

# Global market entry strategies

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Global market entry strategies YourFirst YourLast Global Market Entry

Strategies What is the amount of equity being invested by Volvo in the joint venture in China? 45% stake

2. What will be the benefits of the alliance to the Swedish Volvo?

a) help the Volvo group to enter the Chinese market, which is the worlds largest market for trucks, with a total market for heavy trucks equivalent to the European and North American markets combined

3. What will be the benefits of the alliance to the Chinese Dong Feng?

a) The Dongfeng brand will become a global brand

4. What has been the strategy of the Chinese government for entry of foreign firms into the country? Passenger cars, in which it allows foreign companies access to Chinas fast-growing consumer and commercial markets only if they create joint ventures with domestic companies and share technology in return. Why? foreign companies give potential rivals a leg up in terms of marketing and technical know-how

5. How large is Dongfeng in Chinas heavy duty trucks market? Dongfeng already is Chinas largest maker of heavy-duty trucks. What is its market share of heavy duty trucks in China? 20% market share

6. What problems is the joint venture facing in China? The heavy-truck market has been hit by Beijings efforts to tamp down on mining and property development. What is the strategy of Volvo to cope with the challenge? reducing vehicle emissions

References

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