

Giordano holdings marketing case assignment

[Business](#), [Marketing](#)



Likes to take risk and not afraid of failure. Alai states, “ As a retailer, the product is half of what we sell. The other half is service. ” 0 With their vision that high sales will result to high profit they engaged in competitive prices against top competitors Problem Identification How would they approach the market in China. Here are the following challenges the company has encountered. Franchising Laws in the country Cultural diversities Very competitive market Frequent blackouts Inconsistent delivery schedules High operating cost Issue with the Chinese government Pricing Analysis of the Problem

CLC Giordano tried implementing the same methods and strategies (which has proven to be successful) to a different country without considering cultural diversities/ was over confident in running the company “ his way’ and dubbed financial projections, budgeting and Mamba’s as bullwhip. He also did not invest in market research. Alternatives Option 1: Negotiate Franchising . Start all over again. Evaluate what has happened then redo everything from Planning to Implementation. Utilize a new market penetration strategy for China. Invest in market research and feasibility study which will help understand the behavior of the Chinese market.

Define the Market Segmentation specifically the Cryptographic Segmentation to understand on how would the company penetrate each target social class pros: 0 Conductive research will help the company understand the economic status of the country. 0 Will give the company an idea of the lifestyle of Chinese people 0 It will identify Correct pricing for their products 0 Help the company understand on how to promote the brand properly By partnering

with local businessman it will lessen the political and legal issues knowing how Chinese people thinks) Cons: 0 Market research is expensive 0 It may be better to cut your losses. Board/limestone might not agree to this strategy
Option 2: Learn from this mistake and penetrate other developing markets 0 Variety of market segments 0 These developing markets may hold less competition. 0 More capital will be needed in expanding and partnering with other countries 0 Will hurt brand image 0 Stakeholders will lose faith to the company
Decision Our group has decided that It will be better for the company to pursue option 1 . Giordano Holdings Limited will prosper by choosing this alternative.