

International strategic plan: chocolate product



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The topic of this article is selling Camel Milk Chocolate abroad and in this article we have taken USA for selling Camel milk chocolate. Camel milk is the milk which is used for many purposes. Al Nasma is the company which launched the first camel milk chocolate and in the article discussions are done which are based on the development of this company in USA. Camel milk chocolate contains vitamin C and it is the best option for the people who are suffering from Diabetics. In this article we have discussed about product analysis and also about environmental assessment that this company need to do before entering the market. Product analysis has the characteristics of the product such as functionality, design, style, color.

Environmental assessment consists of many forces like socio-culture, economic and socio-economic, legal, political and also the labor forces.

Socio-cultural forces are the forces that affect the thoughts, feelings and also the behavior of individual. Economic and socio-cultural forces include the interest rate which is national and global and the most important is the fiscal policy. Legal forces are the forces which are related to the government, rules and laws. Here discussions are also done on various strategies like market entry strategy, marketing, pricing and also promotional strategies that Al nassma have to make before entering the USA market with a bang. In this we have also done SWOT analysis which means discussions are done on the strength, weakness, opportunity and threats of the Al nassma chocolate and this all is done with the purpose to check whether this company is capable of entering the USA market or not. At the end of this article conclusion is made on the basis of factors discussed whether Al nassma is going to get success or not in USA.

INTRODUCTION:

Camel milk is the milk which is needed for many purpose like it is used in the medical studies. The healing properties of the milk give benefits to the people in the whole world but in this article we are going to discuss about the selling of camel milk chocolate in international markets like in USA. The company which launched the first camel milk chocolate is Al Nassma and in this article we are going to discuss about the procedure and other aspects that the company must use to sell the camel milk chocolate in USA. Al Nassma is the first company in the world which sells the best quality camel milk chocolate with facing all the bottlenecks, environmental factors that comes in the path of achieving goal and success in the whole world. In this article we are going to discuss about the goals, mission of company, about the analysis of products, some environmental factors present in USA that this company is going to face and also about the market and the competitive strategies to be used by Al Nassma Company in selling camel milk chocolate in USA. (The Use of Camel Milk in Medical Studies, 2010)

BUSINESS CONCEPT:

Al Nassma chocolate LLC is the world's first company that produces camel milk chocolate and it is also going to introduce its exclusive products in the USA. Camel milk contains vitamin C which is 5 times more than the milk of cow and it is the best option for the people who are suffering from Diabetics. Al Nassma is the company of Dubai which is working from 2 years and for realizing this unique Arabian product it is working with a team of international experts. Al nassma produces this extraordinary chocolate of camel milk and it has its roots in the language which is Arabic and a seasonal

breeze is depicted which also brings relief to the people in desert. The main aim of Al Nassma Company is to indulge the senses of the people with the camel milk chocolate produced by them. The people who are dedicated to the manufacture of chocolates which are finest have created the Al nassma and they have made the group to create the sensational chocolate superlative for Dubai. The mission of Al nassma is to provide the camel milk which provides benefits to people in many ways in the form of chocolates made from the milk of camel.

Company will adopt e-commerce model to capture the market as US is very used to of online purchase.

The product line of Al nassma consists of 5 different flavored 70gr bars send delicately flavored with dates, orange, some amount of cocoa and whole milk also. Al nassma have many business goals and all their goals are specific, measurable, achievable, relevant, and time-based goals. One of their goals is to capture the market where their product is preferred and for doing this they have decided to make a farm shop in Umm Nahad which is near the farm Camelicious camel as there is no farm situated at that place. Another goal is to make their product popular in international market and especially in USA. Another goal is to win the hearts of the people by giving them the best quality of chocolates. The company Al nassma works very hard keeping their mission and their goals in the mind.

PRODUCT ANALYSIS:

For setting the business in USA the main thing to consider is the product and the analysis of the product is very necessary before launching it in the

international market. Product analysis includes the characteristics of the product such as functionality, design, style, color etc. Al Nassma is the first and the best chocolate made up of camel milk and it is really a gift from the deserts. It is the unique quality product and it symbolizes the present and unique taste of the Arabian world. For the people who are travelling this chocolate is the treasured memento of Arabia and for the other people it is a gift which shows appreciation and these are considered as the function of this chocolate. These chocolates are the flavored 70gr bars which include the flavor of Dated, Macadamia nut that is orange and also 70% cocoa. Another product is the hollow chocolate camels which are available in two sizes of 130 and 730 gr. The camel caravan has features of camel milk chocolates which are neatly carved in the shape of camels. The style of this chocolate is totally different and very attractive also. It is gold wrapped chocolate camel embodying the source of Al nassma, the camel and also its milk. The color of this chocolate is dark brown because cocoa is present in it in large amount. (Al Nassma launches world's first camel milk chocolate, 2010)

VALUE PROPOSITION:

An offer which describes the quant table benefits that any of the individual or company making an offer promise to deliver. Value proposition of Al nassma is based on the benefits, cost and the vale that can be delivered to customer by the company. Value proposition is the internal document and it acts as the blueprint for the company. Al nassma is little bit costly and the rate of this chocolate is around fifty dollars. For establishing business in USA Al nassma can use the value proposition to position value to the constituents like customers for explaining why a customer should buy this from supplier.

For internal departments of the company to influence the outcomes of the decision of business and employees it can be used for motivating and retaining the existing employees and to explain the supplier that why should supplier want to be a supplier to customer. Al nassma uses the model known as Value proposition builder for creating a value proposition.

ENVIRONMENTAL ASSESMENT:

As the Al nassma is planning to open their company in the market of USA but the most important thing that every company should do before opening is the environmental assessment. Al nassma have to assess the environment of USA before entering their chocolate business the market of USA.

Environmental assessment includes many forces like socio-culture, economic and socio-economic, legal, political and also the labor forces. Firstly we are going to discuss the socio cultural forces that company is going to face in USA.

SOCIO-CULTURAL FORCES:

Socio-cultural forces are the larger scale forces that affect the thoughts, feelings and also the behavior of individual and these forces are within the cultures and the societies. It is very important for the Al nassma company to know the thoughts, feelings and preferences towards the product which they are going to launch in the markets of USA because then only they can predict that their product will be preferred in the market or not. Some of the socio-cultural factors present in USA and have to be assessed by the chocolate company are:

The first one is the change of culture which includes the whole knowledge about the type of changes that takes place in culture. Some other socio-economic factors for the company are ethnic identity, ethnic values and the regional differences. Study of all these factors in detail could help the Al nassma company to enter the USA market and to gain so much of success. (Socio cultural factors)

ECONOMIC AND SOCIO-ECONOMIC FORCES:

Each and every business is affected by the economic factors which are both national and global. Al nassma must go through the economic policy of USA which includes the interest rate which is national and global and the most important of this company is the fiscal policy. The forces in the economy that Al nassma have to discuss before entering the USA market are recession in the economy, low stakeholder confidence etc. For example 2 years ago the economy of USA was facing the huge problem of recession and entering into the market during this time can be worse thing for any organization. So all these factor is going to come in the path of Al Nassma Company. Socio-economic forces are the forces which are social and economic experiences and also the realities that helps in telling the attitudes and lifestyles of the people. Before entering the USA market the Al nassma must study the factors like attitudes, lifestyle of the people of USA which are socio-economic factors. These factors help an organization in making decisions about the success of product.

LEGAL FORCES

These are the forces which are related to the government, rules and laws of a particular country. In USA legal forces play a very important role in

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establishment of business in their market. One of the legal problems that Al nassma could face in the USA is the approval of license by the government of USA. Because every new company specially the foreign company faces a huge problem of license and the rules and regulations of the government, The main thing that Al miasma has to keep in mind are the laws and rules of USA government on the selling of chocolates which also includes the taxes and duties on export and import of products and services. For entering and starting the business of camel milk chocolate the Al nassma have to get approval from the government and firstly they have to get two licenses namely the product and service license which also includes the license for the machinery used in the production of chocolate. And the other license is the license of infrastructure. So all these legal forces are present in the US market and Al miasma is going to face all these forces while establishment of business.

POLITICAL FORCES:

Political forces are the forces which are present in the marketing environment that are created and appointed by the officials that have impact on the decisions made by a business organization. In USA also there are many political forces present in the market which Al nassma have to go through them before entering the market. For example few years ago the government officials of USA enacted the law which prohibited the food companies to export their products so these all things Al nassma must take into consideration and have to keep in main that Government officials can enact some laws which could cause huge harm to specific companies. There

are some political factors which have to be assessed by the Al nassma before entering the USA market are:

Various laws like minimum wage or anti discrimination laws.

Market regulations which mean the changes taking place in the market.

The most important is the trade agreements, tariffs or restrictions.

One factor that Al nassma must take into consideration is which type of government whether communist, democratic etc is presently present in USA. Political factor is one of the external factors which no one can change but these factors can create advantage and opportunities.

LABOR FORCES:

The forces which are present in every market and especially in the market of USA are labor forces. As Al nassma is going to establish in USA so before establishing, assessment of forces like labor is very important to put the step in the market. Assessment of labor forces includes the type of labor present in the market which means whether the majority of labor is skilled or unskilled. Skilled labor means most of the employees are fully trained and have some experience with them where as unskilled labor means in which the employees are not fully trained and most of them don't have experience of working. These employees are not given the permanent job and are used temporarily or used in the projects which are not technical. As most of the work of Al Nassma Company is regular and little bit technical so this company needs most of the skilled employees than the unskilled employees.

So this company has to look at the factors like how many labors are available for their work and at what market price before entering the market of USA.

MARKET ENTRY STRATEGY:

The first step for every organization to start their business is the entry in the market whether it is national or the international market. For entry in the market every organization needs to make strategies to enter in such a way that it has impact on the existing companies of their field. Al Nassam has also made some of the strategies to enter in the USA market and they have made all these strategies keeping in mind all the factors that we have discussed above. One of their strategies is that they would take in account the present marketing conditions and then they would outline an approach which is cost effective for building the brand awareness in the US market and this strategy would also help them to make their product that is chocolate made with the camel milk in the markets of USA. For example they would look at the initiatives which also include the focus groups in USA and this is used for testing the acceptance of the concept. Another strategy made by the Al miasma company is the e-marketing strategy which includes the internet retails and also the search engine optimization. They have the strategy of highlighting the unique characteristics of their product like the health factor with its lower fat and vitamin content which is very high could attract the consumers of the USA. Before entering the market they have also made the strategy that they are going to provide the discount schemes like buy 1 big bar of chocolate and get the small bar free with it so as to increase the demands of their chocolate made of camel milk. These are the marketing strategies of Al nassma to enter the international market. (Ajami, 2006)

MARKETING STRATEGY:

MARKET ANALYSIS:

The analysis of market includes competitive analysis under which the search is done on the competitors in the market. While doing market analysis Al nassma have to gain knowledge about the type and quality of chocolates sold by the competitors and also the strength and weakness of the competitor. Al nassma also have to analyze the segmentation of market in USA and also about the target market. Target market means the market where they have more chances of getting success.

PRODUCT STRATEGIES:

The strategies which are made for the products of a company to enter in the market are named as product strategies. Product strategies are based on the quality, quantity, price etc of product like Al nassma have to make strategies of their chocolate and for that they have to take into consideration the quality, quantity and price of product to be supplied in the market of USA. Product strategies also include difference in the features of product to be launched and existing product in the market.

PLACE:

Before entering the market the decision of place is also very important for Al nassma. Selection of place for the launch of their chocolate would also help them by reducing the risk of failure. It also includes the distribution strategy of the product. Distribution of product like chocolate needs so much attention and hard work by the suppliers as the main work of distribution of products to the customer is done by the suppliers. Selection of perfect suppliers would help Al nassma to grow in the US market.

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PRICING STRATEGY:

The demand of the products mostly depends upon the quality and price of the product in the market. So every company has to make strategies for pricing their product and this pricing depends on the total cost, quality and also on the price of the product of competitor. Al nassma would make the strategies for pricing their chocolate by calculating the total cost plus the profit they want but before declaring price the company must keep in mind the price of the competitor's chocolate as there are so many brands of chocolate that are already existing in the market.

PROMOTIONAL STRATEGIES:

In today's world promotion plays a very important role in the launch of new product and it also helps in the success of that product in the market.

Promotion can be done through TV advertisements, posters, magazines, newspapers etc to make product popular among the majority of population.

One of the ways that Al nassma could use for making its chocolate popular in market of USA is the selling of few free chocolates to the youth and the children. This could help them to make their product popular in the market.

The strategy the company is likely to use is advertisement through television, magazine, newspaper, posters etc for excellent starting of their business in the market of USA.

Competitive Strategy-

Competitive strategy refers to the competence given by the company in the field of their business. In today's world of Dynamic markets and technology which have raised the question of sustainability of competitive advantage.

We have been discussing about the camel milk chocolate which is produced

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in United Arab Emirates and the chocolates are being exported to US. There is already too much competition in the market of United States of America beside that we have to adopt various strategies. A plan is basically setup to compete in the market which is formulated and evaluated after comparing the strengths and weaknesses to those of its competitors for example there would be many companies who would be selling chocolates from many years but the newly entering company should rethink about his strengths and weaknesses after observing their competitors weaknesses and strengths, for example a meatpacking company can decide on the special niche product in the limited areas as it could not compete with the major competitors.

The company should adopt an approach to the competitive advantage so as to maximize the profit in the earlier stage of their entering into the market.

As an example we can observe that Microsoft has setup a seven part competitive strategy in their company so as to compete with the other software company. Now, if we talk about the Al-nasma which is a UAE based company manufacturing Camel milk chocolates has to present a peculiar property in the market of US which can give them space in the emerging market of chocolate otherwise there are thousands of chocolate firms basically who does not understood the strategy of the competition in the market of US.

Human Resource Strategy-

This kind of strategy is totally based on the mission, vision and overall strategy of the business. Mainly the company concentrates on the mission of the company which basically consists of all the profit and aim which in simple terms refers to the maximizing in the return on investment which

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could be only achieved through the human resource management strategy.

The Al-nasma company generally has to focus on its aim which helps in developing the vision and mission of the company and gives company a direction through a “ living strategy” process. It basically creates a highly motivated and innovative company which basically supports more innovative organizations such as Al-Nasma which manufactures Camel Milk chocolate.

When the company decided to perform an international business, it implements an international human resource strategy which manages the change successfully. Mainly the human resource strategy faces the new challenges as business strategies change with the passage of time. There is a requirement of a specific human resource strategy in the chocolate sector as there are many companies who are competing with each other from so many years and there is very tough competition present in the market of US which can force the Al-Nasma to adopt a sure success strategy so that they does not feel a set-back in their business. Company will apply regiocentric approach. (W. L. Hill, 2008)

RISK ANALYSIS:

Risk is present in every business but for every company or organization especially those which are going to start their business in the international market have more risks and similar case is with the Al nassma company.

Risk can be reduced by SWOT analysis and in this analysis S stands for strengths, W for weakness, O for opportunities and T for threats.

The biggest strength of Al nassma is that it is the world’s first and the largest producer of chocolates made of camel milk so it has less competitors.

Strength of this chocolate is that it is rich in vitamins and can be used by diabetic person.

Biggest weakness of this chocolate is that it is little bit costly than other chocolates and one more weakness is that it is not popular in many countries which decrease its demand in the whole world. This chocolate is very less popular in the USA where they are looking to enter.

Al nassma have so many opportunities not only in Arabian country but also in the whole world because it has a unique feature that it is made from the milk of camel. It has great opportunity in USA because the people of USA prefer the camel milk.

Though Al nassma have some features that other chocolates don't have but this chocolate have threats from the existing chocolates of USA as that chocolates are already existing and popular and it has another threat because some people don't even touch the milk of camel.

CONCLUSION:

After discussing all the points about the establishment of Al nassma in the United States of America and doing analysis like risk, product analysis and also the assessment of environment, market etc, it is concluded that Al nassma will definitely get success and appreciation by the people of USA. After discussing the strengths, weakness, opportunities and threats the conclusion comes that the strengths of this chocolate are so strong that all its weakness are covered and every step seems possible for this company.

In future this chocolate may capture the whole market and it may become the leader of chocolates which provides so many advantages in the whole world. One thing that company needs to check is the price of chocolate and the other thin is the promotion of this chocolate in the international markets.

The final conclusion is that Al nassma will be a successful chocolate company in USA and after some time in the entire world.