

Answer questions



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Employing internal logistics expertise would be the best approach if the supply chain management acts as a value addition point. In such a case, the business cannot leave the sector with an outsider who might be influenced by the competitors to affect the quality of the products. In addition, the approach would be best suited if the internal logistics expertise plays a significant role in sustaining the competitive advantage of the business.

Acquiring a company with the expertise would be the best approach if the logistical department is not strong enough to cover the whole market.

Furthermore, this might apply if the internal expertise is not conversant with the location of the target market (Ferne and Leigh 59). This would aim at increasing the reliability, an aspect that would increase the customers' loyalty towards the products.

The approach of developing a strategy, and then employ the specific suppliers to carry out well-defined portions of the strategy would be effective when the company knows the location of the target market, but does not have the necessary resources to carry out the supply work (Ferne and Leigh 45). On the other hand, the approach may work where the suppliers have the resources but has not specialized in information gathering. Therefore, they depend on the information given by the client.

The approach to develop the strategy with third-party logistics provider would be effective when the company has little information about logistical issues but want to be part of the supply management. In addition, it may apply when the third-party logistical companies provide warehousing and transportation services. In addition, it may apply when the firm is involved in value addition. This is to ensure that its strategy does not distort the quality of the products.

IBM needs both a private and a consortia based e-marketplace in order to be able to deal with B2B, B2C, and Online market. As a global business it's hard to concentrate on all these logistical aspects. As a result, divulging to the two areas enables the business to reach the target market on time, while at the same time focusing on producing high quality products according to the tastes and preferences of the customers. On the other hand, the emergence of e-marketing brought a new opportunity to expand its market size.

However, traditional market was still significant to the business. Therefore, the strategy has ensured that the company maintains its initial supply strategy while upholding changes brought by online platform.

As a CEO of a small electronic manufacturing firm which is about to develop a global strategy, I would prefer a hedge strategy. This is because the strategy reduces risks by enabling the business to take an offsetting position. This makes the firm to be less prone to risks and uncertainties associated with the global business.

If I was the CEO of a large electronic manufacturing firm, I would prefer the speculative strategy. This is because the business has adequate funds to be used in risk taking. Therefore, when the market moves according to my speculation, the business can make immense profits which can be used to expand into other markets.

Works Cited

Fernie, John, and Leigh Sparks. *Logistics & Retail Management: Emerging Issues and New Challenges in the Retail Supply Chain*. London: Kogan Page Ltd, 2009. Print.