

Brilliant driving forces to become a global company

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



What are the driving forces behind BRL Hardy to become a global company?

“ A Global company is an organization that attempts to standardize and integrate operations worldwide in all functional areas. ” In general, there are multiple Globalization forces; some of them are: * Industrial: get access to a bigger market to sell the product. * Financial: by emerging worldwide, it is easier to borrow money * Political forces: the raising globalization goes along with the decrease of the importance of the state.

Companies can set up their headquarter in different countries, in function of the legislation in those countries. * Technological forces: the new discoveries and the fast evolving technology eases the communication and makes it easier to collect information about foreign/other goods. * Market: when companies globalize, they also become global customers. * Cost: By becoming global, companies can benefit from economies of scale. The company can also locate production in countries where production costs are lower. In early times, the wine industry was very little.

There were little village labels and the grapes grew on tiny vineyards. Those factors made the wine industry very agricultural i. e. the harvest was very vulnerable to weather and diseases. On the other side, the wine business had very few multinational companies and therefore very few true global brands. This made BRL Hardy think about expanding its business to multiple locations over the world and become one of the world's first global wine companies. The first company on the market has a big chance to become one of the biggest companies in his sector.

By breaking the habit of growing and selling only its own wine, Hardy was able to build the scale necessary for creating strong brands and negotiating with retail stores. In 1882, BRLH won his first international gold medal at Bordeaux. Winning a price creates a certain reputation, which makes it more likely that the wine will sell if the company becomes a global company. Also, the company was Australia's largest winemaker, and one of the most respected. Next to this, Australian wine was becoming a trend, and the demand from new customers in nontraditional markets grew rapidly.

All this were driving forces to become a global company. Sources:

<http://www.slideshare.net/gugaslide/global-business-presentation>

<http://www.slideshare.net/RealRedOne/harvard-business-school-brl-hardy-globalizing-an-australian-wine-company> http://www.businessschoolnetherlands.com/files/bsn-article_marius-leibold_business-model-innovation_1.pdf http://www.andidas.com/academic/lse_coursework/MN498%20-%20Tesco%20Internationalisation_by_andidas.pdf <http://scholar.sun.ac.za/bitstream/handle/10019.1/3328/Ewouba-Biteghe,%20BS.pdf?sequence=1> <http://en.wikipedia.org/wiki/Globalization>