

# Implementing strategies for developing their businesses

[Literature](#), [Russian Literature](#)



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The firms operating in today's business economy needs to go for continuous  
expansion to help develop their competitive potential. In the course of  
developing its business both across national and international borders the  
companies need to conduct certain strategic activities. The firm in regards to  
developing their business or idea needs to largely market or promote their  
products or services. In the course of this strategic direction the company  
needs to adequately devise marketing and promotional strategies keeping in  
mind the geographic and cultural factors pertaining to the different regions.  
Similarly in relation to marketing and promotional activities the firms need to  
adequately communicate with the social entities to obtain their views in  
regards to their business activities. Thus herein the firm also needs to work  
on effective communication strategies to develop their markets. In regards  
to marketing strategies the firms need to form market research teams that  
would help provide adequate information to the companies about the new  
markets where they would develop their business. Thus it is found that  
companies in order to effectively gain knowledge of the new market area  
and to create a separate brand identity amidst existing concerns needs to  
devise effective strategies. Similarly the firm needs to draw a large pool of  
finances to help achieve the above activities. Thus the firm needs to  
effectively plan to develop its financial resources to assist its business  
venture in gaining new markets (Burger, 2004, p. 67; Sloman and Hinde,

2007, p. 9). Perfect Competition and Business Strategies The situation of perfect competition reflects that there are large number of both buyers and sellers in an economy. Existence of both large numbers sellers and buyers happens to create very lesser space for individual firms or entities to solely manipulate or cause changes in the economic system. In such hypothetical situations the firms containing in an industry fail to render suitable impacts on each other for gaining market expansion. Large number of companies present in the different industries tends to cover up the areas in such mode as in leaving no area left for other businesses to develop. Thus a single company belonging to one industry fails to render any significant strategic changes in such perfectly competitive markets or render any type of manipulation to gain control of newer market areas. Thus in total a perfectly competitive market increasingly delimits the case of devising of business strategies by a firm to gain control of newer markets and thereby cause rapid business expansion in such territories. The firms contained in an industry existing in a perfectly competitive economy are observed to be quite weak in making any strategic moves to gain control of newer markets. Further the buying and selling population in a perfectly competitive market are also held to gain large amount of information pertaining to products and services produced and as well as business policies. This makes the transaction environment too smooth and henceforth does not require any type of business strategy to help in making business gains (McCraw, 2007, p. 253). Emergence of Strategic Interaction The case of perfect competition reflected above thus shows no such need for companies to take onto strategies for developing their businesses or expanding their markets.

However the case of perfect competition gets disturbed owing to the emergence of situations like monopoly or oligopoly where sellers continually diminish to become single or little in number. Similarly the case for monopolistic competition also arises wherein there are sellers concentrating on the sales of different type of products. These situations lead to the emergence of imperfection in the economy which was once characterised as perfect. In this case of imperfection the business enterprises in order to gain both financial and managerial gains start devising on some strategies. These strategies help the business corporations to devise some innovative plans and processes to gain hold of new target markets. In cases of perfect competition it is found that the business corporations tend to lose their individual fervour and are mainly guided by market forces while tending to devise business policies. Thus they fail to adversely compete against each other. However in regards to imperfect competition the case earns a stark contrast. In such situation the companies are not governed by any market forces. Rather these companies are required to devise strategies which would help them offer innovated products or services to the larger market. Thus this imperfection in turn tends to create a need in the business companies to devise business strategies to conquer larger market areas (Jeurissen, 2007, p. 98). References Burger, F. (2004). Church Management Basics. iUniverse. McCraw, T. (2007). Prophet of innovation: Joseph Schumpeter and creative destruction. Harvard University Press. Jeurissen, R. (2007). Ethics & Business. Uitgeverij Van Gorcum. Sloman, J., and Hinde, K. (2007). Economics for Business. Prentice Hall.