

Free essay on target

[Business](#), [Company](#)



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Economics

Effect on Marketing

The Target Department chain stores publicly announced its business prospects to invest in Canada in the onset of 2013. The entrance of the chain stores in the Canadian market impacts numerous market changes. First, the entrance of the company in the Canadian market poses increased competition to local companies. This competition is speculated because of the success of the company in the U. S market. Further, this is followed by the success of other American companies in the Canadian market. The company set its first store in Canada, which has the highest population in Canada. Over the past few years, the number of American immigrants to Canada has risen substantially. Therefore, the preference of the target company in Canada may stem from the presence of American immigrants who pose as potential buyers. The entrance of the target company in the Canadian market may limit the success of small firms in the economy due to increased economy.

Effect of Price

The entrance of the target group into the Canadian market will increase the market competition. Although the target company market strategies are not yet clear, their participation in the new market may lead to reduction in price valuation. The target company will have to adjust with the current economical condition in the Canadian market. The presence of the Wal-Mart chain stores in Canada may cause the target company to reduce its commodity prices as a market entrance strategy. This is because the two chain stores mostly sell the same type of commodities, thus they will compete for market share. Furthermore, the brands policy “ expect more, pay less” may lead to favorable prices in order to attract customer preference in the new market. However, the price fall or increase will be determined by the ability of customers to buy goods. Thus, prices may not fall but the entrance of the target group in Canada may reduce customer traffic, which in turn reduces overall sales.

Effect on Technology

The entrance of the target company in the Canadian market may be fuelled by an advanced technology strategy. This will help the company in corporate system developments, marketing technologies, supply chain development strategy and guest development strategy. These technological strategies will create a competitive advantage for the target company. This is because the technological advancements will improve the quality of their services and boost their business reputation.

Technological advancements are supposed to improve due to increase in competition. Dating back to the entrance of the first foreign firms in the

Canadian market, the technological advancements have increased vastly. For instance, the Wal-Mart's technological advancements in the Canadian market were sorting technology, electronic scanning and cross docking. These innovations led to increased competition in the economy, thus the entrance of the target company in the Canadian market may bring new technology innovations in the market.

References

Lavin, F. L., & Cohan, P. S. (2011). *Export now: Five keys to entering new markets*. Singapore: John Wiley & Sons, Asia.