

# Beijing market entry strategy

[Business](#), [Strategy](#)



Beijing market entry strategy for FrozenFoodThis report aims to analyze the entry of frozen Beijing market. Use a SWOT analysis approach analyzes the company's strengths, weaknesses, opportunities and threats. The report has identified a marketing strategy of entry that will help our company to enter the market effectively.

## **Summary of the company**

Our frozen food company is only imaginary for this work.

This is a company that wants to enter the Beijing market and it conducts a study to define the entry strategy. Our company sells all kinds of frozen food from cans to larger products. For now only work in Europe and we are planning to expand in the world soon. Frozen market in Beijing The frozen food market in Beijing is currently booming in China is expected to grow 16. 1 billion in 2012, mainly concentrated in big cities like Beijing and Hong Kong. The annual demand for frozen products is growing around a 3-4% in Beijing, provided by Datamonitor 2009

Is such an increase, now, ASIAN SEAFOOD exposure has a new section called Frozen Food Asia, there is provided a forum for buyers to be face to face with suppliers of frozen food in several categories, which are the most important: Ready meals, Chilled and frozen meat products, Frozen fish, Seafood, Vegetables, Potato products, Fruit, Pizza, Bakery products, Cheese, Ice cream, Desserts SWOT ANALYSIS As our company wants to expand and take advantage of the boom that is taking frozen food in Beijing, you need to analyze the market.

This section analyzes the company in terms of market Beijing adopting the SWOT approach. Strengths | Weaknesses | High Quality Products| Poor Operate systemExistence of large companies in the sectorUnfamiliar brand| Opportunities | Threats | Rise of frozen food in Beijing Growing | Rising raw material prices| Strengths High Quality Products For the development of our products use high quality raw materials. It is this Which Helps the holding company its competitive advantages. Undoubtedly This value will make the company easy to Developing its new market. Weaknesses Poor Operate system

The control overhead is one of the weaknesses that impede the growth of the company. Investment in research and advertising are very low in relation to its competitors. Also the management system of the company is also quite poor. Existence of large companies in the sector There are already large companies in the Beijing market, and this is very opposed to seize important part of the market share. Unfamiliar brand Being a brand new, we have the problem that we are not known, and this makes it difficult for the company at first, because it affects sales. Opportunities Rise of frozen food in Beijing Growing

We know that the frozen food market is constantly growing in Beijing, this will affect very positively to our company. Threats Rising raw material prices With the price of basic food and feed commodities on the rise, food manufacturers are increasingly facing pressure on their margins. In our company we use basic raw materials in large amounts. If raw material prices continual rise, it would thus lead to increased pressure on the company's margins.

## **MARKETING PLAN FOR THE FROZEN FOOD COMPANY**

Expand into the market for frozen food Beijing can succeed, because other companies already have.

But for this we must make a general strategy and go step by step with the plans. The strategy refers to the innovation of feedback regarding the traditional values ?? of the company. This calls for new product innovation strategy, distribution channels, sales promotion and development of new markets as well. The entrance to the Chinese market frozen food, in particular, requires that the plan adequately prepared as presented below. The process of globalisation has witnessed the rapid growth of international activities (Frank 1994).

Once a firm expands its operations outside the borders of its own nation-state and outside the dominance of its own homeculture, the influence of the host countries' national cultures becomes reality (Fatehi 1996). Conducting business across international boundaries requires interaction with people and their organizations nurtured in different cultural environments (Kale and Barnes, 1992). Therefore the need for knowledge and understanding of the social-cultural difference between host country and home country becomes of paramount importance.

For most western people, China is still a mystic country owing to its cultural features being completely different from those of western countries (Ghauri et al, 2001). Indeed, the traditional Chinese culture, in which Confucian philosophy is dominant, is a high context culture, which is opposite to western culture which is low context. It also has its own incredibly

complex Chinese condition (guo qing), which always confuses western people (Ghauri et al, 2001). All of these make western negotiators feel difficult and confused when they negotiate with Chinese negotiators.

Many failed negotiations are caused by the poor understanding of Chinese culture or lacking of awareness of the Chinese business negotiation style (Kirkbride, Tang ; Westwood, 1998). This is why more and more scholars are studying Sino-Western Business Negotiation in order to be more effective in negotiations with Chinese.

## **CHOOSING A STRATEGY FOR ENTRY IN THE MARKET**

Choosing appropriate entry strategy To compare with its counterparts, our company has missed an early chance to develop the Chinese market. However, it may enjoy the advantages over the follower strategy in terms of initial market costs and questionable effectiveness.

Indeed, for pioneer entrants, some factors such as demand uncertainty, entry scale, advertising intensity, entry time of followers, and the scope of the economy are all risk. Now for Our Frozen Food Company, it is more easily to develop effective entry strategy into the emerging market in Beijing. Moreover, studies have demonstrated that those innovative late entrants grow faster than pioneers and have higher market potentials and repeat sales rates. Moreover, they can slow the pioneer's growth and reduce its marketing spending effectiveness.

Nonetheless, in doing so as innovative late entrants, apart from the above mentioned general innovation strategy, the company needs to study how to

build its distribution channel in short order and to develop its market share. In so doing, an effective way is to set up joint venture through the Frozen Food Company for to find an appropriate counterpart to merge it and use its distribution channel and factories. This strategy has been evidenced by many examples. Conclusion This work has analysed the FROZEN FOOD COMPANY case, to look at its entry strategy to Beijing of frozen food market.

Although our company currently runs smoothly, it has to seek for new income point if it is fighting survival in the future. The Beijing frozen food market as an emerging market, although it is also competitive, provides a great potential to increase income. The company have its key strengths in developing new market, and it is right time to think about its future. However, the weaknesses accompanied with the company could be risk in developing new market, as well as external environment. In general, our company may make success in entry to Beijing frozen food market if following a proper marketing strategy.