

# Travel wise case study

[Countries](#), [United States](#)



1. What type of entry mode would you recommend that Travel Wise use for its new line of clothing in U. S. markets? In foreign markets? Should the clothing be outsourced to suppliers overseas, or should Travel Wise consider building its own manufacturing facility here in the United States? Given the size of Travel Wise I believe a Joint Venture would be the best route for the company to enter the clothing business in the U. S. and foreign market. This would give Travel Wise a share of the risk and costs, which could save the company if this expansion is not successful. The clothing business is a new venture for Travel Wise. A joint venture will allow Travel Wise to attain knowledge on the clothing business and how to be successful when working with a company already involved in the clothing business. Since Travel Wise already outsources the manufacturing of products and maintains relationships with the suppliers it would make sense to continue that practice. Estimates suggest that labor costs in China are less than \$1 an hour, compared with \$2. 92 for manufacturing workers in Mexico and \$24. 59 for manufacturing workers in the United States (Bateman & Snell, 2011, pg. 203). Any money that can be saved is this time of expansion will come in handy later down the road. The upfront costs of building a manufacturing facility will expensive for a company the size of Travel Wise to do.

2. What features and services might Travel Wise offer on its expanded Web site that would appeal to travelers from Europe, Asia, and other parts of the world? There are a number of features that can be added to a website to enhance the customer experience. When dealing with international customers you must make sure the can read your website, allowing the customer to change the language on the site would be a nice feature. Another feature to add to

the website would be investor information. Global retailers with higher retail sales had also investor information (\$17.8 vs. \$8.9 billion) and supplier information (\$23.8 vs. \$10.5 billion) features on their website (Anitsal, Anitsal, & Girard, 2011). 3. What types of relationships must Travel Wise forge in other countries to produce accurate, up-to-date, insightful travel guides? Travel Wise will want to collaborate with the governments and other travel companies to make sure all of their information is up to date. Travel Wise may also want to consult with firms that provide travel guide information since that could be an expensive cost if the research has to be done by your own company. Anitsal, Ismet., Anitsal, M. M., & Girard, T. (2011, Jan). Top 250 Global Retailers: On-line Features of Retailer Websites. *Journal of International Business Research*, 10(1), 45-57. Bateman, T. S., & Snell, S. A. (2011). *Management: Leading and collaborating in a competitive world* (9th ed.). New York, NY: McGraw-Hill Irwin.