

# [International marketing plan oce south korea assignment](https://assignbuster.com/international-marketing-plan-oce-south-korea-assignment/)

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International Marketing Plan Semester 1 Team 2 Table of Content 1. Introduction 3 2. Macro analysis \* Demographical analysis 4 \* Economic analysis4 \* Social / cultural analysis5 \* Technological / ecological analysis5 \* Political / legal analysis5 3. Market analysis \* Competitive analysis7 \* Distribution analysis7 \* Customer analysis 7 \* Industry analysis 9 4. Country Selection10 5. Evaluation entry strategy \* Current entry strategy11 \* Choice of entry strategy of company11 \* Recommended entry strategy 14 Your entry strategy 16 6. Evaluation marketing strategy \* Marketing objectives17 \* Segmentation 18 \* Targeting19 \* Positioning19 \* Marketing mix20 7. Appendix \* Additional information23 \* Total Scores25 \* Sources27 \* Research proposal28 Introduction We are students from International Business and Management Studies of the University of Fontys located in Eindhoven. The team consists of 5 team members, which are: Tamim Heijnerman ??? Member Diana Milena Lopez Moreno ??? Secretary Loni vd Wildenberg ??? Quality Control (Layout)

Ishmael Duncanson ??? Quality Control (Grammar) Wang Miao ??? Chairman The main objective of this research is to find out which country, Taiwan or South Korea, holds the best opportunities for Oce to export to. In order to reach this objective, we are executing research by performing a macro and meso analysis for both countries to find out which one is the best choice. Good cooperation and good communication is essential for a research group to operate as expected. The Country selection has to be finished before the 5th of November.

During the first week, from the 19th October to the 22nd of October, like a research plan, a macro analysis and a meso analysis. Macro analysis Demographic analysis There are 576, 916 companies in Taiwan, while South Korea has 72, 000 companies, which means that Taiwan could have a larger potential market than South Korea. There are locally 408 large companies in Taiwan that involve the same kind of business, and that are established within the same area. This could be a threat to Oce due to the high concentration of competitors within that area.

Taiwan produces less widely known printers compared to South Korea and FDI are given the national treatment, which gives Oce the opportunity to better compete with the rivals. Macro analysis Economic analysis Taiwan has a dynamic capitalist economy with a gradually decreasing government guidance of investment and foreign trade. In order to keep up with this trend, some large, state-owned banks and industrial firms have been privatized. Exports, led by electronics and machinery, generate about 70% of Taiwan’s GDP growth, and have provided the primary inputs for economic development.

On the other hand, South Korea is currently among world’s twenty largest economies, which will guarantee a market that has sufficient funds to purchase the printers. Since South Korea is one of the few countries in Asia that belongs to the developed countries in the world, it can provide potential clients for our product. Taiwan is experiencing an ongoing positive growth rate. In a 2010 estimate the GDP of Taiwan is worth US$ 426. 984 billion. However, the GDP in South Korea has been experiencing a positive growth as well, and was worth an estimated US$ 986. 56 billion in 2010. This makes South Korea more opportunistic because of the possibility that their purchasing power is higher. Due to the fact that there are plenty of B2B opportunities in Taiwan and people looking and wanting the use, help and activities of our product. The market is about USD 2 Billions annually, and is shrinking 1-3 % per year. The knowledge of legislation regarding export has already been established by other Oce products exported to South Korea. Oce is allowed entrance to Taiwan due to the fact that Oce has already been oing business with Taiwan in the past. There are no relevant import quotas conflicting with the exporting of Oce to Taiwan. There is a lot of support from Oce itself which is coming from the company in The Netherlands and the subsidiaries located in Taiwan. As for export or import between The Netherlands and Taiwan, The Netherlands holds the biggest share in Foreign Direct Investment and it is the 2nd largest trading partner in Taiwan. The Free Trade Agreement between the EU and South Korea is still awaiting ratification by the Parliament of both countries.

A citation by European Commission President Jose Manuel Barroso states the following: “ This agreement is by far the most important trade deal ever concluded by the European Union with one country, and the first free trade agreement with an Asian country”. The payment of customs duties, business taxes, and trade development service charges is necessary at the time of export to Taiwan or South Korea, and in case of goods where upon a customs duty is imposed based on the VAT system, the taxable amount will be calculated based on the transaction price.

Business Taxes are applied when selling goods, giving services, and exporting goods to Taiwan with a rate of 5%. (Taxable amount of Customs Duties x Tariff rate) x 5% VAT = Taxing Expenses. In South Korea the Harmonised Custom System is applied. This customs duty is 8% of the of the price of the manufactured good. Also in consideration taken should be several other taxes like special excise for luxury goods with a range of percentage between 10 and 20%. Macro analysis Socio / Cultural analysis According to the official global site of Oce there are already distributors and/or agents active in Taiwan and South Korea.

This means the contact has already been established, which makes the elaboration easier with their companies, despite the cultural differences. This will save a lot of time and is at the same time cost reducing by using already contracted distributors and agents of Oce. Corruption budgets should also be taken into account when exporting to second and third world countries. This is measured by the Corruption perceptions index results 2010. South Korea has a score of 5. 4 and Taiwan 5. 8 on the barometer which goes from 0 (very corrupt) to 10 (very clean).

Thus, if taking in consideration to apply a corruption budget, South Korea would be the most interesting country. Macro analysis Technological / Ecological analysis Taiwan is not recognized for advanced high technology in the product we will trade. The Taiwanese technology is especially focused on telecommunication products, while South Korea has the ability to easily adhere foreign technology to the local market, which means that products with high technology standards are well received by the consumer behavior of South Korea.

Taiwan has excellent locations for doing business as well as excellent facilities for distribution (taking into consideration transportation). However, the location of South Korea is more favorable for trade due to its neighboring countries such as China, Japan and the waterway-connections with Taiwan and The Philippines. These advantages are relevant, since Oce could use South Korea as a distribution channel for facilitate trade in Asia in the future. Considering the economic progress that South Korea has been showing throughout the years, trade has become more common within the market.

Due to that, our consumers, in this case companies, the architectural field, lithographers, etc. are more motivated to invest in new technology such as the ColorWave600 offers. Due to the technological level in Taiwan, it is possible that the majority of our target group has already implemented the machinery we will offer. Ecological In the ecological scope, Taiwan is one of the countries that are working towards green globalization. It basically means that Taiwan is very exigent due to the experience and recognition within the technological market.

On the other hand the ” Green” technology concept is very important for South Korea; its effort to promote the concept has been praised by the UN. It is one of the few Asian countries that have developed initiatives that contribute to the environment. Macro analysis Political / legal analysis South Korea permits Foreign Direct Investments only through mergers and acquisitions with existing domestic firms, while in Taiwan they even permit loans as sources for FDI and the Statue for Investment by Foreign Nationals and the Statue for Investment by Overseas Chinese are permitting foreign investors to use NT dollar as currency.

The Foreign Investment Promotion Act implemented by South Korea has the intention to expand tax incentives for High-Technology FDI, while Taiwan offers incentives through tax credits and accelerated depreciation for automation or pollution-control equipment, which is of less importance for Oce. In Taiwan foreign investors are accorded national treatment which will be very helpful for Oce to penetrate a market that already involves a dynamic domestic high-technology market, while the Korean government influences decisions of businesses and investors by executing prescriptive regulations and policies that benefits the domestic industry.

Taking into account the excessive regulation and economic domination by the country’s remaining multi-industry companies existing in South Korea which will make it very hard for Oce to penetrate the market. South Korea is a member of the Organisation for Economic Co-operation and Development; it has the objective to improve and facilitate trade. Both The Netherlands and South Korea are members. This will prevent or resolve issues and policies when exporting to South Korea.

Although The Netherlands holds the biggest share in FDI and it is the 2nd largest trading partner in Taiwan (which eases the complexity of exporting to Taiwan), and the share in FDI in South Korea coming from The Netherlands is not ranking very high; there are agreements (Free Trade Agreement and The Framework Agreement on Trade and Co-operation) between the EU and South Korea that have the objective to improve trade and investment relations. Market analysis Competitive analysis The main competitors of Oce within the printing industry are Xerox, Hewlett Packard, Konica Minolta and Ricoh.

However, those companies do not operate within the domestic market of South Korea. The situation is different in the case of Taiwan since those companies do compete within its domestic market. Due to the subsidiaries that Oce already has established in Taiwan and the distributors that operate within the domestic market of South Korea, we can deduce that Oce products are competing within the printing industry in those countries, and that our target group already has knowledge about our brand and image. The CrystalPoint Technology is the core quality of the printer, it is the first printer implemented with this technology.

Xerox occupies the first place within the printing industry in a worldwide scope, followed by Ricoh and 3rd comes Oce. Information gathered from the sources is stated on the bottom of the page. Information cannot be found about the internal behavior of the competitors within South Korea. Market analysis Distribution analysis Existing traders like door-to-door sales are available in both countries. This can be used to sell our product to companies by showing brochures and giving information through mouth-to-mouth lobbying. South Korea is one of the most advanced countries in direct marketing.

Sales via the Internet are very popular to connect with customers and producers. However, the Taiwanese prefer to see and observe the product before they actually buy it. The average cost of import to South Korea and Taiwan is ??? 528 per container, which means there is no difference between these two countries. The delivery time to South Korea is shorter in comparison to Taiwan, due to different amounts of documents that need to be handed. There are many logistic companies established in The Netherlands that can do this job and facilitate the exportation of the product to Taiwan or South Korea.

Market analysis Customer analysis Strengths of the ColorWave600 The ColorWave600 has a high average printing speed compared with HP, Xerox, Konica Minolta and Aficio printers (see appendix) which will improve productivity of a business. The dpi of our printer is not lacking in comparison to the Konica Minolta and the Aficio printer, and is useful for both GIS formats and large high quality posters. Also the dimensions of our product is relatively smaller than most of the competitors and makes our printer more attractive for both small and large businesses. Weaknesses of the ColorWave600

The Hewlett Packard Designjet T770 is using less power with printing and in standby, which can be very threatening to Oce because of the growing importance of the green concept in both countries. There are many opportunities in Taiwan for us to target tradeshows, printing manufactures and “ suppliers”, for example packaging manufactures and suppliers like Kang Wei Color Printing Co. , Ltd. There are a multitude of Advertising, Graphic art corporations Target group of OCE or KM Color printer should be Graphic Art market and Copy Shops: \* The Graphic Art Industry has roughly 2000 printers in use. There are roughly 4000 Copy Shops in Taiwan. According to Kok Siong Cheng (business developer Oce Taiwan) these statistics refer to the approximate size of the target group for printers in Taiwan. In the year of 2009 there were a reported total of 328 Sr. high school and 163 colleges and universities in Taiwan. In South Korea there are 34 high schools and a total of approximately 240 universities spread over the country. Compared with the Statistics for South Korea, South Korea has a lower count of high schools but a higher count or Universities/Colleges.

When thinking of exporting a high quality printing product, South Korea and its universities would form an interesting target-group. We can also rely on commercial printing branches and tradeshows. Finally, South Korea covers 2/3 of the total production of ships in the world; Hyundai Heavy Industries, Samsung Heavy Industries, Daewoo Shipbuilding ; Marine Engineering, These are very interesting potential clients since they are the biggest in their industry and they need blueprints for their projects.

Taiwan has plenty of B2B opportunities due to the fact that that people looking and wanting the use, help and activities of our product. The Taiwanese market is worth about USD 2 Billions annually, and is shrinking with 1-3 % per year. On the other hand, stated by mister Jae Woo Jung(business developer in South Korea of Oce), the total market size of the Korean digital printing market is estimated at $500 ??? 600 million. Similar to Oce being well known for its high quality and technologic developments and their after-sale services.

The South Korean market also thinks highly about credibility, technical superiority and a stable and quick service support of the suppliers. For Taiwanese costumers, the running cost of the machine, print quality and reliability of the vendor are the most important. On another note, a specialty of Oce in South Korea is their high quality of after-sale services they are offering. Entering the South Korean market after all these years could cause difficulties when looking at their previous suppliers of printers which might give them a special price when considering the lifetime of brand loyalty to the suppliers of printers.

The geographical spread in Taiwan of the educational facilities and advertising companies are for 60% located in Taipei and 20% each in Middle and Southern of Taiwan. The geography of the printing market in Taiwan is big and various, Oce needs to figure where to start and how far it would like to expand, with the aim to be stable into the industry. Due to our target group is currently using older, out-dated printing products but fairing very well with them and their business. When analyzing South Korea the result of the geographical spread of the market is much more concentrate in one area. 0% of the target market is located in Seoul South Korea. This makes doing business a lot easier. Price is another important point to consider if the competitive products are reasonable alternatives at better pricing. Taiwanese customers are very sensitive in areas of speed, trust, convincing and trend. Market analysis Industry analysis Threat of potential entrants is low because there are not a lot of companies that are selling enough of these huge printers to be able to compete with the companies that are. Threat of substitutes is medium because there are a few competitors that offer the same kind of printer.

HP has a lower price which could force Oce out of business or to offer a lower price. Even though Oce may be more expensive, they have a high quality printer with the innovative CrystalPoint Technology and high quality after-sale services. The power of buyers and suppliers are both low. We are the supplier, which makes it irrelevant. The power of buyers is low because there are not a lot of different companies that sell these wide format color printers with the same kind of quality. Overall, this makes the industry competiveness have medium power.

There isn’t a lot of differentiation between the main competitors Xerox and HP which gives them an advantage because they already have established brand awareness. Country Selection Macro ANALYSIS| SOUTH KOREA| TAIWAN| Demographical| 12| 16| Economic| 54| 68| Social / cultural| 15| 12| Technological / ecological | 32| 27. 5| Political / legal | 19| 22| TOTAL| 132| 145. 5| MARKET ANALYSIS| SOUTH KOREA | TAIWAN| Competitive | 38. 25| 21. 25| Distribution| 40| 11| Customer| 86| 49| Industry | 50| 40| TOTAL| 214. 25| 121. 25| OVERALL TOTAL| 346. 25| 266. 75| Conclusion

According to the scores shown in the table, we have decided that South Korea is the most suitable option for export of the ColorWave600 printer. In the following paragraphs we will summarize the reason for choosing South Korea instead of Taiwan. When comparing Taiwan with South Korea, it is shown that there are much more opportunities in South Korea, due to the dimension of the target group. Our target group is companies that print large amounts of prints and those require high quality wide format prints, such as graphic art companies. Educational facilities are also an important target.

But the one that makes the difference, are the companies that build ships (GIS). South Korea has a stable economy. So it is a good economic environment to export the printers to. Considering the economic progress that South Korea has been showing throughout the years, trade has become more common within the market. Due to that, our target group will be more motivated to invest in new technology that the ColorWave600 offers. As for the political part, there are agreements waiting to be applied between the EU and South Korea that have the aim to improve trade and investment relations.

It is also essential to take into consideration that South Korea is a member of the Organisation for Economic Co-operation and Development, which has the objective to improve and facilitate trade. Both The Netherlands and South Korea are members which will prevent or resolve issues and policies when exporting to South Korea. The communication structure in South Korea is highly developed. However, due to the long distance between The Netherlands and South Korea, Oce must invest heavily in distribution fees. This will also be applicable for Taiwan.

Price is another important point to consider; according to the information found about the product of our competitors, there are competitive products that could be decent substitutes. This may force Oce to create a price strategy in order to compete with their rivals. However, all those cons can be overcome with our main strength which is the Oce CrystalPoint??? technology implemented within the ColorWave600, the dimensions of the printer and the quality of prints. Current Oce Strategy At the moment Oce uses indirect export and therefore using independent intermediaries.

There are no sources that would specify the current entry strategy of Oce in South Korea. Differentiation within the competition of Oce maintains. \* Production \* Research and development \* Services and sales Production Oce has a production plan in the Netherlands. This will secure their high quality products. Oce wants to assure that the quality is in accordance with their high standards, which they can only secure when producing in their home country. Research and development These departments are of high value for Oce, creating an excellent reputation when thinking of speed, user friendliness and quality.

Oce Research and development offices are placed in nine different countries. These laboratories are placed in the Netherlands, Germany, Belgium, France, Romania, Japan, Singapore, Canada and United States. These laboratories develop high-tech printers and digital information systems. It is quite normal for Oce employees to work together in teams consisting of experts from different fields and work together as one team. Sales and services Oce has its own sales and services offices in 30 countries. For South Korea at the moment is a department in the head office of Oce in the Netherlands (Emerging markets & Direct export).

A close relationship with the customer is of great value for Oce. Daily 18000 employees world wide have direct contact with customers. The main tasks of this department within Oce are : \* Marketing \* Sales \* Providing specialized after-sale service Choice of Current Strategy In this part we will talk about the most common strategy used by Oce in most countries. Also, we will discuss the reasons why Oce has chosen indirect export as an entry strategy for South Korea. At this time, Oce has no headquarters; it has several distributors in South Korea. This method belongs to individual indirect export.

Indirect export can be a collaborative effort with other companies or can be conducted with the assistance of individual representatives. The following information is about the different distributors of Oce. For Architecture/Engineering/Construction/Government J Plus Inc. Email:[email protected]co. kr Website: www. oce-korea. co. kr For Corporate/Manufacture Innodocu Co. , Ltd Email:[email protected]com Website: www. innodocu. com Shaco System Inc. Email:[email protected]co. kr Website: www. shaco. co. kr/ For Copyshop/Reprographers Shacoh Korea Corporation Email:[email protected]o. kr Website: www. shacoh. co. kr For Display Graphic Systems Gretag Imaging Korea Email:[email protected]co. kr Website: www. gretagkorea. co. kr For Document and Production Printing Systems: SK Networks Email:[email protected]co. kr Website: www. ocekorea. com and www. sknetworks. co. kr The next picture represents the different types of indirect export. The most important criteria that embraces the reasons for the Oce Company to choose this entry mode are; customer relationship, communication errors, distribution control and product quality. Customer relationship

Oce’s most important priority is to be very close to customers. One of their strategies is to establish a good relationship with customers and fulfill their needs. Communication problems The Netherlands is far away from South Korea. Either Dutch or Korean is not popular language. It is hard to find educated Dutch people that speak Korean in the Netherlands. Direct export is not a good idea for South Korea. Distribution control Due to the fact that Oce manufactures its products in The Netherlands, sometimes distribution control becomes a problem. However we already did some research about distribution.

It has been proven that there are no barriers for exporting to South Korea, since the cost of logistics is not so high and there are many facilities favorable for trade. Product quality In South Korea, the customers prefer high quality products. Because Oce manufactures its products in The Netherlands, this will assure that high quality standards are being complied. After that they will export products into the local market. The advantage of indirect export is low risk and it is especially suitable for a company that wants to export into a market, from which its culture is very different from the Dutch.

The disadvantage of indirect export is less control and lower profit for Oce. Recommended Strategy Below is a chart that shows the different possibilities for Oce, when exporting the Colorwave600 to South Korea. We suggest to Oce to continue with indirect export. But instead of using distributors/wholesalers to sell its products in South Korea, Oce should focus its strategy on a more collaborative way. We think that an Export Management Company will be useful due to all facilities it brings to the export of a specific product (in this case the printer Colorwave600).

Applying the EMC strategy, Oce basically would have the opportunity to introduce the Colorwave600 within the printing industry in South Korea, without taking much risk. On the other hand, because the CrystalPoint Technology of the printer has been recently implemented in the printers, we consider it important to start exporting to South Korea as soon as possible. In this process, EMC is a key feature for attacking competitors due to the knowledge and export Know-how that the strategy possesses, related to the South Korean Market.

Nevertheless, it is essential for Oce to find the most suitable EMC, which will represent the company and contribute to the image that Oce has been building through the years. Therefore, Oce must make clear agreements (estipulate contracts/incentives) with the EMC, for instance about the weekly and/or monthly reports of the sales, commission and the most important is to ensure that the EMC must be willing to protect brand awareness, and the after-sales quality of the ColorWave600.

Perhaps, there are some points of EMC strategy that are not so favorable for Oce, but we consider them irrelevant for the company at this moment. Moreover, since Oce is suffering lack of knowledge about the competitive products within the market, we have decided to ignore their prices, the quality of the products itself and the after-sale service. This is basically the reason why, at this moment, direct export can harm Oce’s stability and image. We think that it is better for Oce to wait until the Colorwave600 and its technology is known within the South Korean market.

Thus, in case that the latter complies with the expectations (for instance; positioning the printer above the competitor’s printers, increase the level of sales, and recognition from the target group) it will be feasible for Oce to approach directly its customers. Direct exports will address Oce to acquire more control over the sales and more margins of profit. In conclusion, Oce will personalize more of the movements of trade in South Korea. Our Entry Strategy

We have decided to apply indirect export, and we have chosen Export Management Company as it will be the best entry strategy for South Korea. The tasks of this EMC will be; establishing distribution relationships, providing ongoing after-sale services and the export of the Oce ColorWave600 in general (including preparing documents and paying duties). Advantages \* Using an indirect entry strategy will make it less risky for Oce to export the product because they will still have a high amount of control about the process. Having our EMC intermediaries, there is less worries about the details of the export processes and logistics. \* Having trained Oce personnel within our EMC in South Korea to handle tasks, customer services, and most matters of the entire export process. \* Having South Korean personnel that possesses knowledge about and experience with the domestic market. Contract a Korean manager that is willing and able to manage the EMC. Disadvantages \* We must be held responsible in the Netherlands to collect international payments and dealing with shipping and costs. Our overall profits will be less. \* Likely to lose control of knowing our consumers and small foreign sales. Activities to apply indirect export \* Buy/rent available space to establish the export department and combine with an office that offers high quality after-sales service. \* Find out which freight forwarder is capable of arranging safe and efficient transport for our product. \* Hire Korean managers to run the export department, who have the knowledge about the domestic market and offer additional training about the Oce ColorWave600. Set up a contract that will protect both the property rights of the Oce ColorWave600 and its CrystalPoint Technology, and the amount of control obtained by the Oce headquarter. Marketing objectives Marketing segmentation The first step is to find out which market segments are opportunistic for Oce to penetrate. This will be done by performing market segmentation. The subdivisions will be as following: \* Geography \* Demographic \* Psychology \* Behavior. Target group Find out what target groups are interesting for Oce and what are the best marketing options for reaching these groups successfully.

Positioning The positioning objective for Oce within the market of South Korea is to beat the competition by having better products and services. The domestic market will not be a barrier to Oce products. Product To address what changes are mandatory for the ColorWave600 to successfully reach its target groups, including the packaging, language, branding, legal requirements and quality measures of the product. Modification will be made according to the wants and needs the target group. Service The overall service provided to the customers has to be excellent and value-adding.

Service objectives are: to provide a satisfactory warranty available to all customers; to provide service where needed and in a rapid pace; to provide consultancy for both the installation and the use of the products; and to provide a flexible financial service that makes leasing and renting available. SMART To sell 12 ColorWave600 printers within 4 months of exporting and gain a market share of 5% within one year. Segmentation For Market Segmentation of the Color Wave 600 in South Korea, segmenting the Market by Target group’s importance seems most appropriate as part of our entry strategy into the South Korean Printing Market.

Shown above is how we would like to segment our potential market. This is more-so a generalized description of our prospective of market segments/targets. The percentages show what we think of as important throughout our Target Areas. Of course within our marketing/sales advertising of the Color Wave 600, we will try to target the full amount of prospective companies in each of these segments. Our Main Target Areas are: \* Ship “ Building/Marine Engineering”- South Korea is one of the highest producers of ships in the world.

In these types of engineering a multitude of Blue Printing is necessary and likely at a fast and high quality without much regard to pricing. \* The “ Governmental and Educational” aspect in any country is of major importance hence it is ultimately the basis or running a country (besides the people themselves). These sectors have high use of printing, copying and overall paper documentations. However the Color wave 600 specialty is not focused on sectors that have a high use of printing, copying and overall paper documentations. Nevertheless, this printer can be offer to these fields. In the “ Graphic Arts and Advertising” field, high specification for high quality and volume or prints are vital. These two sectors are the basic aspects of overall business procedures anywhere, never-the-less South Korea. Targeting Target groups \* Shipbuilding engineering \* Government \* Educational facilities \* Graphic Art corporations \* Advertising industry Each of these segments has their own purpose for using the Oce printer but all need the same accuracy, speed and quality to be an efficient and effective upon their branch.

When taking the price of the Oce printers in consideration, Oce will have to target a market that can afford to pay a little bit extra for higher quality and after sale service. When considering the price, we selected the GDP as one of the aspects in order to have an idea of the buying power of the potential customers in South Korea. How to reach and communicate with these segments: \* internet \* sales representatives \* trade fairs \* mouth to mouth Positioning We consider the ColorWave600 a competitive product, which could fulfill high expectations within the South Korean market.

This printer is manufactured by Oce, a company which is one of the best companies in the field (industry), due to its awareness about the customer’s desires and the after-sale services such as warranty on repair and/or substitution of the product. Those needs mentioned above could be fulfilled with the following characteristics of the printer: The ColorWave600 is the first printer implemented with CrystalPoint technology, which contributes to the quality of the printer, and also the printing speed to do one print is quite short comparing with the final result due to fast drying of the ink and the dpi resolution.

On the other hand, the ColorWave600 has been prized with the IF product design award in Germany and the Good design award in Japan. These awards are granted to innovative products that produce high quality prints and have huge potential because of its entire design. It is difficult to find the Colorwave600 direct competitors, since all companies like Xerox, HP, Konica Minolta and Ricoh have an extended list of products. Nevertheless we have made a table (page 23 of the appendix) which compares four printers from the competition with the Colorwave600.

As shown in this table, all of the mentioned competitors have a similar printer with pros and cons. Basically, once again we confirm that the strengths of our printer are based on the technology and the experience of Oce itself within the printing industry. Due to the small knowledge we have about the prices of those printers listed in the table, perhaps problems could occur because of the price of the ColorWave600 towards the market and its competitors. However, there will be solutions to overcome any difficulty.

When focusing our sales on the shipbuilding industry of South Korea, we can persuade them with the high quality of our product and how favorable it would be to streamline activities of their field. Another alternative could be that Oce imitates the price strategies used by the competitors in certain periods of time. Marketing Mix Oce is looking for an effective way to penetrate the domestic market of South Korea by means of the marketing mix which includes product, price, place and promotion. Product

The ColorWave600 is the world’s first color toner wide format printer using the Oce CrystalPoint Technology. This unique technology uses Toner Pearls for high quality prints on plain and recycled paper at a high print speed of up to 31 seconds per A0. The ColorWave600 prints both in color and in black & white and with excellent results from Computer-Aided Designs up to full color posters. More information about the ColorWave600: | Oce ColorWave600 | Size (W x D x H)| 1575 mm x 893 mm x 2100 mm | Cost price| Printing: ??? 35, 000All-in-one: ??? 75, 000| Print speed| 1. ppm (120 sq. m. per hour)| Format| A0 (1189 mm x 841 mm)| Resolution| 1, 200 x 1, 200 dpi| Technology| Oce CrystalPoint??? technology| Special applications| CAD, GIS| Power consumption| Printing: 425 WStandby: 250 W| Brands Stated on the official site of Oce: “?? 2008?? Oce. All rights reserved. Oce trademarks, logos and service marks (collectively referred to as “ trademarks”) displayed on this website and related expressions, including, but not limited to Oce, Printing for Professionals”, the Oce logo?? and other Oce symbols, are worldwide trademarks of Oce N.

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Oce is committed and trying to satisfy the information needs of users through information management, publishing’s, reproducing. Oce should have a national service hotline in South Korea that sends employees to the complaining company and resolve the problem. Also Oce should give a warranty that is applicable for 2 years. Price Product modification The product is ??? 35, 000 for printing and ??? 75, 000 for all-in-one. We have decided that 5% of price is for product modification. Administrative costs

Expense incurred in controlling and directing an organization, but not directly identifiable with financing, marketing, or production operations. Salaries of senior executives and costs of general services (such as accounting, contracting, and industrial relations) fall under this heading. Administrative costs are related to the organization as a whole as opposed to expenses related to individual departments. In this EMC, at least include sales manager. Transport ; Insurance costs Indeed, if Oce wants to sale products to South Korea, transport and other risks should be take account.

That is why we need insurance to reduce risk and make sure safety transportation. Currency risk There are a lot of risks when Oce enter a new market. For instance, copyright is usurped by competitor, financial issues, distribution issues, and employees’ issues and so on. We suggest that buy a insurance for whole company. The cost of it should cut from profits. Communication costs In this part, communication cost has two parts, one is cost of communicated with customers and EMC; the other one is about promotion cost. It will be 3% overhead cost.

Distribution Distribution Logistical coordination There are several logistical coordination in the Nerthelands. Such as Inepro Industries Ltd, Phillar International BV, De Waay BV, Ovimo Plastics, Firma Bosman and so on. Oce can choose one good compay as coordination. Role of the middlemen Oce has to find a middlemen who can speak English , Korean and understand Dutch culture and Korean culture. At the same time he should be trained with international business. The role of middlemen should be noticed in contract which is very important.

Transport issues In general it takes 26 days to transport goods from Holland to South Korea by ship. The timeframe should not exceed more than 26 days. Outsourcing Oce offers solutions for large and medium sized corporations and public organizations. We have a multitude of practical customer examples showing mailroom, print room, fleet mgmt, creative services and archiving solutions, run by a team of motivated people at your own premises, delivering a wide mix of high quality services. Promotion Promotion is necessary for entry a new market.

We will spend 3% overhead costs for promotion. Promotion is including discount, longer maintenance service, free information and so on. Appendix Economic analysis Taiwan There are no relevant “ import quotas” that are expected to act as barriers to the export of Oce to Taiwan. New Taiwan dollars (TWD) per 1 US dollar – 33. 056 (2009), 31. 53 (2008), 32. 84 (2007), 32. 534 (2006), 31. 71 (2005). \* As shown in the statistics over the past 5 years, Taiwan’s local currency has been pretty stable, and is expected to experience the same variability in coming years.

South Korea Regarding possibilities to import (legislations, policy of government etc. ) In 2000 the country recovered from the crisis due to adapting numerous economic reforms such as the openness for FDI and imports. Regarding possibilities to export (familiar market? ) A long term challenge for South Korea would be the graying of the South Korean population, which could make it difficult to introduce high tech printers (are older people willing and able to learn how these printers work? ). Appendix Comparison Oce ColorWave600 | Xerox 8264E Color Wide Format Printer | Size (W x D x H)| 1575 mm x 893 mm x 2100 mm | 2698 mm x 716 mm x 1332 mm| Print speed| 1. 7 ppm (A0)| 0. 2 ppm (A0)| Resolution| 1, 200 x 1, 200 dpi| 1, 440 x 1, 440 dpi| Technology| Oce CrystalPoint??? technology| 4-Color Piezo-electric drop-on-demand inkjet head with dynamic variable dot imaging technology and intelligent interweaving print technology| Power consumption| Printing: 425 WStandby: 250 W| Printing: 2400 WStandby: 24 W| | Oce ColorWave600 | Aficio??? MP W7140|

Size (W x D x H)| 1575 mm x 893 mm x 2100 mm | 1250 mm x 755 mm x 1200 mm| Print speed| 1. 7 ppm (A0)| 7 ppm (A0)| Resolution| 1, 200 x 1, 200 dpi| 600 x 600 dpi| Technology| Oce CrystalPoint??? technology| High-reliability, high-durability photoreceptor| Power consumption| Printing: 425 WStandby: 250 W| Printing: 3000 W| | Oce ColorWave600 | Hewlett Packard Designjet T770 | Size (W x D x H)| 1575 mm x 893 mm x 2100 mm | 1770 mm x 722 mm x 1050 mm| Print speed| 1. 7 ppm (A0)| 0. 17 ppm (A0)| Resolution| 1, 200 x 1, 200 dpi| 2, 400 x 1, 200 dpi|

Technology| Oce CrystalPoint??? technology| HP Color Layering technology| Power consumption| Printing: 425 WStandby: 250 W| Printing: 120 WStandby: ; 7 W| | Oce ColorWave600 | Konica Minolta Bizhub PRESS C8000 | Size (W x D x H)| 1575 mm x 893 mm x 2100 mm | 1245 mm x 680 mm x 611 mm| Print speed| 1. 7 ppm (A0)| 46 ppm (A3)| Resolution| 1, 200 x 1, 200 dpi| 1, 200 x 1, 200 dpi| Technology| Oce CrystalPoint??? technology| Exclusive Simitri HD+ toner| Power consumption| Printing: 425 WStandby: 250 W| Printing: 1500 WStandby: 30 W| Appendix Total Scores emographic analysis| weight| score| weigthed score| score| weighted score| | SOUTH KOREA| TAIWAN| Number and size of companies. | 4| 3| 12| 4| 16| TOTAL| 4| | 12| | 16| ECONOMIC ANALYSIS| WEIGHT| SCORE| WEIGHTED SCORE| SCORE| WEIGHTED SCORE| | | SOUTH KOREA| TAIWAN| Gross domestic product (GDP)| 3| 0| 0| 5| 15| Export statistics| 2| 3| 6| 2| 4| Is your product allowed to enter the country? What duties need to be paid? | 3| 3| 9| 4| 12| Import quotas and other non-monetary restrictions| 3| 5| 15| 4| 12| Taxes| 5| 4| 20| 5| 25| Does the Dutch government offer any support in the foreign market? 2| 2| 4| 0| 0| TOTAL| 18| | 54| | 68| SOCIO-CULTURAL ANALYSIS| WEIGHT| SCORE| WEIGHTED SCORE| SCORE| WEIGHTED SCORE| | | SOUTH KOREA| TAIWAN| Cultural differences| 3| 5| 15| 4| 12| Changes in the use of the various media. | 1| 0| 0| 0| 0| TOTAL| 4| | 15| | 12| TECHNOLOGICAL ANALYSIS| WEIGHT| SCORE| WEIGHTED SCORE| SCORE| WEIGHTED SCORE| | | SOUTH KOREA| TAIWAN| Geographical aspects and distribution structure? | 3| 4| 12| 5| 15| It is easy to reach the buyers? | 5| 4| 20| 2. 5| 12. 5| TOTAL| 8| | 32| | 27. 5| POLITICAL-LEGAL ANALYSIS| WEIGHT| SCORE| WEIGHTED SCORE| SCORE| WEIGHTED SCORE| | | SOUTH KOREA| TAIWAN|

The strategy of the government related to trade, development plans and membership of international organizations. What is the view point of the government in relation to import and foreign investments? Are there restrictions for foreign investors? | 2| 2| 4| 5| 10| What is the trade relationship between Taiwan and The Netherlands? | 3| 5| 15| 4| 12| TOTAL| 6| | 19| | 22| COMPETITIVE ANALYSIS| WEIGHT| SCORE| WEIGHTED SCORE| SCORE| WEIGHTED SCORE| | | SOUTH KOREA| TAIWAN| Local and foreign competitors: Who are the possible (direct) local and foreign competitors, including number and geographical spread? 4. 5| 3| 13. 5| 1. 5| 6. 75| Does the competition serve the same buyers? | 4| 4| 16| 1| 4| Strong and weak points of each competitor. | 3. 5| 2. 5| 8. 75| 3| 10. 5| TOTAL| 12| | 38. 25| | 21. 25| DISTRIBUTION ANALYSIS| WEIGHT| SCORE| WEIGHTED SCORE| SCORE| WEIGHTED SCORE| | | SOUTH KOREA| TAIWAN| Which existing traders could you use? Stores, warehouses, mail order companies, door to door sales? | 4| 4| 16| 3. 5| 14| What additional services can the various distribution channels deliver? | 4| 4| 16| 3| 12| Which direct and indirect channels are available? 2| 4| 8| 4| 8| TOTAL| 10| | 40| | 34| CUSTOMER ANALYSIS| WEIGHT| SCORE| WEIGHTED SCORE| SCORE| WEIGHTED SCORE| | | SOUTH KOREA| TAIWAN| The target group, the potential buyers (market segment) of the future export product. Have you noticed a high demand for (a part) of your product? | 5| 5| 25| 4| 20| Size of the target group| 5| 2| 25| 5| 10| Geographical spread of the target group. | 3| 3| 9| 3| 9| Market size and growth. | 4| 1| 4| 2| 8| What product characteristics are most important to potential buyers? | 1| 4| 4| 2| 2| TOTAL| 18| | 68| | 49|

PRODUCT| WEIGHT| SCORE| WEIGHTED SCORE| SCORE| WEIGHTED SCORE| | | SOUTH KOREA| TAIWAN| Determination of cost price | 5| 4| 20| 2| 10| Do we have a unique selling proposition in the market? What differences distinguishes your products from the competition’s type, size quality colour price packaging, service etc? | 10| 3| 30| 3| 30| TOTAL| 15| | 50| | 40| Appendix Sources Research Proposal Semester 1 Team 2 IB2pr Written by Loni vd Wildenberg Diana Milena Lopez Moreno Wang Miao Ishmael Duncanson Tamim Heijnerman International Business and Management Fontys Hogescholen

Rachelsmolen 1 5600 AH Eindhoven Tel: 0877 877 266 Preface We are students from International Business and Management Studies of the University of Fontys located in Eindhoven. The team consists of 5 team members, which are: Tamim Heijnerman ??? Member Diana Milena Lopez Moreno ??? Secretary Loni vd Wildenberg ??? Quality Control (Layout) Ishmael Duncanson ??? Quality Control (Grammar) Wang Miao ??? Chairman We are assigned with this project in order to research the possible export opportunities and threats for the Oce Company that are existing within the markets of Taiwan and South-Korea.

After making the decision which country holds the best opportunities, it is expected of us to recommend the best entry strategy and marketing plan for Oce. Table of Content 8. Introduction4 9. Research Method6 10. Analyzing, Reporting and Presentation of information7 11. Planning8 12. References9 Introduction Company Information Oce is a Dutch company that supplies hardware, software, services and imaging supplies. The company’s turnover contained 2. 9 billion euro in 2009. Oce products are sold in 100 countries and the company employs over 24, 000 people.

The current market developments are primarily focused on the introduction of color printing and digital distribution. The key competitors of Oce include Xerox, Hewlett Packard, Ricoh, and Konica Minolta. As one of the biggest suppliers within the field of document management and printing for companies, Oce is exporting their products and services to many countries all over the world. Asia is an important potential market for Oce. Currently they are exploring the opportunities to export to either Taiwan or South Korea. Research is necessary for the decision making.

The Oce’s “ strategy is aimed at optimizing its business processes, strengthening its product portfolio and expanding its distribution power. The current economic crisis continues to have an impact on Oce. As a result, the strategic pillars remain of high importance. Oce seeks to create value for all stakeholders by realizing profitable growth. The envisaged combination with Canon offers the possibility of safeguarding business continuity over the medium- and long-term as well as achieving growth in the future”. The current strategic objectives provided on the official website of Oce are he following: Customers \* To build and strengthen leading positions in heavy production segments in regular format environments. \* To expand the existing position in outsourcing services toward document management services with high added?? value. \* To strengthen the leading position in Technical Document Systems. \* To build a leading position in Display Graphics Systems in selected markets. \* To be a supplier of print media that makes total solutions possible. Employees \* To be an attractive employer worldwide and establish Oce as the employer of choice. Shareholders \* To achieve a Return on Capital Employed of at least 13%. \* To realize an average annual organic growth in revenues of 5%. \* To maintain the relative gross margin. \* To maintain sound balance sheet ratios. \* To further expand a constructive dialogue with shareholders. Partners \* To cooperate in the technology sector with the top specialists in the industry. \* To cooperate with high value suppliers of components, modules and machines. \* To cooperate with market partners that make a substantial contribution toward boosting our distribution power. To cooperate with leading vendor lease partners. Society \* Eco-efficient and eco-effective document management and printing through:?? \* Enabling customers eco-efficient and eco-effective document management. \* Challenging employees to come up with beyond the ordinary ideas. \* Attracting investments from green investment funds. \* Require from partners to adopt the same norms and standards with regard to sustainability as Oce itself adopts. \* Challenging?? partners to inspire Oce with new ideas. \* Combining economic growth with reduced environmental footprint and increased well-being of people. Oce concentrates on strengthening existing and building up new leading positions in the market for professional document printing and document management systems while executing strict cost and cash control”. Objective The main objective of this research is to find out which country, Taiwan or South Korea, holds the best opportunties for Oce to export to. In order to reach this objective, we are executing research by performing a macro and meso analysis for both countries to find out which one is the best choice. Good cooperation and good communication is essential for a research group to operate as expected.

Timeframe The Country selection has to be finished before the 5th of November. During the first week, from the 19th October to the 22nd of October, like a research plan, a macro analysis and a meso analysis. In the second week of the project we are going to finish by deciding which entry strategy is the best for the country we have chosen. Group Information This research group is consisting of five people. The group members are: Tamim Heijnerman, Loni vd Wildenberg, Diana Milena Lopez Moreno, Ishmael Duncanson and Wang Miao.

We have divided the tasks concerning this project upon the members. Research Method 1. How? The most appropriate method to use in order to execute this research properly is Desk Research. This research is based on secondary data. For instance, the aspects of the MACRO and MESO analysis have been previously gathered by other researchers. Even though not all objectives of the research are in correlation, it will help us to find information relevant to our objectives. Based on this information we will be able to make a proper decision, whether we recommend Taiwan or South Korea. . What? First of all, we must find information about the economical, technological, legal-political, demographical, ecological and socio-cultural aspects of each of the countries, with the aim to complete the macro analysis. Secondly, we will do research to execute the market analysis. This is basically about the local market behaviors within each of the countries. Finally, after deciding which country is more appropriate for export, we must gather information about the marketing mix. We will need to develop a strategy that will lead the product to success within that country. . Where? The information will be collected through research engines like Google, Ask, Teoma, and Altavista, as well as the Fontys Mediatheek. This latter is a tool provided by the coaches which contains information about the important aspects to consider for the country selection. The main objective of this part is to try information that is clear, relevant and reliable according to a specific topic. It will ensure that the quality of the research is kept high, and therefore we will assert when the country selection and the analysis take place.

Analysis, reporting and presentation of information When analysing the opportunities and threats we will make use of several databases which will provide us with accurate information. One of these databases is the Fontys Mediatheek. This contains primary data that is highly accurate and has a high credibility which will be of good use to us. We will also use the internet for finding extra information about the macro and meso environment in order to provide a clear image of the current situation, as well as the opportunities and threats within those markets.

The information used will be reviewed by the members of the group. When a member has doubts about the quality and accuracy of the information found, there will be an investigation in order to establish 100 % accurate sources. So deception will not be in our vocabulary. The structure of the report will be open and clear so that the destined readers will understand the different researches and the conclusions provided by the group. One member is assigned to make sure that all documents are in the same lay-out style in order to give it a clear overview.

The presentation will be provided through PowerPoint and will make represent the paths we took while researching , progressing and concluding our findings. In this presentation we will make clear why we chose South Korea or Taiwan for exporting, with the fundamental facts that are needed to support this decision. The different aspects of macro and meso environment will be mentioned and explained. Planning Week 1| Activity| Time| Deadline| 0-21| Macro Analysis (revision)Taiwan & South-KoreaMiao Wang: Demographical analysis Ishmael Duncanson: Economic analysis Tamim Heijnerman: Social/Cultural analysisDiana Lopez: Technological & Ecological analysisLoni vd Wildenberg: Political / Legal analysis| Before 17. 00| 10-21| | Market Analysis (meso)South Korea & Taiwan Miao Wang: Distribution Analysis Ishmael Duncanson &Tamim Heijnerman: Customer AnalysisDiana Lopez: Competitor analysisLoni vd Wildenberg: Industry analysis| Before 20: 00| 10-21| Week 2| | | | 1-01| Market Analysis (meso)South Korea & Taiwan Miao Wang: Distribution Analysis Ishmael Duncanson & Tamim Heijnerman: Customer AnalysisDiana Lopez: Competitor analysisLoni vd Wildenberg: Industry analysis| Before 21: 00| 11-01| 11-05| Entry StrategyMiao Wang: Choice of entry strategy of company(why)Ishmael Duncanson: Your entry strategy Tamim Heijnerman: current entry strategy(What)Diana Lopez: Recommended entry strategy | Before 21. 00| 11-05| 11-07| Evaluation Marketing strategy (marketing plan & mix)Miao Wang: Marketing MixIshmael Duncanson: Segmentation Diana Lopez: PositioningLoni vd

Wildenberg: Marketing objectivesTamim Heijnerman: Targeting| Before 21. 00| 11-07| Week 3| | | | 11-09 | END REPORT| Before 20. 00| 11-07| ——————————————– [ 1 ]. http://www. ricoh. ca/en/rdm/index. aspx http://global. oce. com/company/organization. aspx http://www. xerox. com/search? q= revenue%202009&Search= Search&locale= en\_US [ 2 ]. www. oce. com [ 3 ]. www. oce. com [ 5 ]. http://www. businessdictionary. com/definition/administrative-cost. html#ixzz14hY31V00 [ 6 ]. https://www. cia. gov/library/publications/the-world-factbook/geos/ks. html [ 7 ]. https://www. ia. gov/library/publications/the-world-factbook/geos/ks. html [ 8 ]. www. oce. com [ 9 ]. http://www. xerox. com/downloads/usa/en/w/WF\_8264E\_Brochure. pdf [ 10 ]. http://www. ricoh. nl/producten/grootformaat/MP\_W7140. jsp [ 11 ]. http://www. shopping. hp. com/shopping/pdf/cn375a. pdf [ 12 ]. http://www. konicaminolta. at/uploads/media/bizhub\_PRESS\_C8000\_Brochure. pdf [ 13 ]. http://en. wikipedia. org/wiki/List\_of\_companies\_of\_Taiwan [ 14 ]. http://en. wikipedia. org/wiki/List\_of\_companies\_of\_Taiwan [ 15 ]. https://www. cia. gov/library/publications/the-world-factbook/geos/ks. html [ 16 ]. ttps://www. cia. gov/library/publications/the-world-factbook/geos/tw. html [ 17 ]. http://global. oce. com/contact/countries/south-korea. aspx [ 18 ]. http://www. indexmundi. com/taiwan/#Economy [ 19 ]. http://www. economywatch. com/world\_economy/south-korea/ [ 20 ]. http://www. indexmundi. com/taiwan/#Economy [ 21 ]. http://global. oce. com/contact/countries/taiwan. aspx [ 22 ]. http://www. jp. yusen-logistics. com/china/english/law/duty\_t/duty\_t02. html [ 23 ]. http://global. oce. com/contact/countries/south-korea. aspx [ 24 ]. http://global. oce. com/contact/countries/south-korea. spx [ 25 ]. http://www. country-data. com/cgi-bin/query/r-12337. html [ 26 ]. http://internationalbusiness. wikia. com/wiki/Geographic\_Effects\_on\_Business\_in\_South\_Korea [ 27 ]. http://www. biztradeshows. com/taiwan/taipei/business. html [ 28 ]. http://www. lexmundi. com/images/lexmundi/PDF/guide\_korea. pdf ( The link has been used also for the rest of the conclusions) [ 29 ]. http://creditcard. trendsdaily. net/taiwans-green-technology-leads-the-future-trend-of-green-globalization. html [ 30 ]. http://tutor2u. net/business/ict/intro\_what\_is\_ict. htm [ 31 ]. http://www. nn. com/eco-biz/money-green-jobs/stories/china-leads-asias-push-toward-green-technology [ 32 ]. http://www. taiwanembassy. org/public/Attachment/852617364671. pdf [ 33 ]. http://www. asiatradehub. com/s. korea/export. asp [ 34 ]. http://web. ebscohost. com/bsi/pdf? vid= 50&hid= 11&sid= 6986f7c0-7016-4cd3-9570- 95e583d2f9c3%40sessionmgr113 [ 35 ]. http://ec. europa. eu/trade/creating-opportunities/bilateral-relations/countries/korea/ [ 36 ]. http://www. transparency. org/policy\_research/surveys\_indices/cpi/2010/results [ 37 ]. http://trade. ec. europa. eu/doclib/press/index. fm? id= 626&serie= 373〈Id= en [ 38 ]. http://www. ggs. kuleuven. be/nieuw/publications/policy%20briefs/pb13. pdf [ 39 ]. http://www. oecd. org/dataoecd/24/37/40400795. pdf [ 40 ]. http://trade. ec. europa. eu/doclib/docs/2009/october/tradoc\_145146. pdf [ 41 ]. http://www. hoovers. com/free/co/burn. xhtml? ID= 41862 [ 42 ]. http://global. oce. com/contact/countries/taiwan. aspx [ 43 ]. http://www. oceusa. com/main/article\_details. jsp? FOLDER%3C%3Efolder\_id= 2534374302070169&CONTENT%3C%3Ecnt\_id= 10134198673391962 [ 44 ]. http://www. hoovers. com/free/co/burn. xhtml? ID= 41862