

Verizon's expansion into Australian market research proposal sample

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



After Verizon Company has decided to venture into Australian market, the company must adopt an appropriate entry mode into the market. The four universal forms of market entry are joint venture, exporting, sole venture, and joint venture. Considering that all these entry modes entails resource commitments, an initially adopted entry mode maybe difficult to change due to the high chances of money and time loss. Entry mode is therefore very crucial and significant in strategic decision. This paper will present recommendations to Verizon Company on how they should enter into the Australian market; this will include how they will staff the operation, marketing and distribution strategy, pricing, advertisement, training and development, production facilities, pay and compensation among many other things.

Penetrating a foreign market demands a lot of effort, money, and time. In order to successfully venture into Australian market, Verizon Company will have to adopt a promotional campaign that will reflect the conditions present in Australia such as their socio-cultural influences, religion, and language laws. The promotional campaign that will be adopted will respect the people's religious stance, their culture, and civil rights.

The company will conduct advertisements and campaigns so that the target customers can be reached and informed (Tyagi & Kumar, 2004, p. 282).

Verizon will find a suitable advertising agency since it is not familiar with the consumer's preferences and behavior in the country. Using an intermediary is very important especially when one is not familiar with the foreign market.

Australian law should govern all the contracts that will be signed by the

company. It is recommendable to put everything in writing; a more reliable way of reaching the shareholders should be adopted other than through phone. The company should choose an excellent custom broker to avoid delays.

Financial planning is very important in every aspect of investment (Gitman, Joehnk, & Billingsley, 2011. p. 474). Other than plunging into the current operating funds, the company will have to obtain working capital, payment guarantees, risk insurance, security for overseas clients and distributors, and a long-term source of finance to buy fixed assets.

Pricing a service, is a very important part in making a business profitable and marketing the services of a company. Pricing the services offered by Verizon Company is a very critical factor in venturing the Australian market. Prices of the services offered by the company must be low enough to be competitive and yet high enough to realize a sound profit. Essentially, the cost of the service offered by Verizon Company to its customers in the foreign market must incorporate all the expenses to deliver the service, which will always mount the bottom line significantly.

Before reaching on an agreed price of a particular service offered by the company, Verizon will consider costs involved in advertisements, bonuses, and commission, consulting and legal fees, bank collection fees, terminal charges, foreign market research, and export packaging. Once the company has determined its break-even price based on the costs incurred in delivering the service, the Company can now go on and set its prices. The company should present a pro-forma invoice to its clients to give them their price quotations on the services they offer. The quotations in the pro-forma invoice

should be binding, in order to prepare a good invoice the company should present a detailed description of the service they offer and its sale terms. Service price should be quoted in Australian currency to avoid confusion, additionally; the period in which the price will be valid should be indicated. When a company decides to venture into a foreign market, variety of options is open to it, these options vary with risk, and the cost involved in venturing into the new market, an appropriate entry strategy should therefore be adopted to ensure that the a company keep away from irrational expenses. Considering that Verizon is a service company, it is advisable for the company to adopt joint venture marketing strategy.

Adopting a joint venture entry strategy means that the company has a management voice and equity positing in the foreign market (Cherunilam, 2010, P. 497). A partnership between the foreign firm and the home firm will be established, resulting in the formation of a third firm. A joint venture will give Verizon company access to local market and control over operations, and will be less exposed to risk expropriation. Arguably, this kind of agreement is very trendy in global management; it is popular because it avoids control problems of the other market entry strategies. Consequently, the presence of a local firm offering the same services in Australia will ease the amalgamation Verizon in to the foreign firm environment.

Considering that Australasia has competent workforce, the company will employ most is staff from the country, these staff will be trained and assigned work by professionals who have the necessary educational background and experience in the field. Additionally, the managerial team will be established, this team will uphold the company's ethical stance and

the organizational structure like that in the home country.

In conclusion, after an analysis of Australian market has been established, the company will penetrate into the foreign market by engaging in advertisement campaigns, employing competent staff, and adopting a managerial team similar to that in the home country. Additionally, joint venture marketing strategy will be used and a reasonable pricing adopted to integrate into the market effectively.

References

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