

1. What are the key success factors in the world toy industry?

Answer.

- The target market of Toys companies are well-educated mothers who are well-connected and use internet frequently
- Countries where the average household sizes are small serve as an ideal market for Toy companies since smaller family size enables the parents spend greater consumer expenditure per child
- Ageing development markets such as Germany and Japan where child births are low and women wait longer before having children are also good for diversification since financially stable mothers tend to spend more on their kids.

2. What are Green Toys' key competitive advantages in the international toy market?

Answer.

- Green Toys Inc. makes toys from recycled plastic and other environmentally friendly materials.
- The company primarily capitalizes on the "Go Green!" slogan by producing eco-friendly toys which have a lower carbon foot print and do not harm the environment as much as toys manufactured using trivial manufacturing techniques.

3. Should Green Toys Inc. consider a higher degree of international expansion of their products?

Answer. Yes, as the "Go Green" movement becomes more mainstream, parents would be looking to buy toys which have less carbon footprint and are more eco-friendly.

Therefore, Green Toys Inc. should expand and explore further international markets.

4. If yes, which countries/regions should they target and how?

Answer. The company relies on the “Go Green” movement supporters to buy their products from their kids. The movement has gained a lot of traction in North America and Europe. Exploring European markets with low childbirth rates such as Germany and Netherlands can be beneficial for the company in coming years.

The company can also move its manufacturing facilities to other countries (for decreasing freight costs) and take advantage of local sourcing of materials.