

IITK Consulting Group
Team – Third Wave
Final Group Assignment

Phase - 1

➤ Access the Target Market:

- Russia ranks 8th in production rates of oils and lubricants. It has a large market size but due to high production rates, it already has a lot of competition in market and market growth and profitability is very low. Hence, chances of success in Russia is low.
- Germany ranks 66th in production rates of oils and lubricants. It has a fair market size with fair profitability and moderate competition in market. Hence, chances of success in Germany is high.
- Turkey ranks 53rd in production rates of oils and lubricants. It has a moderate market size with high market growth and market profitability with lower competition in market. Hence, chances of success in Turkey is high.

➤ Access the client's capabilities:

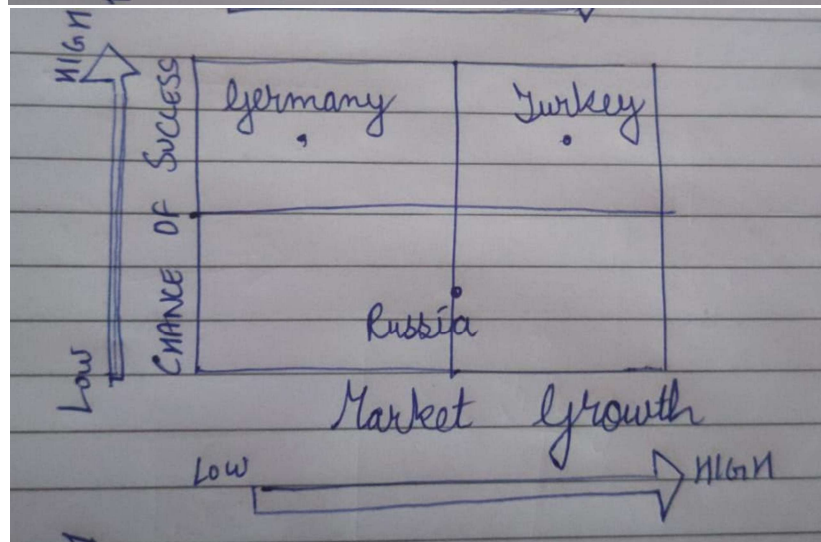
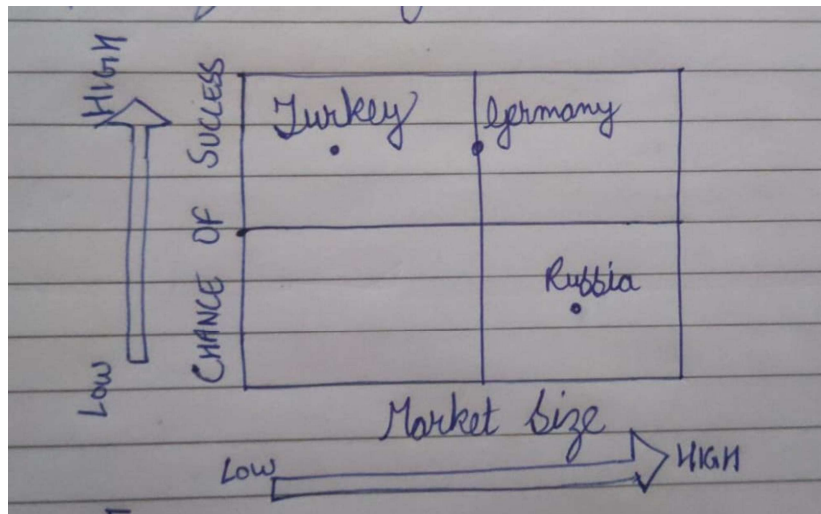
- Exxonmobil is a very successful American premium producer with products ranging in various automotive sector. Hence the company has the capabilities and resources to enter a new market.

➤ Identifying the test market:

- We will do analysis based on matrices of two dimensions: attractiveness and chance of success.
- As calculated above, the chance of success is high for Germany and Turkey, whereas it is low for Russia.
- As for attractiveness, the comparison matrix given is

	Turkey	Germany	Russia
Market Size	1	2	3
Market Growth	3	1	2
Market Profitability	3	2	1
Sum	7	5	6

- The visual matrices between the 2 given dimensions are:



- The matrices show that Turkey is in the best position in 2 out of the 3 matrices and while it has a low market size, it has high chance of success compared to Russia. Hence, Turkey is the best market for Exxonmobil.

Phase – 2

There are many major ways to enter a market. We will evaluate them:

- One method is growing organically into the new market, which will not result in immediate profits but will have high profit growth over the years. However, market size of Turkey is moderate and it will be difficult to enter the market through this method as the consumers might not switch from their traditional methods easily.
- The most feasible method would be to form a partnership with a company i.e. sell through a local distributor rather than direct to the customers.
- The partner can help in identifying its target market and have ties with government and people, that can help Exxonmobil surpass regulatory guidelines for individual products in the market and help in the delivery of products.
- As for the supply chain, Exxonmobil can import products in the beginning and the partner company can help in locating the channels of distribution for these products. As Market growth is expected to be high, Exxonmobil can set up its own production centres in Turkey as the profit flows in.
- The main aim of Exxonmobil will be to attract all the clients using quality brand name and providing an American touch to the British Market. For this, the company will have to come up with methods to advertise their premium name and focus their attention at places where they are expected to get more publicity such as the capital of Turkey or the centre hub of Turkey.
- The company's success will not only be determined by the quality of the product, the brand name, and its publicity but also by the speed and convenience of its service.