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Business

Bata Shoe Company is one of the most well known and largest shoes making company in the world. Bata Shoe Company had seen the most luxury returns as compared to other competitors from its foundation till 1970's. By 1970's Bata was one of the finest multinational companies of that time and Bata was generating the revenue of \$3 billion from 68 different countries. The reason behind this success continues supply of products and capturing the new markets for more profits. The marketing plan of the Bata Shoe Company was to construct the shoe making factory near the potential customers. Moreover, the management of Bata hired local labor and provided them with the basic needs such as homes, schools and medical facilities. By implementing this business strategy, Bata Shoe Company maximizes the loyalty and skill level of their labor which ultimately increased the production level and quality of shoes. Bata Shoe Company implemented this business strategy all over the world and achieved the production and sales targets. In early 1980's Bata Shoe Company reached at their peak by achieving the annual sales of 4.6 million pair of shoes in 68 different countries. However, due to the introduction of cost effective Chinese shoes, the sales of Bata Shoe Company reduced quickly and by 1990's Bata suffered heavy losses. The reason behind this loss was poor marketing strategies and price of products.

Different geographic environments require different managerial tactics. In case of the Bata Shoe Company, management must consider the quality and the availability of resources to sell in the region of Europe. European customers like to purchase their things from super stores. Therefore, it is

very important for the Bata's management to insure that they obtain enough space for their goods at the markets. In the region like Gulf, the management of the Bata's company must take extra interest in development of stylish and prestige shoes because the Arabs like to have different and stylish products. Moreover, price management is not an issue in Gulf countries. In Asian countries, Bata's management must concentrate on the pricing strategies because it is highly probable that they will face a tough competition from the products from China. Moreover, the buying power of Asian customers is lesser than the buying power of European and Gulf customers. In the North American region which includes Canada and United States of America, Bata's management must take care of the requirements of their customers. This means that whatever they are producing must meet the requirements of their customer. The management must take great care of research and development process of the company to insure the stability and sales of Bata Shoe Company.

In the global expansion strategy of Bata Shoe Company, the one benefit is that they are injecting the element of online sales facility for the customers. This function will automatically increase the sales of the products because the trend of customers has changed and they like to buy stuff online. Another advantage of carrying the current expansion strategy is that it will increase the motivation level of employees and it will enhance the production level. However, one of the disadvantages is that they are not adopting the trend of the customer's choice. Most of the customers like to have fancy and stylish shoes. Therefore, Bata Shoe Company must include

the element of fashion in their shoes. Furthermore, Bata must consider the store type according to the needs of the market.