

Five stages of international development essay



An international company is one that engages in any combination of activities, from exporting/importing to full-scale manufacturing, in foreign countries.

A multinational corporation, on the other hand, is a highly developed international company with a deep involvement throughout the world, plus a worldwide perspective in its management and decision making. The following list will include a list of company in their stages of international development. Stage 1 (Domestic Company): The primarily domestic company exports some of its products through local dealers and distributors in the foreign countries. Vizio - The company's been so successful that it even overtook Samsung as the top-selling flat-panel TV in the United States during the second quarter; its sets, on average sell for half what his competitors charge. But Samsung regained the lead last quarter.

Wang tells me he's just happy to be in the Top 3, let alone jockeying for the top spot. Floored and humbled by the success, he says, as he considers plans to go public. Wang's business model is unique: extremely low overhead for one. He's based in Irvine, California and only has 90 full time workers in this country.

The company keeps inventories extremely low, buying only the components it needs exactly when it needs them so as not to fall victim to fast-falling technology prices . Stage 2 (Domestic Company with Export Division): Success in stage 1 leads the company to establish its own sales company with offices in other countries to eliminate the middlemen and to better control marketing. Snap-on (NYSE: SNA) is a leading U. S. designer,

manufacturer and marketer of tools and equipment to professional tool users. It was founded in 1920.

Snap-on is located in Kenosha, Wisconsin, and employs approximately 11,500 people worldwide. The company is currently worth 2.4 billion dollars (US\$) and is one of the companies on the S&P 500. Stage 3 (Primarily Domestic Company with International Division): Success in earlier stages leads the company to establish manufacturing facilities in addition to sales and service office in key countries. Harley-Davidson Motor Company (NYSE: HOG, formerly HDI[3]) is an American manufacturer of motorcycles based in Milwaukee, Wisconsin.

The company sells heavyweight (over 750 cc) motorcycles designed for cruising on the highway. Harley-Davidson motorcycles (popularly known as “Harleys”) have a distinctive design and exhaust note. They are especially noted for the tradition of heavy customization that gave rise to the chopper-style of motorcycle. Stage 4 (Multinational Corporation with Multidomestic Emphasis): The company increases its investments in other countries. The company establish a local operating division or company in the host country, to better serve the market.

The product line expanded, and local manufacturing capacity is established. Managerial function (product development, finance, marketing, and so on) are organized locally. Nike, Inc. (IPA: /'na? ki/) (NYSE: NKE) is a major publicly traded sportswear and equipment supplier based in the United States. The company is headquartered in the Portland metropolitan area of Oregon, near Beaverton. It is the world's leading supplier of athletic shoes and apparel[2]

and a major manufacturer of sports equipment with revenue in excess of \$16 billion USD in 2007.

As of 2008, it employed over 30, 000 people worldwide Stage 5

(Multinational Corporation with Global Emphasis): The most successful MNCs move into a fifth stage in which they have worldwide personnel, R&D, and financial strategy. Typically operating in a global industry, the MNC denationalized its operations and plan product design, manufacturing, and marketing around the world considerations. Apple Inc. , (NASDAQ: AAPL) formerly Apple Computer, Inc. , is an American multinational corporation with a focus on designing and manufacturing consumer electronics and software products.