

International economic strategies essay samples

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



As an investor, it would be a great opportunity to start a business in a foreign country as long as you keep the legal framework of the country you are interested. Venturing in foreign business would expand and boost business skills especially in cookware which one has the knowledge about. Having been an investor in U. S and with the business expanding, then one can try invest in other parts like Africa, Europe or any other part.

For this business to be successful, there are various things that an investor should consider while organizing the business abroad. First, it would be important to consider property rights as well as political climate of that country. It would be important to seek jurisdiction that has low political risks while considering international property rights. Different countries operate differently in their ideas and rights to foreigners investing. It would be also important to consider the economy of the business as well as the money needed to put up the business. For instance, a country with low GDP debt ratio would be appropriate for investment. Again low inflation, growing middle class and raising incomes are positive indication of sufficient grounds for investments. Therefore one should organize well structured business with the necessary legal rights, considering the economy of the country. The prices of the cookware should in considerate while putting to account the economy of the country and the class of those people. Some other form would be means of communication since it is a foreign country. His should take the easiest way for communication possible to avoid language barrier. Employing people from that country would be easier that considering people from your country.

Foreign investment is not as hard as people would think as long as one has a

clear frame work that would take all the risk management procedures. It would be advisable to put up an independent company abroad. However, there are some challenges that are incurred while dealing with such businesses. Independent business would avoid problems like constant cost for foreign investments licenses. Foreign market consists of competition from the people who own business in the place of venture. Therefore, one should come up with a unique service accompanying the products. These are cookware that people have not invested new products. Operating over a subsidiary company is rather different as compared to independent. This would a situation where a parent company owns a subsidiary in a foreign country. The parent company owns the company but they followed the rules or laws of the foreign country. It proofs to be expensive since the foreign countries have to charge hefty for the investment. This however depends on the country where the business is set. Subsidiary businesses are easy to operate since they keep the doctrines of the parent company only irrespective of the county of investment.

There are various things that should be considered while indulging into this business. It would be good to consider the legal ways of the foreign country. This includes the business registration procedure, terms and conditions and the environmental factors of the country of investment. Again, consideration of the demand of the cookware in that country should also be considered. Therefore, it would be important to register the company legally. This would seek the license and the authorization by the government. After that, it would be important to set location for the business considering the environmental conditions. These include the demand for the goods and the

access needed to set up the necessary business. It would be important to get the necessary insurance cover for the business as well. This should cover the goods that one has in case of accident like fire, theft or any other way of loosing. Due to major completion from the other countries in Asia and the other parts of the world, sufficient procedure should be undertaken for proper internationalization of the business. Therefore, it would be necessary to brand the cookware differently to face the low prices and the rising demand.

In entrepreneurship, branding of goods is one of the major procedures in marketing of the product. Proper branding of the goods would determine its circulation in the market and period it would take for selling. As a business person, the branding image should be clear and attracting to outplay the others in the market. Again the rule of distribution and selling of the cookware should come from the headquarters office in United States. The reason would be to keep proper record and analysis of the business within the country and abroad. Due to high demand and competition, the management should be capital and work on the prices of the cookware to meet the completion from the other companies. This is the reason why before venturing into this business, sufficient research should be done and a team of experts consider the pricing, demand, selling price, profit management and market for the product.

There are certain advantages that are incorporated in the internalization of this cookware company. Some of these advantages include increase in tax incentives. This would be a benefit for the parent company together with the foreign country. This would also benefit both governments. Investing in other

country in cookware would introduce another form of goods in a different country. It also minimizes the disparity existing between the revenue and cost. This would be clear as the costs and the revenues are calculated in other form of currencies. It is a form of exposure also and as an investor you get to know the form of businesses in other countries. Therefore, it is a form of global interaction brings friendship within countries and other form of governance. In contrary to that, there are some challenges also in internalization. For instance, politics around other countries can take different forms or change instantly. There is a risk of losing or hike of tax in the foreign country since that could bring loss to the business. The business is usually expensive that exporting goods. Therefore the parent company in U. S should be prepared in terms of capital and legal framework in setting up the business in other country. Again the difference in culture can be a challenge in introduction of cookware in other country. Some culture doesn't recognize the cookware and thus convincing them of the advantages of your product would be a little difficult. Therefore, it would be important for both countries to recognize their differences in philosophy and believes.

In conclusion, business internalization of cookware can be successful if an investor takes time to plan and manage the procedure that is necessary. The investor should think of the procedure of investing in the other country including the legal framework. The capital is expected to be high and thus sufficient capital would be necessary in doing the business. Since the competition is stiff, other forms of marketing of our products, cookware should be considered. These ideas include branding of the product to meet the completion, provide quality products and advertising. There are

challenges that are faced in internalization. These include high capital, cultural differences, competition, language barrier and many others.

Therefore the parent company should be well considerate of all these things for successful business in cookware internationally.

Works Cited

Hill, Charles W. L. Global business today. New York: McGraw-Hill, 2006. Print.

Neuhaus, Marco. The Impact of FDI on Economic Growth: An Analysis for the Transition

Countries of Central and Eastern Europe. New York: Springer, 2006. Print.

Rao, P. K. The Architecture of Green Economic Policies. New York: Springer, 2010. Print.

Shaikh, Saleem. Business Environment, 2/E. Karnataka: Pearson Education India, 2010. Print.