financing, banks are beginning to grant loans at high interest rates, although if you are not linked to them, and to part as greater incentive for the sector, the autonomous
communities offer grants for works related to the acoustic and thermal insulation of the home, accessibility or other types of facilities to give some examples.

On the other hand, one must speak of the offer in the sector, after the dismissals caused by the crisis, many workers found employment in the sector of the reforms, even many of them decided to undertake in small firms to manage their work. This resulted in a large increase in the supply which benefit not to raise prices because of the increase in demand, in addition, each time the competitors in the industry are trying to be more competitive in the price.

According to a study by Houzz in 2017 on the performance of the sector during 2016 on the business of renewal and residential design, are expected to be very encouraging figures for 2017 therefore concludes that it is anticipated a widespread growth of revenues and earnings. The percentages of growth that the professionals of the sector expected for 2017 are broken down into the following chart done by Houzz:

The graph shows that the 48% expects a revenue growth of 10% in 2017 about 2016, by which it is expected that a 50% of the companies of the branch of the sector in which it operates our company to grow by 8%. The figures are good they expect professionals such as architects and interior designers encourage the growth of our by the fact that they are clients of our products and services. For that growth companies are expected to invest more in strategic to increase their productivity as they can be marketing resources, expand, or deepen their range of products and services, acceptance of larger projects, efforts to improve the service toward the customer and probably a rise in price of the products, it is also expected that the figures for employment in the sector to grow. These strategies involve an increase in the cost of administration, outsourcing, wages, products and materials and marketing.

“We are seeing an increase in both revenue and profits in all sectors of the residential market, driven by the constant demand, which benefits from the strong consumer confidence, the age of housing available in the market and the limited supply of new housing construction”.

"We are seeing an increase in both revenue and profits in all sectors of the residential market, driven by the constant demand, which benefits from the strong consumer confidence, the age of housing available in the market and the limited supply of new housing construction". 
Explains José Gaztelu Houzz director general of Spain after a year favorable to the expectations of professionals.

The tile sector.
The Spanish ceramic tile manufacturers is one of the most dynamic and innovative in Spain and, within the global ceramic sector, positioning itself as a leader in technological development, design, and quality of service.
The global turnover, the 80% corresponds to exports and the rest of the sales were destined for the domestic market. The ceramic sector is the third largest industry that contributes to the surplus balance of trade in Spain, with total sales in 2015 amounted to 3,075 million euros. The experience and knowledge as a differential values have favored the presence of our products in 186 countries.

One of the main features of the sector azulejero spanish is the high geographical concentration of industry in the province of Castellón, in particular in the area bounded on the north by Alcora and Borriol, to the west by Wave, to the south by Nules and to the east by Castellón de la Plana. The sector is formed as a cluster or industrial district that has an entire series of auxiliary industries and related organizations in a geographic area. Approximately 94% of the national production has its origin in this province, where is located the 80% of the companies in the sector, this gives it a unique character and is one of the keys to its competitiveness at the global level. This sector is characterised by a high investment in R+D+i. Currently from the sector are making significant efforts to consolidate the ceramic product. The fruit of these efforts is the increasing use of non-residential works in tile and in non-traditional areas such as urban uses and on facades. Despite the current difficulties, the growth in global consumption of ceramic is guaranteed and the azulejero spanish sector has solid foundations and future thanks to its world leadership in R+D+i and its high degree of internationalization.

As a whole, it is estimated that the Spanish ceramic sector directly employs about 15,500 workers in companies, most of which are small and medium-sized (2015 data). It is estimated that the industry generates more than 7,000 indirect jobs.

<table>
<thead>
<tr>
<th>The ceramic sector in 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production</td>
</tr>
<tr>
<td>492</td>
</tr>
<tr>
<td>Employment</td>
</tr>
<tr>
<td>15,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Production and sales of the sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production</td>
</tr>
<tr>
<td>National Market Sales</td>
</tr>
<tr>
<td>Export</td>
</tr>
<tr>
<td>Total Sales</td>
</tr>
</tbody>
</table>

Sales in millions of EUR and production in millions of square meters
Illustration of ASCER
Over 2016 companies in the sector stand out which was the best exercise in comparison with the years after the crisis of 2007.
We have to consider that the figure of departure is very low and that, at present, the domestic market accounts for 20% of our total turnover, with this figure we will take
into account that not only is the final consumer that we must direct our marketing plan, if not we will have to focus on the sector's professionals as builders, designers, architects, builders who are covering greater share of our sales. 
In the ceramic sector, at the international level, Spain is with two main competitors: Italy that bet as Spain in innovative products and of great quality and China that based its competitive advantage in their low prices, given the lack of environmental laws and the low cost of labor.
We can conclude from the sector that has a positive trade balance, by its high exports and is located mostly in the province of Castellón, in which the industrial district has made the sector to a healthy economy, with promising economic indicators for the years ahead.
1.6. Description of the relations and business of the company.

This section contains some of the key concepts for the understanding of the functioning of the company and its relations with the environment in which it carries out its activity.

1.6.1. Basic concepts.

The company's products:

The products offered by the company come to be all those dedicated to the finishes of the home, such as floor and wall tiles, parquet floor, natural stone, bathroom furniture, sanitary, screens, taps and the materials needed for their placement.

The pavement or coating is a layer of any material used to decorate a protegerno pavement surface, being the name given to the specific coating for floors. Can be classified according to their location in space: techos, suelos or paredes, for each one of them the requirements will be different. The different materials with which you can take are:

- Ceramic tiles/ tiles: The tiles or ceramic tiles are thin flat parts manufactured with clays, silica, fluxes, dyes and other raw materials. It is generally used as pavements for floors and wall coverings and facades. The clays used in the composition of the support can be cooking cooking red or white. The pavement tiles, both as wall cladding, are waterproof ceramic pieces that are constituted by a clay soil and a vitreous coating: the ceramic glaze. The extensive range of ceramic products existing in the market today is conditioned by the many utilities of this material in the architecture and interior decoration. Depending on your application, there are different tipologías product and features. The tile will be the most important product of the organization as the company will focus its efforts on being specialists and number one in this product.

- Park: Pavimento trainer by thin pieces of wood attached and placed regularly forming drawings varied.

- Natural stone is a rock that is extracted directly from the nature and that, after their modulation and treatment, it is likely to be used as a construction product, both in pavement as cladding of interior and exterior walls.

- Products Bathrooms/kitchens: the bathroom and kitchen have to be configured as one of the points of the house. Currently the decor and attention to design in all the elements that make up take on vital importance in households per if we talk about bathrooms there is to pay attention mainly to the toilet.

- Health: Are employees in order to meet the needs of the users with regard to what is toilet staff, cleanliness and physiological needs. The health comes to be the toilets, bathtubs, showers, washbasin, bidet.

- Bath Screens: a bathroom consists of a translucent or transparent structure that serves to separate the inside of the ducha or bañera from the rest of the room to keep dry the bathroom to take a shower, constituting an elegant evolution on the cortinas plastic. The screen is made of glass or translucent plastic mounted on a rigid structure or metal.
- Plumbing: those products to regulate the flow of water in the home, both in kitchens as well as bathrooms, with a wide variety of products both for their usefulness and their different materials.

- Bathroom Furniture: Furniture intended for placement in the bathroom with decorative high importance by the design and consistency with the rest of the materials placed.

- Products for the placement. For tile with ceramic tiles, used a series of products and tools to carry out their placement.
  - Primer is applied with a roller or a brush before the scraper (when necessary), or before you paste the baldosas. For surfaces without absorption applies an adhesion primer; for the excessively porous, a primer sealer. If the media is disgregable, you use a primer endurecedora. In all three cases, the primer improves adhesion of the tiles to the support.
  - Binder. Component of some mortars queue that reinforces its adhesion and flexibility. The mortars queue flexible or deformable absorb the dimensional variations of the support.
  - Sticky paste. Ready-to-use adhesive. It is sold in cans and is applied with a notched trowel.
  - Plaster or Plaster. Mortar powder, mixed in water, allows you to match and smooth the surface of the wall before placing the tiles.
  - Masonry Mortar (rake). It is applied with a trowel rubber and serves to fill the space between the tiles (board) and there are a wide variety of colors and types according to the space of the Board and whether it is inside or outside.

On the other hand, are the tools that are needed for the realization of this work are going to be a bubble level, a tape measure, a ruler and a plotter. To place the tiles need some spiders, a notched trowel, pliers, a rubber hammer, a rubber trowel, a palette, a bucket, a ceramic cutter, a sponge and a bucket.

- Subcontracting: The separate company to offer their products offers the service to perform the works through subcontracting of professionals given the experience and the link forged with these with the passage of time. In accordance with the Law 32/2006 (Translated from Spanish), of 18 October, regulating subcontracting in the Construction Sector, outsourcing is the practice mercantil of organización productiva which, the contractor or subcontractor instructs another subcontractor or trabajador autónomo part of what he has entrusted to us. In all the work of construction, included in the scope of application of the law, each contractor must have a Libro de Subcontratación. This book must remain at all times in the work, it will be enabled by the autoridad laboral autonómica authority.

Types of customers.
In this section we will discuss the different professionals connected to the construction sector that are clients of the organization.
  - Promoter: In Ley de Ordenación de la Edificación de España, the promoter is one of the agents of the building referred to. It can be any persona
física or jurídica that decides, drives, program and funds a building work. To do this, you must be the owner of the solar on which to build, or have rights in the.

- Builders: The builder is one of the agents of the building participants in the construction of a proyecto arquitectónico. Is defined in article 11 of the Ley de Ordenación de la Edificación de España as the agent that the contractually assumes promotorthe commitment to implement, with the human and material resources themselves or others, the works or part of the same subject to the project and the contract.

- Architects: The architect is the professional who is responsible for the planning, design, construction and maintenance of buildings, neighborhoods, cities and structures of various kinds. His art is based on reflect on concepts of the dwell under social needs. Is a professional with higher level of education, which requires a deep technical training, artistic and social. Project buildings, urban spaces or several structures, and to ensure the proper development of its construction and maintenance, is the consequence of such thinking.

- The surveyor or architect technical support: According to the Real Academia Española a quantity surveyor is a technician who intervenes with its own functions in the construction of buildings. Your name indicates that it is the agent that you are aware aparejos of the factories, techniques and means for their implementation, i.e., which is responsible for the implementation and the arrangement of elements, and building materials into the work.

- Interior designers/ decorators: is called a decorator to the person dedicated to designing the interior of offices, homes or business establishments with aesthetic and functional criteria. The decorator is planning the distribution of interior spaces together with its customers by presenting a project that meets their needs, preferences and budget. In the first place, next to the customer determines the type of preferred for the local architecture, its functions and destination and the type of equipment to be installed. The decorator advises his client about the style of decoration. The decorator find and select the furniture, wall coverings and decorative objects appropriate to the requirements of the project. When the project and its budget have been approved, the decorator subcontracts the materials necessary for the accomplishment of the work.

- Moving companies: The term Mason encompasses the masters or officers of albañilería. A Mason is a person with professional knowledge and experience that is dedicated as ex officio to the construction, alteration, renovation and repair of buildings, both residential and industrial.

- Plumbers: does drinking water installations, non-potable water and the collection of rainwater and sewage in homes, commercial premises or industries and workshops. Kitchen, bathroom and heating: repair of pipes, drains, taps,health, implementation of screens, bathroom furniture and other.
1.7. Strategy of the organization.

We can define strategy as the key steps to be followed by the company to achieve the objective through this will assess the different possibilities of the organization to achieve their goals.

To speak of the company's strategies one must speak of different strategic levels, as can be the competitive and corporate governance.

Then we will confine ourselves to the definition of competitive strategy as a set of internal characteristics that the company has to develop in order to obtain or enhance their position against the competition in order to gain a competitive advantage, this means, to achieve a characteristic or quality that make the company more than rivals in a general and sustained.

The strategy that Tiles Navarro will take place will be a strategy based on specialization and differentiation in the products and services, seeking to achieve a target and psychological leadership with regard to its competitors in the area of Perth and its surroundings.

- **Leader**: Are those businesses that compete with adjusted prices, do not compete with low prices in the sector but try to keep them competitive, they may be slightly higher than the competitors. With this leadership it is intended that the customer is not with the shop by chance if not addressed specifically to him with the intention of buying. This leadership is supported by different economic factors, such as the depth of line that manages the company, this is achieved by becoming first in product experts by experience, preparation, knowledge and enthusiasm. So it is imperative to build a network of specialist suppliers to be able to offer the entire range and be able to trade marks that other retailers in the sector do not have. In addition to sustain this kind of leadership is to maintain the product innovation. The company must be attentive to the output of new products on the market to be the first to operate with them and that the client recognizes that the company is the first to market with new innovative products. It is also important that the company has exclusivity in products or brands that can hardly be achieved in other establishments. Innovation and exclusivity will allow the company to create an assortment of relevant products that allow you to achieve a differentiation over competitors. And one of the most important factors to maintain the leadership will be the ability prescriptive destination that has the staff to offer the products and professional advice to clients, having great influence on the decision to buy. In this case Tile Navarro has two industry professionals with the experience of 25 years in the sector and recognized in the territory of Xátiva and around how great professionals. In the case that we should compare the company to the competitors located around we can say that we are leaders target currently, if we compare it with companies located throughout the Valencian Community, one can find companies more powerful and more experience.

- **Psychological Leader**: once a trade becomes leader destination the next step will be to be leader psychological, it tries to be the first companies in which thinks
for a client to satisfy a given need, this feature can be attributed to those companies that were the first to introduce the product in their geographical region, in our case we can say that we have more than 30 years in the sector and that the company is closely linked to the history of the sector. This fact is linked to the commitment with the community, such as the sponsorship of events or donations to institutions in the region. Psychological leaders set the standard to follow in the sector since they are the first to introduce new products and concepts to the market as the leading destination. Because you have authority and legitimacy in the mind of the consumer, are businesses that to which the customer is directed specifically to receive recommendations and advice from staff. These leaders do not care about the price of their products since they serve an audience with medium-high purchasing power whose concern is to obtain a quality product and exclusive. Nor are very concerned about the advertising because their reputation is well known to its historical association with the community. Psychological leaders have such a supremacy that when the client does not find the product you are looking for in their stores desists from the search.

On the other hand Tiles Navarro creates value by setting and coordination of different business and other activities not related to their social purpose, in order to generate greater financial performance and a greater competitive advantage, these activities are based on complementary services to the sale of tiles as can be assembly service, application and interior design. In part, this will provide a focus of the corporation in multiple markets and lead to a better understanding of the handling of other activities and business that are within the corporate hierarchy.

To study the corporate strategies of the company we will use a tool called the Ansoff matrix

ANSOFF MATRIX:

According to Ansoff’s theory, the way of the future of the company is determined by the strategy in relation with the product and market.

Usually companies start taking a strategy of market penetration, to the acquisition of customers and increase your sales. The experience of the manager in the sector and its continuous training has led him to take the decision to opt for a strategy of product development, with the intention to market the products most in demand that would be the traicionales aimed to cover the widest range of possible use to the public, and the development of new products of great quality and very technical programs to an audience of high purchasing power.

The intention is to always continue to increase the customer base, but keep satisfied and loyal to the current.
<table>
<thead>
<tr>
<th>Mercados</th>
<th>Tradicionales</th>
<th>Nuevos</th>
</tr>
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<tbody>
<tr>
<td>Tradicionales</td>
<td>Penetración en el mercado</td>
<td>Desarrollo de productos</td>
</tr>
<tr>
<td>Nuevos</td>
<td>Desarrollo de mercados</td>
<td>Diversificación</td>
</tr>
</tbody>
</table>
1.8. Mission, vision and purpose of the company.

- Mission: The mission concept of the company referred to by the company and reflects what is in that sector will develop its activity, what type of products and services are key, which are the fundamental axes of its contribution of value, which is its specialization and its market, what is your customer type and geographical area in which it operates. For Tiles Navarro The mission will consist in the sale of quality products and materials for the construction offering a wide range covering all consumer tastes accompanied by an assistance based on the experience gained throughout the history of the company.

- VISION: The vision defines the future situation that you want to reach the organization. The company's vision is to be the leading company of the sector in the region of the coastal town and surroundings, and ambitiously speaking be known at the level of the whole Valencian Community, in addition to innovate the form of business that throughout its history has been made in order to achieve the complete satisfaction of all of your target audience.

- Objective:
  Once the vision and mission of the enterprise, the organization should define its objectives, i.e., those statements that guide the way toward an end of concrete in a future for several years. Establish what needs to be done on the basis of a present situation to reach a future situation and propose the means and resources to achieve it.

Among these objectives we can distinguish between strategic, tactical and operational.

- Strategic Objectives: They are those that the company wants to achieve in the long term (1 to 5 years). and are those actions to be carried out for the mission and vision of the company: will be to achieve marketing formula that customer loyalty and enhance the most important human resource of the small company that is the leader of the company.

- Tactical objectives: they are those actions that should be undertaken to achieve a goal marked within approximately one year, in addition are defined for each area of the company: to achieve greater efficiency in the administration of the resources, The expertise and depth in the range of products with which it works Optimization of human resources

- Operational Objectives: are those for the achievement of the tactical objectives, each department of the company is responsible for establishing the operational objectives to achieve the objective tactical. The excellent attitude to the service and the proper management of the activity of the company on a daily basis.
2. **Strategic analysis.**

2.1. **Introduction.**

The strategic analysis is a tool that is used to know the positioning of the company in the environment. For this reason, this analysis will be composed of an external analysis that will be a study of the environment for threats and opportunities that exist in the internal analysis, which will consist of an assessment of the resources and capacities of the company to study the strengths and weaknesses that the company has to develop their activity, a SWOT matrix that will be a compound between the internal analysis and external analysis and to develop and evaluate the different strategies of the company with their individual plans of action.

2.2. **External analysis.**

The external analysis will be the one that would be responsible for analysing the environment that surrounds the company, this analysis is of vital importance because you must know the environment perfectly to know which is the best way to adapt to it. The purpose of this analysis is to know all those variables that directly or indirectly affect the company and know if they are favorable (opportunities) or (unfavorable) as this will mark the competitive positioning or performance of the company. Once performed the analysis and the results will define the strategy to be followed by the company to achieve the objectives and targets.

There are two main levels.

The general environment or Macroenvironment is the external environment which is composed of the general variables that indirectly affect to the company and in the same way to the socio-economic system in which it develops its activity.

The specific environment or microenvironment is the part of the environment closest to the activity of the company, that is the business sector to which it belongs.

2.2.1. **Macroenvironment.**

The concept of the macroenvironment is defined as the term used to encompass all the external variables that will affect indirectly to Tiles Navarro. These are variables that do not affect only the company, also to the whole of society and its activities, and include issues of population, technological or legal issues.

An analysis of the macroenvironment of the company will be useful once known the situation of the company, it will enable you to develop the activity of the company protect yourself from issues that may be negative, and take advantage of situations that will help increase sales.

To carry out the analysis of the macroenvironment is used a tool of great utility as is the PEST analysis in order to understand the growth or decline of a market, after that obtain the potential, the position and direction of business that will continue the company.
We will analyze the current environment using a technique called analysis pest, with the aim of identifying the variables that affect or may affect the strategy to be followed by the company in the future. It is a strategic tool useful for understanding the cycles of a market, the position of a company, or the operational direction. The geographic scope to be focused this environment is in Spanish territory and with a surge of the territory of the province of Valencia that is in which the company operates.

This analysis focuses on analysing four dimensions:

- The political-legal environment
- Economic Environment
- The socio-cultural environment
- Technological environment

Then, consideration will be given to each dimension of detail:

- The political-legal environment.

In the study of the political environment is not intended to be a comprehensive analysis of the political situation, if it is intended to highlight the role played by the Government in the economy and the most important aspects of the political environment. Currently, as a result of the serious economic crisis affecting the country, and faced with the serious concern regarding the high rates of unemployment, the Government, both at the national and regional levels is trying to encourage the reactivation of the economy and the recruitment of workers through initiatives that promote entrepreneurship and the opening of business.

The need for a new economic policy. The challenges of the EU/2020, in the field of growth, employment, social cohesion, stability, etc., imply change the sign of the Economic Policy, which on the basis of agreements/broad consensus, you have to allow you to navigate to the economy of Spain in the search for new horizons, mainly in the fields of productivity/competitiveness, innovation/research and social cohesion/fight against poverty.

Our economic policy needs to be less short-term and more in the medium and long term, with less biased conjunctural and structural level, more quantitative in nature (not only objectives, but levels to the objectives), most agreed upon with political, business and social. But above all it has to be a credible economic policy in the European and International Institutions.

You can not be changing the objectives of "deficit" on a permanent basis. But you also have to be highly Economic Policy, a "reformist" in the field of productive structure, that would involve a real clash between the past and the future, with special emphasis on the reform of the productive model, graduating objectives, instruments and funding, but all this at the service of a more industrial economy, with more added value, more competitive and outgoing. Without innovation there is no future.

- The political framework:

Form of government: United. Constitutional monarchy based on a parliamentary democracy. The power is highly decentralised; the autonomous communities have a
high level of autonomy legislative, executive and fiscal (the Basque Country and Navarra have their own taxes). The King is Philip VI (from 19 June 2014), heir to the Spanish crown assumes the role of head of State.

The executive power: The President of the Government is the head of Government. Its executive powers include the implementation of the laws and the management of the affairs of the country. Currently the President of the government is Mariano Rajoy (from December 2011), PP.
The legislature is bicameral, which means that it belongs to the government and the two chambers of the Parliament, whose official name is General Courts, and is formed by: the Senate and the Congress of Deputies.

Political Climate:

Spain in 2016 has gone through a period of instability and political gridlock, which finally ended with the election of Mariano Rajoy as head of government in October 2016

Budget deficits.

The Spanish deficit will be the third highest in 2017 among the more advanced economies and is located in the global average, is now at a 3.4% and for the next year, the imbalance is equal to 2.7% of GDP, seven-tenths of a point above the projected.

Government debt:

The indebtedness of the Government closed 2017 at 99.0% of GDP. This figure represents a slight reduction of 0.4 percentage points of GDP on the 99.4% in 2016 that was settled, and marks the third consecutive year in which reduces the burden of the debt to GDP ratio after seven years in a row according to the projections of budgets, the debt will continue to fall in the following years up to 97.7% of GDP in 2018 and 95.4 per cent in 2019.

Fiscal Policy:

The fiscal policy, is usually a powerful tool that can help to encourage growth when monetary policy is less effective.

It is necessary to emphasize the restrictive fiscal policy to which it is subjecting the economy, motivated by the public deficit affecting the country. Given this situation, the business must be faced to a greater fiscal pressure that in times of prosperity.

The current VAT tax rates are the following:

- General: - VAT 21% general: covers the rest of goods and services that are not applicable in the other charges. As such, gravel to the services that our company is going to offer scanning and production of parts in 3D, advisory service of the functioning of a 3D printer and the sale of the same and their supplies.
- Reduced 10% - reduced VAT: after the reform of 2012, the reduced rate to 10% compared to the 8% that had been established. Affects food such as meat or fish, to stage events, etc.
- I knew reduced 4%: - Super reduced VAT: applies in commodities such as milk or bread. Also gravel prices of related goods in health (wheelchair) or with the culture (books).

On the other hand, we find the type on Corporate Income Tax, as a general rule, applies the 25% from the fiscal reform carried out in 2014. In general, the increase in the VAT is harmful to the company of the causes of decline in consumption and, therefore, of the sales.

→ Aid to companies:

There is a reduced rate of corporation tax of 15% for entrepreneurs during the first 2 years. It is only binding to companies of new creation during the first period with positive tax base and the next. This is why one of the options for the constitution of the business is the creation of a limited company new company due to more favorable tax conditions.

On the one hand, have launched many initiatives such as the creation of online platforms in the ministries for the promotion of entrepreneurship and the development of its plan of companies (The cmcu.es/Madrid.org/…/Simulador), entrepreneurs, creation of the BICS (European Centers of Innovative Enterprises) and informational Web pages (ipyme.org, todoemprende.es, minetur.gob.es…).

There are a number of grants and subsidies aimed at entrepreneurs and enterprises established in the markets including the ICO, CDTI (NEOTEC), Enisa, Minetur and ivace. All of them find support to innovative companies that have an impact on the sector.

On the other hand we find increasingly a greater number of incubators and accelerators, whose purpose is to encourage new companies to reduce the times of positioning in the market. Of particular note are the Valencian Plug and Play and the other backed by Juan Roig, Shuttle.

Economic Environment.

Consists in analyzing, thinking and study on the current and future economic issues can affect us in the execution of our strategy

We are, therefore, a balance of the Spanish economy positive, but insufficient recovery (halfway), achieved with the invaluable help of exogenous variables", which from the point of view of the term ahead, can be diluted.

But that should not underestimate the value of the 2016 "balance", which closes a triennium with a growth medium/high on average, with a generation of medium/high employment (but quite precarious), accompanied by medium/low wages. The Public Sector indicators at the end of the year 2016 have not complied with the provisions of the Stability Program established.

→ Stage of the economic cycle:

After six years of recession the recovery started in the second half of 2013, was further strengthened in 2015 and 2016, and the growth exceeded 3% of GDP. Stimulated by domestic demand, the growth benefited from the confidence of households and investors, in turn stimulated by the creation of employment, the deflation, better credit terms, the fall in the price of oil, the recovery in Europe, the depreciation of the euro
and the implementation of reforms. The growth exceeded expectations in 2016 (3.1% of GDP), supported by domestic demand. It is expected to slow down in 2017 (2.2%), but the activity should continue to be dynamic.

**Gdp/PER CAPITA GDP:**

The gross domestic product España in 2016 has grown by 3.2% compared to 2015, a rate that is equal to that of the previous year. In 2016 the GDP figure of 1,113.851M.€. The absolute value of the GDP in Spain grew 38.212M.€ with respect to 2015. The GDP per capita is a very good indicator of standard of living and in the case of Spain, in 2016, was 24,000 euros. In respect of the business, it is helpful to know that España is located in the 32th of the 190 that make up the ranking Doing Business, which ranks countries according to the ease they offer to do business.

**Inflation:**

The annual rate of change of the CPI in España March 2017 has been 2.3%, 7 tenths lower than the previous month. There has been no monthly variation of the IPC, so that the accumulated inflation in 2017 is -0.9%. It is worth noting the decline in housing prices of -1.5%, and a variation of 4.3%.

**Distribution of income:**

The crisis has led to a general decline in the standard of living and an increase in the inequalities. On the other hand, in what refers to the individual distribution of income, Spain is a country reasonably equal if we look at the Gini inequality index 34.7 up to a maximum of 100 inequality, this seems to indicate that there is a consolidated working and middle class but this is not the case, the main indicators in terms of income distribution indicate that during the crisis has generated a greater dispersion among the most distant points of the graph of the distribution of income, this means that the crisis has Reduced the so-called middle class and has accentuated the ends, especially in the case of the poorest economies, that is to say, the rich have increased their income and the number of economies in difficulty has increased.

The distribution of income in Spain was surprised by the great differences that exist between the level of the spanish life according to the localities in which they reside. The inequality lies in the fact that the highest incomes are in the big cities.

**Unemployment rate:**

Spain stands out for being among the countries with the highest unemployment rate in the world and although the rate of unemployment in Spain has fallen, has been due to the decline of the active population and to the creation of new temporary contracts, but remains very high (under 20%), and a third of employees perceived as maximum 707€ per month.

**Minimum wage/ Average Salary:**

For the year 2017 the Ministry of Employment and Social Security fixed the minimum wage in the following values:

- Daily Minimum Wage: 23.59€
- Monthly minimum wage: 707.60€
- Annual minimum wage: 9,906,1440€ (Pay)

These values represent an increase of 8% compared to last year 2016.
The average annual salary of the Spaniards in 2016 was 26,710€, this represents an increase of 1.72% compared to the previous year, that is to say, 451€ more, an increase greater than the CPI which was a 0%, so the Spaniards have gained purchasing power.

The socio-cultural environment.
The social influences include cultural and demographic changes that occur in the population. The aim is to find the changes that are taking place in today's society.

- Demographic changes:

The population pyramid is being reversed, which means that there is a growing number of elderly people and a smaller number of births, which worsens the situation of the Spanish economy by the growing rise in pensions and the decline of the active population.

- Changes in the tastes:

Special attention needs to be paid to the changes in the tastes of consumers, especially the young public, because it is a public that is in constant search to find current trends, new ideas, with the need for constant renewal, is a public that needs to see a dynamic product change, because if the product is sealed will seek the one innovative product that will attract your attention.

- The Human Development Index:

The HDI, developed by the United Nations indicates that the Spaniards enjoy a good quality of life, despite the possible economic data.

- Environmental awareness:

The ecological environment is the degree of ecological awareness of each society, the rules to protect the environment, the use of environment-friendly technologies or control of hazardous waste that may affect the activity of a company. At present, this environment is gaining great importance by the respect toward the environment.

- Reform of the education system

Chapter deserves the education sector and in particular the university. Investing in human capital is useful to climb the social ladder. These investments to protect the society of unemployment. To reduce inequalities have to invest more in education and vocational training.
The reform of the educational system is basic as a correction factor of structural imbalances. So as consensual way as possible has to be a task to undertake in this legislature. Education and development are two sides of the same coin. To reiterate that the first action to perform, reinforcing the level investor, it refers to the education of young children (up to 5 years), the first link in the educational ladder.

**Technological environment.**

The technological environment includes innovations in production systems, discovery of new raw materials and new applications of the sector, both suppliers, competitors and customers, which makes the sector more competitive.

- **New products:**

The new product market entail greater difficulty of production, large formats, materials more ecological, impressions of greater difficulty, are the products most in demand at present, attention should be given to this class of materials as the constant renewal of the range of products will allow the pond is not the company's offer.

- **R&D:**

Science, research and innovation have suffered more than any other sector of the scourge of the economic crisis in Spain. The coup was one descenso abrupto of the 25% that lived in 2012. However, the presupuestos para 2016 0.36 per cent grew to 2015, in spite of this, this sector is characterised by a high investment in R+D+i. Currently from the sector are making significant efforts to consolidate the ceramic product among prescribers. The fruit of these efforts is the increasing use of non-residential works in tile and in non-traditional areas such as urban uses and on facades. Despite the current difficulties, the growth in global consumption of ceramic is guaranteed and the azulejero spanish sector has solid foundations and future thanks to its world leadership in R+D+i and its high degree of internationalization.

- **Ict:**

In the momentum of the companies and modern societies, the Technologies of Information and Communication Technologies (ICT) have an increasingly important role. Present in virtually all areas of human life, these technologies have impacted the way in which everything works, are a very useful tool, especially for communication with young people. Today, who is not on the Internet, in social networks, and you could say who does not have a proper application for your mobile phone, it does not exist for consumers.

- **Strategic profile of the environment.**

The strategic profile of the environment is a technique of analysis of the macroenvironment of the reporting enterprise, using the quantitative assessment of a set of key factors, opportunities and threats that the general environment offers, thus allowing the company to assess the impact of each variable over the profitability or the growth process of the company and, consequently, take the appropriate measures to this effect will be favorable.
As we observe in the strategic profile of the macroenvironment we can observe that the variables are not very favorable given that Spain is still emerging from the crisis and while the dice are encouraging forecasts growth and Spain is still in a position of instability.

With regard to the political environment, we are in a period of instability which affects the confidence of consumers and society in general, Spain has a high budgetary deficit while reducing and high debt. The fact that we are emerging from the crisis favors that the government wants to help small businesses to re-activate the economy. Something unfavorable is also the policy, restrictive fiscal policy that submits to the companies.

Speaking of the economic environment we could say that it is the same as the policy, presents an encouraging growth but still with many deficiencies, that is why we are not threats but they are opportunities.

In the socio-cultural environment, we note that the population pyramid is aging, this is dangerous for the future of the economy, the changes in the tastes of consumers are favorable for the company because every time people are more concerned about the styling of the homes and to be fashionable. The Human Development Index Spanish presents data favorable according to the United Nations, which favors the consumer. And to complete the technological environment presents a great evolution which the company has not taken advantage of, and is technologically obsolete, although it is not a worrisome because of other firms in the industry either. Something very favorable is the evolution of the ceramic products thanks to the R&D sector.
The following table presents the potential opportunities and threats posed by the macroenvironment.

<table>
<thead>
<tr>
<th>Political-legal</th>
<th>Threats</th>
<th>Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Instability and uncertainty of government&lt;br&gt;• High government debt&lt;br&gt;• Restrictive fiscal policy&lt;br&gt;• Deficit</td>
<td>• Grants and subsidies to companies</td>
</tr>
<tr>
<td>Economic</td>
<td>• Occupancy Level very low compared to the European average&lt;br&gt;• Unequal distribution of income&lt;br&gt;• Minimum wage is very low compared to the European average</td>
<td>• Stage of economic recovery&lt;br&gt;• Lowering of the CPI by increasing private consumption&lt;br&gt;• Increase in the level of occupation&lt;br&gt;• Profitability of the sector</td>
</tr>
<tr>
<td>Socio-cultural</td>
<td>• Aging population pyramid</td>
<td>• Hdi shows a good quality of life of the Spaniards&lt;br&gt;• New consumer tastes for home decoration</td>
</tr>
<tr>
<td>Technological</td>
<td>• Increased competition for Internet&lt;br&gt;•</td>
<td>• Great benefits with the use of ICTS&lt;br&gt;• Increased productivity due to technological progress and the R&amp;D&lt;br&gt;• New infrastructures that facilitate the transport of materials&lt;br&gt;• New products in the sector</td>
</tr>
</tbody>
</table>
2.2.2. Microenvironment.

Once the analysis of the macroenvironment, will be complemented with the analysis of the microenvironment or specific environment in which it operates Tiles Navarro. The analysis of the microenvironment, part of the environment closest to the activity of the company, that is, the sector or branch of economic activity belongs to the company, in this case will be the ceramics sector in the Valencian Community, specifically in the province of Valencia as it will be in the operating wing company. This analysis is oriented to the study of the potential customers, competition, intermediaries and suppliers. This analysis is crucial because companies can influence the to define strategies to attract your customers and compete, but the strength of their influence will be determined by their market power.

Seeks to identify the opportunities and threats that the microenvironment offers to the company and to determine its capacity to obtain benefits, in each of its strategic business units. The opportunities will be factors that reduce competition and enable the achievement of greater benefits. While the threats are those factors that will influence negatively in the company, increasing competition and reduce the benefits that you can get the organization.

- **Identification of strategic groups**

The main objective of the segmentation of the strategic groups is to classify the different groups of firms operating in the sector in which the company operates. The grouping of different companies on the basis of a series of variables such as product, price and marketing strategies developed by these companies.

The most widely used definition of strategic group was exposed by Porter in 1979: "set of companies in a sector that develop similar behaviors along a series of variables of key decision"

The 3 most important features that have the strategic groups are:

- Each strategic group consists of companies that are based on similar strategic dimensions or resources.
- The groups must be internally homogeneous and heterogeneous with the other groups.
- Each group responds differently to the opportunities and threats in the environment.

This analysis will focus on group the current competitors of the company according to their strategies, the comparison of Tiles Navarro with the different groups will give us a global vision of the sector, greater than if perversions of the company with the industry as a whole.

To make the identification of strategic groups we will use two filters, these will be one of product and service quality perceived by the customer and another way.
In the map of strategic groups we can see 4 different groups divided by the two dimensions mentioned above, which are distance and the product and service quality as perceived by the customer.

In the green circle are the competitors with a level of quality a little lower than ours, and that are located within a radius of 20 km from our company. Expogres, Ceramics Velasco, Terrazos Alberola.

The orange circle are those competitors that are located in the capital of the province, those who believe that remain potentially dangerous for the quality of their products and services. Among them are also our suppliers because they also sell directly to customers. Beloved Savior, Porcelanosa and Keraben.

In the yellow are the competitors of our own code that are Benito and Ceramics Xátiva with products and services lower than ours but remain strong competitors because it covers a wide audience you are looking for cheap product.

In the red circle is positioned the company together with Tiles Perales and A. Andrada, and considers Tiles Perales as our greatest competitor to have the same quality of product that has Tiles Navarro but with better services given to your financial health.

**5 MODEL OF THE FORCES OF PORTER**

After the segmentation of the strategic groups, for the study of the microenvironment, we will use the 5 forces of Porter, a tool that allows you to analyze the sector in which tiles Navarro develops its activity through the identification and analysis of the 5 forces.

The 5 forces that exist in every sector and that this analysis studies are:

1. Rivalry between competitors.
2. Threat Of New Entrants
3. Threat of substitute products.

These 5 forces will allow us to know the degree of competition that exists in the sector with the aim of formulating the strategy that allows us to take advantage of the opportunities and minimize the threats.

1. Rivalry between competitors.

We will consider the current competence, such as the most powerful force among the 5, since they are directly competing companies in the same sector by offering the same products. This rivalry tends to increase as the market by the fact that is attractive to invest, but also intensifies when the demand is reduces, the products satisfy virtually the same needs and customers have a wide variety of brands to choose from, so we will have to keep this force at the time of formulating strategies to take advantage of the weaknesses of our competitors, since that will make our opportunities and react before their strengths that will be our threats.

The fact of analyzing the threats and opportunities posed by the current competition will know our competitive advantage over rivals and to formulate strategies that will enable us to overcome them. Examples of these strategies could be, improve product quality, reduce prices, increase advertising, increase the promotions or provide new services.

- Degree of concentration:
- Population growth rate:
- In relation to the cost structure:
2. Threat of entry of new competitors.

The new competitors make reference to the potential entry in the sector of companies that sell the same type of product, if the industry has low barriers to entry, this will mean that your competition will be more intense.

In addition, the Valencian tile commercial sector is a sector with few barriers to entry as you do not need more than a local and relationship with suppliers to enter the market. The input of more competitors in the market would be a strong threat as it would increase competition and could lead to the company to carry out investments such as advertising or reduce prices to continue to cover their share of the market.

The possible barriers to the tile sector tickets will be:
- Investment of entry: you don't need a big investment to enter in this sector, since it is enough with a physical or digital point to begin to operate with the same products that the company.
- Differentiation of products or services:
- Lack of experience:
- Possession of exclusivity agreement in the area:
- Customer loyalty to companies based in the sector:
- Market saturation:
- Input stimuli:

As we can see are easy to overcome barriers, in addition to the attractiveness of the sector called to new investors, the company must this be attentive to new competitors to strengthen the barriers to entry or deal with them if they enter.

Strategies that can be taken to increase the barriers to entry or compete against new rivals can be to reduce prices, increase sales channels, increase the quality of the products and improve the service such as offering more funding or better warranty.

3. Threat of substitute products.

The threat of new alternative products makes reference to alternative products to our industry that can satisfy the same needs.

These products are often present a major threat since the price at which operates the company's products must be competitive with these, as they set a price limit at which the client can choose to meet your demand. These products pose a serious threat when prices are lower to the company's products, there is little advertising of our product and the replacement product is an innovative product and when there is little loyalty of consumers toward the existing product.

To combat the entry of new substitute products should be carried out strategies such as increasing the quality of the product and advertise it, reduce prices, increase sales channels.

In the analysis of substitute products there is no doubt that the combination quality/price is the most important factor to be taken into account as the substitution effect will be greater the more interesting is this relationship. With regard to this clarification we must bear in mind that to meet the needs of paving and cladding of the homes, few are the
products that exceed in quality to ceramics, always taking into account within this group the product you choose. The substitutes that we can find in the market you can be:

- Natural Marble: it is the only substitute product at the ceramics, that can beat it in quality but also in price, the company has the contacts to be able to deal with this product, in addition to imitation products to marble very achieved and of high quality, therefore does not pose a great threat.

The rest of substitute products, are products that compared with the ceramics are of low quality for their properties and benefits, but must be taken into account because they are an easy and affordable solution for those who want to make reforms in their homes.

- Tiles of plaster:
- Oil Painting/resins:
- Stainless steel:
- Special adhesive paper// Stickers:
- Carpets:
- Magnetic panels:
- Flooring epoxides:
- Floor Sheet

This kind of products can be found on large surfaces can be Bricodepot, Aki, Ikea and department stores, but they will not be recognized as true competitors because the company for an audience you are looking for a product with high perceived value.


The power of the providers refers to the ability of providers to increase the price of the products and be less concisivos to finance purchases and put facilities to distributors. In the case of our sector, the Valencian Community, specifically in Castellón commercial cluster operates the most powerful in the world today in the ceramics sector, this means that there are a large number of suppliers to choose from, therefore their bargaining power is affected, since they must compete with each other, in the case of Tiles Navarro to opt for product differentiation for its high quality, seeks to establish links with the most prestigious brand, which have a strong bargaining power. The strategies to carry out to reduce the bargaining power of suppliers and thus achieve better living conditions and greater control over them may be alliances with them in order to reduce costs of both parties, exclusivity arrangements, better conditions for them.

5. Bargaining power of customers.

With regard to bargaining power of customers, it refers to the ability of the customers of the company at the time of negotiating prices and conditions, in the sector where the company operates the customers enjoy power given to the amount of the offer that there are, they can play with the choice of buying it in another establishment if they don't get the conditions that they demand. In addition to its power is increased when there is little differentiation of product, if the customer buys large amounts of volume will have greater power given the importance
to the company, also if the customer is informed about the product, prices and costs for the company.

In order to reduce the bargaining power of our customers, attract new and more loyalty on the part of them should formulate strategies such as product differentiation, offer better after-sales services, offering bigger guarantees and increase communication with consumers.
### Array of opportunities and threats.

<table>
<thead>
<tr>
<th>Competitors in the industry</th>
<th>Threats</th>
<th>Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A large number of competitors actuals</td>
<td>Trend of growth in the sector high</td>
</tr>
<tr>
<td></td>
<td>The anticipation of new competitors</td>
<td>Little reaction of competitors</td>
</tr>
<tr>
<td></td>
<td>Will make it difficult to obtain customers</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Low barriers to entry in the sector</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Potential competitors</th>
<th>Threats</th>
<th>Opportunities</th>
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<tbody>
<tr>
<td></td>
<td>Existence of substitute products</td>
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<table>
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<tr>
<th>Substitute products</th>
<th>Threats</th>
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<tr>
<td></td>
<td>Existence of substitute products</td>
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<thead>
<tr>
<th>Power of Suppliers</th>
<th>Threats</th>
<th>Opportunities</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Capacity of service providers to become</td>
<td>The bargaining power of suppliers is low</td>
</tr>
<tr>
<td></td>
<td>direct competitors</td>
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<table>
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<th>Power of customers</th>
<th>Threats</th>
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<tbody>
<tr>
<td></td>
<td>The bargaining power of customers</td>
<td></td>
</tr>
<tr>
<td></td>
<td>such as businesses or institutions is high</td>
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</tr>
</tbody>
</table>
2.3.  Internal analysis.

For internal analysis of tiles Navarro in the first place an analysis based on the identification of resources, followed by a functional analysis for the identification of the company's capabilities. After the completion of the identification of the resources and capacities of the company shall proceed to carry out a comparison with its main competitor valuing the strategic importance of the organization in order to achieve the strategic profile that is used to detect the relative strengths and weaknesses with the objective of identify the competitive advantages.

These competitive advantages are those characteristics of the company that is placed in a superior position relative to compete, and to achieve that competitive advantage is done by means of the competitive strategy.

The competitive strategy is the way which the company faces to their competitors to try to have a performance superior to them.

And these competitive advantages can be achieved only if it is a success factor in the market, if it is substantial enough to make a difference and that is sustainable in the face of the changing environment, although in the long term is very difficult, as these benefits are transitory, the management of the company in this case my father and in a future i we must not seek the ultimate competitive advantage if not be in constant search for new sources of competitive advantages, in addition to find them before our rivals and try to slow the erosion of this.

For the delay of this erosion, we must try to put barriers to imitation and try to be as dynamic as possible.

Then the end of this analysis will be to find the keys to success to be better than our competitors in a market that is currently very competitive

2.3.1.  Identification of resources of the company.

Then, to carry out the identification of the resources of the company. The resources are the basic units of analysis of the company and are the set of factors or assets you have, and that controls a company. To be truly useful should be properly combined and managed to generate a capacity.

Companies try to establish competitive advantages by implementing strategies that allow them to exploit the resources and capabilities that will differentiate it from the competition, thus highlighting the character of the company. Thus, the resources will be all those elements that are required for a company to be able to achieve their goals.

Physical tangible resources.

In the first place, there will be the identification of tangible physical resources which have an explosion with a wide range of samples of the products that you work with the company, which has 800 m² with a wide range of exhibitors from different brands, 3 computers, a warehouse at 2 km from the exhibition with 1500 m² in which another small outlet is the exposure of the company where construction professionals can find materials at low cost, the company has a truck for supplies but not in property if
fenwich in rent, to work with the pallets in the warehouse and two traspaletas, tools for the maintenance of the exposure and the warehouse, a large parking in the store that facilitates the loading and unloading of materials. All the furniture that is needed to care for clients, management and other utilities.

**Tangible financial resources.**
The company presents positive results but not enough to generate a high growth and financial stability with operating revenues of 387422€, the result of the exercise comes to be 3,995€, which presents a fairly low profit margin for the high income of exploitation.

**Intangible Resources.**
The company has 4 employees:
Adrian Guevara Ortiz, managing director of the company, which has 25 years experience in the sector as a manager and has been growing as a professional in the province of Valencia recognized by the majority of the suppliers as well as some of the best sellers of the sector and also by the professionals linked to the work in all the areas of the company, both customer, supply of equipment, commercial management of the company.

Los Angeles Navarro Alarcon administrator of the company as well as Adrian has played all life in the sector, recognized as a great seller for his kindness and customer treatment. is responsible for the care of clients, budgeting and attention to suppliers.

Patricia is in charge of the administration, a graduate in Business Administration and management company with experience in the field of interior design.

Rafael Navarro Alarcon warehouse laborer is responsible for the maintenance of the warehouse and the supply to our customers.

The company has a very flexible structure given the lack of financial resources to hire more staff, by this we mean that the employee must be versatile to perform different tasks. It would be appropriate for the company to hire another warehouse laborer to improve service and another employee with knowledge of decoration and computing to improve the customer's attention.

**Intangible Resources inhuman.**
These resources are those not measurable or quantifiable, are a type of information and knowledge without physical support, in this section we talked about the inhuman that we would refer to technological and organizational resources. In which in the inventory of these technological resources the company has certain shortcomings to be a traditional company if we speak of technological resources, because it lacks of web page, specialized management program for the company, a good base of products and programs of decoration. This makes the company has certain shortcomings but do not prevent you from performing its activity in an efficient way.

Regarding the organizational intangible resources the company has the loyalty of a large portfolio of customers given the familiarity of the organization with the territory, by
adding to the years of experience make the enterprise enjoys a good reputation, one of the most important resources you have and specifically in Xativa, a small town where everyone knows everyone and knows the company by its years of activity. With this we do not only refer the good relationship with customers but also with the suppliers. To Party is the lack of not having properly defined the departments of the company, also by the lack of an organizational system. It is also due to speak in the last 7 years the company has changed its location, and this can generate a bit of mistrust.

### Tile RESOURCES NAVARRO

<table>
<thead>
<tr>
<th>Tangible</th>
<th>Intangible Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Physical</strong></td>
<td><strong>Financial</strong></td>
</tr>
<tr>
<td>- Exhibition (local) 800M2. R1</td>
<td>- Equity 37,506€. R11</td>
</tr>
<tr>
<td>- 1500 m2 store. R2</td>
<td>- Turnover of 387,422€. R12</td>
</tr>
<tr>
<td>- Outlet. R3</td>
<td>- The result of the year 3,995€. R13</td>
</tr>
<tr>
<td>- Truck (in rent). R4</td>
<td>- High short-term debt and lack of liquidity. R14</td>
</tr>
<tr>
<td>- Fenwich. R5</td>
<td></td>
</tr>
<tr>
<td>- Samples of all the products and exhibitors. R6</td>
<td></td>
</tr>
<tr>
<td>- Tools for the maintenance of the warehouse and exposure. R7</td>
<td></td>
</tr>
<tr>
<td>- Informative with 4 computers and printers. R8</td>
<td></td>
</tr>
<tr>
<td>- Office equipment and furniture. R9</td>
<td></td>
</tr>
<tr>
<td>- Lack of packaging machinery. R10</td>
<td></td>
</tr>
</tbody>
</table>

#### 2.3.2. Identification of capabilities of the company.

The capabilities allow the company to properly develop an activity from the combination and coordination of the resources available. To identify the capabilities of the company There will be a functional analysis that will help to identify the key variables through the functional areas of the company.
The capabilities represent ways to make activities, using the resources (character) and, in addition, have a collective character (only exist if the people are coordinated and work together to solve a problem or perform an activity).

- **Commercial area:**
  - C1: capacities to provide the basic services of a distributor of building materials.
  - C2: Capacity of constructive offer different services.
  - C3: Ability to work with a style of its own.
  - C4: Ability to offer a wide range of products, from low quality to the highest product range.

- **Financial area:**
  - C5: Low ability to profit.
  - C6: Ability to cope with the debt but with many difficulties.

- **Technological AREA:**
  - C7: Capacity to adopt basic technologies for the service.
  - C8: low capacity to take custom operating systems and patents.

- **Management and Organization area:**
  - C9: Capacity of the flexibility to provide services to customers in a hurry and coordinate different areas in an efficient way.
  - C10: image recognition and prestige of the company.

- **Human Resources area:**
  - C11: workers with experience in the sector that allows them to be responsive in addressing problems in an appropriate manner, in addition to satisfying the needs of customers for its ability to prescription.
  - C12: little capacity to give incentives to employees with materials.
  - C13: ability to offer labor flexibility to employees.

2.3.3. **Evaluation of resources and capabilities.**

Since we are a company with considerable experience in the industry and in the locality in which you reside, we assume that we are the leading company in our city in the ceramics sector. Although in recent years, due to the crisis there have been difficulties and there have been moments of uncertainty the company has managed to break out of a serious period in which many of its former competitors had to leave.
The company has an exhibition at the polygon from Xativa, low-cost, but very well organized and a logistics warehouse in La Llosa de Ranes, which was the old establishment of the previous company and all over the world known for being in a key strategic point, since the exit of the motorway that everyone passes gives it to him.

With regard to intangible resources the company lacks many technological resources but is not of importance, because the other companies do not have them, because in a sector where only the professionals work with these services. But of course, it is an important topic to cover.

Respect the human resources the pillars of the company Los Angeles administrator be distracting Navarro and Adrian Guevara because they are what they managed to bring the company to its esplendor and then saved from a terrible crisis for the sector in which it operates. It is important to appoint you to be a family business to people see you as a company and good treatment.
The strategic profile of the company is a fully functional analysis of the same, with the objective of assessing the potential in each of the resources or capacity, as well as identify the strengths and weaknesses of the organization. In this strategic profile compared to the average for the rest of the companies of the sector.

<table>
<thead>
<tr>
<th>Capabilities</th>
<th>A. Navarro</th>
<th>MN</th>
<th>N</th>
<th>M</th>
<th>P</th>
<th>MP</th>
<th>Sector or</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial area</td>
<td>C1. provide basic services</td>
<td>Very positive</td>
<td>X</td>
<td>Or</td>
<td>XO</td>
<td>Very positive</td>
<td></td>
</tr>
<tr>
<td></td>
<td>C2 constructive offer different services</td>
<td>Positive</td>
<td>X</td>
<td>Or</td>
<td>East</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>C3 Style</td>
<td>Positive</td>
<td>X</td>
<td>Or</td>
<td>East</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial area</td>
<td>C4. Wide range of product</td>
<td>Very positive</td>
<td>X</td>
<td>Or</td>
<td>Positive</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>C5. ability to profit</td>
<td>East</td>
<td>X</td>
<td>Or</td>
<td>Positive</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>C6. Capacity to face the debt</td>
<td>Negative</td>
<td>X</td>
<td>Or</td>
<td>East</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technology area</td>
<td>C7. adopt basic tecnollogicas</td>
<td>Positive</td>
<td>XO</td>
<td>Or</td>
<td>Positive</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>C8. Capacity to adopt its own operating systems</td>
<td>Negative</td>
<td>XO</td>
<td>Or</td>
<td>Negative</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management and Organization area</td>
<td>C9. Flexibility of service</td>
<td>Positive</td>
<td>X</td>
<td>Or</td>
<td>East</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Human Resources area</td>
<td>C10. image and prestige</td>
<td>Very positive</td>
<td>X</td>
<td>Or</td>
<td>East</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>C11.</td>
<td>Very positive</td>
<td>X</td>
<td>Or</td>
<td>East</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>C12. Ability to give incentives to employees</td>
<td>Negative</td>
<td>X</td>
<td>Or</td>
<td>East</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Labor flexibility C13.</td>
<td>Positive</td>
<td>X</td>
<td>Or</td>
<td>Negative</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
2.3.4. Array of strengths and weaknesses.

Then, once the strategic profile in comparison with the competition according to their resources and capabilities, to enhance the array of strengths and weaknesses from the capacity analyzed of the company.

The array of strengths and weaknesses there are 4 different types of positions of the company's capabilities. The first is the area irrelevant because of the company's capabilities that are significant for the fact that do not involve any advantage over competitors.

- **C1**: to offer basic services

In the section on strengths superfluous, we will find those points that the company should pay attention to maintain but does not impose a high advantage in the sector:

- **C6**: cope with indebtedness
- **C9**: service flexibility
- **C13**: labor flexibility

A section of great importance is the key weaknesses that are the main problems of the company:

- **C5**: Ability to profit
- **C8**: Ability to take custom operating systems and patents
- C12: The ability to motivate staff

And to finish the key strengths of the company and represent an advantage over its competitors are:

- C2: to offer constructive offers and services
- C3: Style
- C4: Wide range of product
- C10: image and prestige
- C11: The experience of the staff
3. Analysis of the marketing plan.

3.1. Objective of the marketing plan and brand design.

The main objective of the company is to become the most important ceramic distributor in the region of the coastal town and surroundings and be recognized both as professionals of the construction, suppliers, and by the end customer through the sale of ceramics and other types of materials for home decoration combined with an excellent advice based on many years of experience.

As an additional activity, Tiles Navarro also exerts the subcontracting of professionals to reform of homes and the management of projects.

In the following dossier which attached are all varieties of ceramics which will be the main product that the company must be known to part of its complementary products.

3.2. Segmentation and target audience.

With the strategies the company aims to obtain the best competitive position, always taking the corporate strategies.

Analyzed the situation of the company, it is time to develop marketing strategies. It is necessary to have some realistic strategies and potential to achieve because they are of great importance for achieving the success, knowing the market to which we are going and in this way power supply it properly.

By segmenting, heterogeneous and large groups divide into smaller segments in order to reach more effectively responding to their needs.

At the time of identifying the targeting or potential customer of the company we must emphasize that the most important customers of the company are professionals dedicated to the construction as may be builders, architects, interior designers, decorators, masons, plumbers, because these are the customers who more repeat purchases and to those who will devote special attention.

Then there are the end customers are also very important but the company works with a product with low volume of repeat purchase since it is a product very durable.

If the company would have to choose a potential customer between end-customers choose an audience among a range of age between 30 and 55 years, since they have greater purchasing power in order to be able to invest in your home.

- Geographic Variables: as we have already discussed in previous sections the territory that Tiles Navarro wants to include is the district of the Coastal Town and its surroundings, but without leaving aside the rest of the province of Valencia, has been chosen as well because the company we want to focus the efforts of the marketing to enhance the company in this area in particular, but another point to treat will be the digital marketing which will be directed to the whole of Spain, but this will be discussed in later points.

- Demographic Variables: As mentioned earlier, if we had to choose a main target audience based on demographic data we would choose a public covering from the 30 to the 55, for economic reasons, since this interval is supposed to have greater purchasing power than in other age groups. And are the public today that seeks to settle in his home, which can be of new construction or reform.
Behavioral Variables: at the present time clients are young people who are concerned about having their homes decorated with present trends. In addition to customers with high purchasing power want to enjoy high-quality products with prestigious brands to give exclusivity to your home. We will not leave aside the public purchasing power, which are looking for quality products but without wanting to pay high prices for the product.

According to the forecasts on the ceramics sector is a growing sector which is becoming more important in the sector of the constructions given to new trends, uses and products as we have already discussed in previous sections.

3.3. Corporate identity.

The corporate identity of the company will be a very important factor for the company as it will be the impression that the customer of the organization, therefore must cause great impact of personality and professionalism. Therefore, in spite of the fact that the company is implanted in the market, and its image is defined, will explore how to create, design or improve this brand to position ourselves above our competitors in the minds of consumers, always respecting the philosophy of the company. The design must represent your corporate identity and those products and services you offer. The name of the company Tiles Navarro, shows our flagship product and part the identity of her, a family business founded by Joaquín Navarro, which is known throughout the region as a pioneer in the sector and with an excellent reputation for its good treatment to clients.

In this section, we will study the logo of the company because the organization lacks it, and it is important to have an impact on the consumer:

The only corporate image available to the company at the moment is the following:

![Azulejos Navarro Logo](image1.png)

To find the ideal logo of the company, you will need to perform an in-depth study, because what we seek is that when you set is the definitive one. Therefore in this project we present a prototype but it will not be the implant in a future:

![A.Navarro Logo](image2.png)
3.4. MARKETING MIX

The marketing mix is a strategic analysis to be developed by the company to know in detail four key internal aspects of in the future of the company, which are:

- Price:
- Product
- Distribution
- Promotion

This analysis is known as the 4 Ps (Product, Price, Place and Promotion) and the aim of this study is to find out the situation intern of the company to be able to develop better strategies such as pricing strategy, the communication strategy, positioning and the distribution strategy. We will analyze the policies of the marketing mix.

3.4.1. Product

The main activity of the company is the sale of ceramics, parquet, health and products for their placement, using the excellent quality of an advisory service that the staff provides to customers, and this will be the first factor of differentiation of the company. The company will face several types of customers for what must have different products and services.

1. End Customer who want to reform its home.
2. End Customer who want to make new construction.
3. Professionals

Advisory service

This service is determined by the knowledge that the staff of the client and their ability to prescribe the products you are looking for, then the company will have products and brands that the client does not know but that are appropriate to their needs. For this advice it is necessary that staff have complete knowledge of the product and prescriptive authority and that causes the client to trust the advice, a difficult task if you don't have enough experience to know the client and have a full domain of the product. This aspect is fundamental to the organization by the complexity of the product and its wide variety, and given that your choice will be lasting, because it is a product that is going to be in their homes for many years.

Complementary Services

The company offers services which are complementary to their main offer that has been developed with years of experience and because the manager considered it appropriate to increase the volume of business of the company and as an opportunity to emphasize the strength of the company. These complementary services are part of the competitive strategy specialization of the company, as it takes care of the needs of the client to offer everything related to an article in the same space.
These complementary services offered by the company are based on projects of decoration and outsourcing:

Subcontracting: The separate company to offer their products offers the service to perform the works through subcontracting of professionals such as plumbers for the implementation of sanitary ware, bathroom furniture and fixtures, masons for the placement of pavements, cladding and parquet and decorators and interior designers, given the experience and the link forged with these with the passage of time.

In accordance with the Law 32/2006 (Translated from Spanish), of 18 October, regulating subcontracting in the Construction Sector, outsourcing is the practice mercantil of organización productiva which, the contractor or subcontractor instructs another subcontractor or trabajador autónomo part of what he has entrusted to us. In all the work of construction, included in the scope of application of the law, each contractor must have a Libro de Subcontratación. This book must remain at all times in the work, it will be enabled by the autoridad laboral autonómica authority.

The fact of being immersed in these services reinforces the strength in the culture of the organization sector and gives an image as a symbol of specialization in the subject.

### 3.4.2. Prices

The price is the second element of the marketing mix that is closely linked to the strategic decisions of the company and as a consequence of them determined the demand for the company, apart from being a differentiator of positioning.

Therefore, the enterprise seeks to address a target audience of medium-high-middle position which the price is not the decisive purchase factor.

This determines that the company will not fall within the competence of low prices, if you do not offer reasonable prices in terms of the value acquired perceived.

The factor that will determine the prices will be the cost of the products since the company factory, he buys it to their suppliers and as a result plays with the margin that you can apply depending on the category of the product. Since the best brands and the most prestigious higher margin there is. And the main competitive advantage and differentiation will be the customization of the service.

It must be borne in mind that the company currently operates with the flexibility to set the price according to the customer and the product you want to purchase.

### Pricing

For fixing of prices, it is important to start with the costs of the product that we are going to sell, the majority of sales of the company are on request, this means that according to the price of the product you want to purchase the client will be added a margin.

### 3.4.3. Distribution

The distribution strategy is going to determine the channels in which to put the product into the hands of the final consumer.
The company currently does not have another channel that is not through physical visit to the property, which can be carried out orders by phone or e-mail, but as normal as this does not happen because the choice of product you need to check this. Then the choice of the product will be made in the establishment, the order of this can be done on site, by phone or e-mail, the delivery of objects will be carried out in the warehouse or you can outsource the transportation which entails a slight overhead which will only be assumed by the company if the amount of the purchase exceeds 1000€. Since this transport according to the work where you need to provide can cost between 20€ or 80€, depending on the amount, difficulty or if you need to use the machinery of the truck to download.
The company itself can make the supply if necessary but what is intended is always subcontratarlo because with the years of experience we have learned that it's cheaper to outsource to devote time to it.

The average of service is usually 4 days because you need to checkout, wait for confirmation of availability of product, and normally balance the trip to Castellon because that is where they reside all of our suppliers, in the most powerful commercial cluster of Spain. This to square the trip means that there is to be efficient with the collected material because it is a cost that eats the profit margin of product, therefore we have to take advantage of every trip and collect as much material as possible that there is order.
The new channels to which they must pass through the digital marketing, which the company urgently needed, because it lacks the web page and your presence on the internet is scarce. To do this, one of the first decisions that will take place will be the opening of a web page for the company with all of the data on it, and all the products of the company. An example of a web page that is working to perfection in the Interazulejos is currently is.

The idea would be to imitate a web page such as the one presented by adding the service of our facilities that are of what they lack in order to cover a broader geographical scope and not be limited only to the region of the coastal town around and also to avoid the risk of saturating the market in the territory covered and thus limit their growth.

### 3.4.4. Promotion

Our potential customers should be aware of the existence of our product and service before they can attract their interest. To do this it is necessary to use the ads in order to get his attention, inform, persuade, and get a confidence in the product. For them, you must explain to our customers what are the advantages and added value that will provide our products and services.

It is necessary to convince them that what we offer, both products and services, they are going to meet their needs better than the competition or other

To achieve this communication with customers, Tiles Navarro is going to make use of the 5 marketing communication tools:
Advertising

It is the most well-known tool of communication, which aims to present and promote a product or service in order to achieve the objective that you want to, that is to say, increase sales, informed the customer, in addition to creating a good brand image and customer loyalty.

For Tiles Navarro advertising will not be the most important tool of communication to develop to their full potential. The majority of resources for advertising will be for local media such as radio, advertising and collaboration in events and participation in small entities in need of funding or advertising, as it may be to support sports clubs of the city, put banners in sport or leisure activities.

Currently the company has decided to invest in the most important media outlets by the fact that there are priority projects to cover.

Up to the time the word of mouth is the best advertising may have the company, because it is free and always will be more credible than learn by a means of communication, therefore, one of the top of the company will keep your customers happy.

"There is no better investment, that a satisfied customer"

Another very important option is to contact organizations such as Ascer, HABITISSIMO HOUZZ, dedicated to carry out forums, conventions and advice to companies in the sector, in order to be able to participate in them and open another channel of communication toward a target audience as the professionals devoted to the decoration and interior design.

Another free option is to work in a Facebook page, because it is an easy way to contact the public objective to which we want to direct our promotions or new products and effortless. A party may raise the possibility of investing in advertising in social networks, so that when you are logged data searches that we do on the internet, and cookies, in the social networks we appear in the form of banners and links, ads on the things that we have been looking for. (For example, if we have been looking for clothes to buy over the Internet, such data are saved and search on social networks like Facebook will not appear ads on clothing of the page we visited). This type of advertising in social networks, apart from its low cost, you can also reach this target that we seek, due to the large number of people who used all over the world.

PERSONAL SELLING

We have already spoken about this aspect in other sections on the importance of staff experience to discover the client's need and meet it, this is the work of information and persuasion that performs the business of our store. He will be responsible for the direct treatment (in case of a customer through the door, you will need to assist you) and indirect (by phone or email) of the customers. It is an important part of the business, as they will determine the operation of it. So the work team of the company, especially the commercial that has a more direct with customers, must represent the company brand, making a good treatment to the clients, offering the best services and sabiendoles sell (this refers to the fact that we must not sell the most expensive, but what is most suited to their needs).
Public Relations

It is the activities that the company is planning in order to generate and improve the image, relationship and trust of the company toward the general public. In order to cut costs in advocacy and communication, in this space we are going to have an action that will not be very costly financially:

- Apuntarnos to participate in trade fairs in the setting out new products ceramics or trends in decoration and construction. In these events, we can get to know us, providing products and services to be provided. These spaces tend to bring good consequences for the company as it concentrates a large number of the public that we seek.
- Another option is the excellent treatment toward the professionals of the area because these are often those who are hired by clients and they choose in that establishment should be to buy the products.
- Also, it could create local events in the same as forums of new constructive solutions, decorative trends and other types of events that bring together professionals in the area.

Direct Marketing

In this case, the main feature of this tool is to use the direct communication between the company and the consumer, with the intention of informing them, loyalty or sell them, waiting to receive a response.

Or Emailing: this is a method quite affordable speaking in a matter of costs, and that is to contact via email with the consumer to inform you or offer you something. Many times, if you know the needs of an individual consumer, you can modify the content of the message focusing on the needs of the search. Or Marketing with Social Networks: As we can see, social networking can be a powerful tool to get to any type of client, thanks to the large amount that is concentrated in this web space. With them you can directly reach the customer type that you are looking for, and then create a link that allows us to promote and to let us know. They can post news on the company's results, photos of the shop or of the way in which we work, services offered, hours, etc.

Sales Promotion

This is the "incentive" that are given to consumers at the time of purchase, with the aim of stimulating rapid or large purchases of a particular product or service. This intention of sale is usually done in temporary moments of the company, that is, that are not of a permanent nature. Tiles Navarro intends to carry out sales promotion strategies like these:

Or There Are days marked on the calendar as the well-known "Black Friday" (it is held on the last Friday of the month of November) or the week of Porcelanosa in which products have a discount of 25%. In these days are reported significant reductions in the price of sale to the public.
The company is in constant search of products on offer from suppliers which, the company promotes on offer too.

We conclude with this marketing plan with which the company does not have economic resources to develop the marketing activities needed to increase market share in the short term, therefore perform all actions needed to strengthen the company’s brand and create value for the current and potential customers. To this end, opt for no cost measures that can be applied immediately, with the hope that in the future the company will recover financially and be able to develop all the activities of the marketing to get products to the widest possible audience in addition to being able to improve their products and services, and go back to what it was in his day before the crisis of 2017.
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6. Annexes.

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