Mars and ferrero key success factors in terms

Mars and Freezer Key Success Factors in Terms of Internationalist’s 3}’ shallow introduction internationalization has been viewed as a process of increasing involvement of)organizations in international markets (Welch & Illustration 1988). It is also defined developing networks of business relationships in other countries through jetport-based perspective Monsoons & Turner 2010). It occurs when a firm expands TTS operations in another country, by acquiring the property of the assets that are abroad, penetrating to market by developing market positioning and resource : commitments and lastly integrating into the local market.

Globalization shares some : moon characteristic as Internationalization. It is the ‘ integration of technology, markets, politics, culture, labor and commerce on a global scale. It can be seen as ’10th the process and the results’ (Kelly & Booth 2004). Mars and Freezer are two Nor-leading food (especially Chocolate) manufacturers. But what makes these 2 : impasses successful internationally and globally? What are the factors contributing their success?

In this essay, we will evaluate on their success factors and what : hanged could have been taken to make the companies more competitive and ‘ refutable. Background Velars (2012) has provided a milestone of the company starting in 1882, where Frank Z. Mars was born, and in 1911 where he starts making and selling butter cream : Andy from home and this is how it started for Mars. Mars carries a product mix of ‘ etcetera, chocolate, Wrigley, food and drinks. As we are looking at chocolate product nine, names like Mars, Snickers, M or Dove will always be the first few that ring : he bell.

Freezer (2009) on the other hand is an Italian manufacturer started off as a : inundation in 1946 by Pitter Fervor, and later achieved its success by his son, Michael error. The Freezer family continues to excite its global consumer with an extensive; nigh-quality products. Their product mix consists of Chocolate, sugar confectionery, : r©me and even drinks. And its' chocolate/cry©me product is the most popular ? Specially Kinder Surprise, Buenos, Nutshell and Freezer Richer.

Being the world eating chocolate manufacturer, and products known and sold worldwide, what : could be their success factors in terms of internationalization and globalization? Success Factors rhea can be a lot of various factors contributing towards the success of an organization globally in terms of internationalization, what makes Mars and Freezer ; successful? FREEZER Orion (2009) states that the success for all Freezer Brands is the ability to convert a aardvark into a strong and powerful brand that creates a strong attachment to : heir hearts and stays in their mind.

Like a strong iconic recognition towards their wand. To do so, it is essential to build all the elements of the marketing on the Jacking, shape, material and product design. Not forgetting also the pricing, ' rumination and distribution globally. Kinder Surprise is one good example that has dad a huge hit among kids. It offers a unique satisfaction for children's' wishes for a : insolate treat, a toy to play Witt Ana a surprise (Broil U). Freezer Rocker success s known for its' luxury in terms of a unique tasting chocolate carefully wrapped up in 30th.

It has become one of the most thought of chocolate gifts. This can be : noninsured a Packaging strategy which can be both functional and for marketing ‘ repose. It is convenient to store and use at the same time gold wrappers can also ‘ e used to gain people’s attention at retail outlets, encouraging consumer to examine he product and potentially buying the product. Freezer (2009) also mentioned that nigh, crafted precision, product freshness, careful selection of the finest raw materials, respect and consideration for our customers’ are their key values for its ; success.

Today Freezer has gone international, being one of the big names globally, : hey have their characteristic of being “ global”, think globally, act locally. ‘ A company Inch is both global and local, which focuses on international development, without going sight of its relationship with local communities. ‘ (Freezer 2009) MARS Velars has their own different set of successful factors. They focus on company as Manhole, with a Five Principles policy guiding Mars as one. This Five Principles includes Quality, Responsibility, Mutuality, Efficiency and Freedom.

The company is activated to deliver highest quality to their product and work, all staffs are to be -expansible towards their duty and Job for results, to take initiative and Judgment MD make decisions as required, and accountable for their standards. Mars also ‘ live in mutual benefit shared with all colleagues, achieving efficiency by not Massing any resources or material, the ability to organize and maximize all the assets maximum productivity and lastly freedom.

Being one of the world’s largest family-)wend corporations, in order to grow, funds are required, and as such mars sold ; docks to fuel their business, they exchanged a portion of freedom to achieve growth MD prosperity. Mars success factors are build form within the company, ; threatening and growing as one. They ensure that their products are delivered at TTS finest, organization growing with sufficient funding, and all employees understand heir responsibility and building a sense of belonging towards the company. Both : impasses adopt different factors towards their success.

Freezer creates a branding : hat people will remember their product when they think of something, such as for a }fit, a snack or for pleasure, giving consumer a sense of attachment towards their ‘ reduce. Whereas, Mars success within organization, building a strong organization : ultra and belongingness to their staff. Competitiveness rhea are four basic strategy theories in which organization can profit from *obligation are internationalization are International Strategy, Localization Strategy, ball Standardization Strategy and Transnational Strategy.

Hill, Wee and Standard (2012) define International Strategy as minimal local customization of : he product that was first launched and produced by the company and distributing : hem internationally. This allows head office to have tight control over established manufacturing and marketing function in the other countries. Localization / Evolutionist’s Strategy is a strategy whereby each country market is treated as independent and best serviced by a subsidiary dedicated to meet its local needs and : notations (Seal-Horn & Faulkner 1999). A good example would be McDonald.

They ere adopting the “ Global” (think on a global scale, but react on a local scale) marketing nix principle towards their product. Despite wanting to maintain a certain level of ; tankards around ten world, It Is Important Tanat company unreason TN Jefferson countries adaptation is required such as culture, customer tastes / ‘ references, and even their customs. For example Mcdonald’s restaurant in India ; reverse vegetable Nuggets and a mutton-based Maharaja Mac (Big Mac) (Vaginal 2001). Such action is believed to be necessary if global companies want to grow

Nothing that country. Global Standardization Strategy defines firm that focus on increasing profitability and profit growth by reaping the cost reduction that comes tom economic of scale, learning effects, and location economies; that their strategic pal is to pursue a low-cost strategy on a global scale (Hill, Wee & Disarrange 2012). Zero have an extensive product range, their distribution list globally is not usually : omelet. Some of the Freezer products can only be found at certain countries and /o may not be able to find that product elsewhere.

However, Freezer adopts this treated where organization produces and sells standardized products in different market. They use a central divisional office and offices where decisions and marketing strategies are made at a division headquarters. This will ensure the *laity and reliability of their products. Transnational Strategy is define by Seal- Horn & Faulkner (1999) as the attempt to build and benefit from interdependent network worldwide, which both develop and share specific knowledge and expertise led at dispersed international location. ‘ Procter & Gamble (P) is one example of : impasses that adopted this strategy.

They started off as a localization strategy and now transnational strategy. P now coordinates its skills and resources to reduce : cost across countries and increase its differentiation advantage inside each country well (Sweatshops 2010). Mars is also another company that is using this strategy. ‘ reduce is produced and sold is somehow different, yet somehow standardized, Mars : imbibe the benefits of global scale efficiencies with the advantages of being locally -expensive in a country and requires boot centralization and decentralization ; multitudinously.

Freezer has also undertake its’ brand value towards becoming the SST choice for special sharing and gifting, this actually creates strategic myopia. Kelly and Booth (2004) explains that strategic myopia is the inability to visualize, failure to interpret or foresee the organization’s business environment, rejecting those things : hat are unknowable out of hand as “ unrealistic or impractical”. Freezer Richer : souses a lot on marketing only on festival season and believes that this is the key to ‘ costing their sales, thus emphasis a lot on seasonal campaigns.

This is not the best Nay to make sure that consumer thinks of their product for the other months besides estimate such as Christmas or Valentines, where chocolate are highly sought as for }fitting (Blanchard 2011). If Freezer already know how to market other product line ; such as Nutshell, Kinder and Tic-Tact all year round, why can’t they do that with Richer? Richer sees themselves as a luxury brand but however their product ‘ ligament does not coincide with their branding, Richer can be found at the : nonviolence store, grocery store, along with all the other chocolate in the marketing.

Ninth a marketing mentality only boosting sales during festival season, all other months consumer would hardly recall its’ presence. Therefore, I believe that Mars is Noreen competitive than Freezer in terms of internationalization; they have a deep imprint on consumers mind whenever they require chocolate for snacking, and it is : nonviolently to think of M&Ms or even Snickers bars on a daily basis. Their strategic ‘ ligament AT products near scanners’ ales, on ten meal-level rack winner consumers : an locate, generates consumer impulsive buying.

Mars also adopt marketing ; treated targeting the influencer, normally would the children causing them to influence the decision maker and purchaser, who would be the parent’s. This helps Velars in increasing sales. Changes undertake for competitiveness and profitability Sq both leading chocolate manufacturer globally, they each have their own strength MD weaknesses in terms of marketing and promoting of their products. However, if I ever given the responsibility of managing these two companies, I would incorporate international strategy in order to make the companies more competitive and ‘ refutable.

As understood from the above, international strategy is one in which : many centralists a function at home but locate manufacturing and marketing Unction’s in other countries in which they do business. As chocolate is a product that ; reverse universal needs, unlike other food that might have restriction towards the Jefferson country such as no pork in Muslim countries, they do not require any iteration and there are no significant competitors.

Therefore it is very easy for : housecoat industry to enter to other market, the only need is to strategies their marketing plan in terms of local context to attract and attract the influencer who in : urns will be able to change the purchasing decision of the decision maker. By hosing this strategy, companies can also tap into building their manufacturing : stories and marketing in developing countries such as China, Thailand, Romania, Inhere their labor is cheap as seen in Appendix 1, table 1 (http:// vow. Worldliness. Rug/total-personal-income. SHTML). The main strategy for setting up : stories in developing countries is Natural-resources seeking, Efficiency seeking, Blanket seeking and Capability seeking. Cocoa seeds is the main resources in making : housecoat and it is know that most cocoa plantation are in Africa, where land are willable for huge production. Low-cost / cheap labor force in manufacturing can be : AP into China, Just like Apple, where they outsource their production of electronics pegged to Foxing whom are one of the biggest players in China.

Having to enter into new market especially developing countries, you gain access to new market over : miming trade barriers, creating Job opportunities to the locals and boosting their national gross domestic product and improving local standard of living for many. ' In international firm, the level of independence is higher, integration is required to : acclimate the transfer of core competencies and skills'. As the performance ambiguity s dependent on the quality of the manpower competency transferred, performance ambiguity can exist. Hill, Wee & Disarrange 2012) Additional consideration to : hanged : many that are looking into entering a foreign market for expansion can also : insider the various modes of entry they could adopt besides penetrating into the : entry. Some modes are more flexible, while some reduces resource requirements. rhea are five main choices of mode to entry, such as export, licensing, foreign acquisition Coining venture with a local company), franchising and setting up a Unholy owned subsidiary in the host country. All these modes have their benefits and jaggedness's as well as below.

Advantages includes – low initial investment, avoids : read barriers, access to local knowledge, control over own technology and foreign)operations, avoids risk of overpayment and avoid buying unwanted assets. Disadvantages wall Include – potential costs AT trade Darkles, Doolittle to respond to : customer needs well, lack of control over the operations, slower setup, high risk high : commitments and potential adverse selection problem of employee. All these modes Ђas their each advantages and disadvantages, therefore company management ; hookup consider carefully and weigh the differences before deciding.

Conclusion the strategy are viable for company to adopt in expanding the company globally, forever there is always disadvantages or criticism towards all theories. Hill, Wee & Standard (2012) argues that the weakness of international strategy is that over : mime, competitors will be able to overtake and outrun your firm is you do not take ' reactive steps to reduce firm's cost structure. Therefore in order to conquer the racket, company needs to shift towards a global standardization strategy or : orientations strategy.

The same can be said for localization strategy, it may give)organization a competitive edge, but when faced with aggressive competitors, the : many will have to reduce its cost structure and move towards the transnational ; treated to maintain survival in the market. It is very much dependent on how the management decides to move their product in terms of placement and marketing, ‘ ringing in their product to a whole new market, at the same time observing the market movement and make necessary changes.