



International Entrepreneurship – BSM942

Internalisation action plan for Zenobe Energy

ID:240008998, 220395861

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Executive Summary

The United Kingdom's leading provider of sustainable energy solutions, Zenobe Energy, is seeking to expand its range of services to the rapidly growing electric vehicles market and renewables in India. Generally, its core products are electric fleet solutions, network infrastructure construction, and reuse of batteries as second-life. The company aims to leverage strategic relations and market research to navigate India's complication market. The end goal of Zenobe is to enjoy a significant market share in India with the growing business environment to compete. It will prioritize legal and corporate compliance, building trust and teamwork, create partnerships relation, and investment company in innovation and consumer connections.

Who are we ?

Zenobe Energy was founded in 2017 and is a leading energy solutions provider that specializes in clean power solutions (Zenobe, 2024). The company has established itself as a prominent participant in the renewable energy industry, with operations in the United Kingdom (UK), Australia, New Zealand and Benelux and our headquarters located in London, Uk (Zenobe, 2024). We provide variety pf innovative goods and services, such as electric fleet solutions, network infrastructure enhancement and second life battery reuse. As the company seeks to broaden its worldwide footprint, India is an appealing market due to rising demand for electric vehicles (EVs) and government measures encouraging renewable energy adoption (International Trade Administration U.S. Department of Commerce, 2023).

Core Products and Services

Zenobe energy offers complete solutions adapted to the demands of its international markets. These products include;

1. Electric fleets : Zenobe helps operators electrify their fleets with flexible, future proof deigns, financing alternatives, battery refurbishment and customized power purchase agreements (Zenobe, 2024). It includes new cars, battery replacements, charging infrastructure, and operating support, all offered for a monthly price (Zenobe, 2024).
2. Network Infrastructure: The company focuses on improving grid capacity to make renewable energy sources more affordable and reliable (Zenobe, 2024). This consists of managing large battery power capacities, providing customized solutions such as fast reserve and grid constraints management, ultimately resulting in lower consumer bills (Zenobe, 2024).
3. Second life batteries : we reuse batteries to extend their life cycle and decrease waste. Refurbished batteries are used in Powerskids, lightweight energy sources connected to the grid (Zenobe, 2024). These batteries when incorporated into network infrastructure systems, provide cost savings and carbon reductions (Zenobe, 2024).

Key Competitive Advantages and Limitations

The company possesses several major competitive advantages, including a successful partnership strategy, established presence in diverse markets, and scalable energy storage systems. These are because of the experience and lessons learnt from the countries, we are currently operating in. Nevertheless, significant restrictions include market saturation in existing markets, as the UK's new-vehicle market is the seventh largest globally, with 1,896,202 registered in 2022 (Powell, 2024), and regulatory challenges in new markets.

Joint Venturing in India

Joint venturing is the best internalization strategy for zenobe to delve into India's market as it set to reduce risks involved with foreign developments. It gives room for risk sharing, access to local expertise, and faster market penetration which aligns with the company's strategy leveraging partnerships for successful global expansion.

India was chosen as the target country for development due to several factors, including rising market demand for EVs, strong environmental legislation, and optimistic market size estimates. Furthermore, India's legal framework and cultural compatibility with Zenobe's company objectives make it a desirable location for expansion.

Motivation to go global

There are several characterises that a company portrays to know when it's time to go global, like Global vision exists from inception, Managers are internationally experienced, Strong international business networks, Preemptive technology or marketing is exploited, A unique intangible asset is present, Product and services extensions are closely linked to the unique assets, The firm's activities are smoothly coordinated. Based on the analysis of these characteristics to determine our readiness, our motivation to delve into India's market is based on several factors, firstly, regional diversification assists the company to avoid risks associated with market concentration and regulatory changes (Chen, 2003). Secondly, our management are globally experiences, understanding foreign trade complexities such as letter of credit, currency rates, and cultural details, allowing for

simpler market entrance and operations (Buckley, 2002). Lastly, using strong international business networks provides access to key resources via strategic alliances, decreasing the requirement for shareholder ownership and improving operational efficiency (Beamish, 2008).

Also, the consideration of the theory of international new ventures projected by (Benjamin & Patricia, 2005) guided us to the realization that India also aims to become a net zero emission economy by 2070, accelerating renewable energy sector development. The electric mobility industry is growing by 49% annually, creating 10 million jobs (International Trade Administration U.S. Department of Commerce, 2023). This has pushed a rapid growth in the sector which is covering the vacuum for skilled resources and has brought about the collaboration between US and India institutions to further bridge skill gaps (International Trade Administration U.S. Department of Commerce, 2023). According to the capital market trends (figure 1), India being part of Asia has been attracting a significant portion of foreign direct Investment and portfolio capital flow, this indicates growing investment from global investors (Fraser, 1997).

Our plans to expand into India using joint ventures, strategic alliances, and global marketplace negotiation to position itself as a global leader in clean energy solutions.

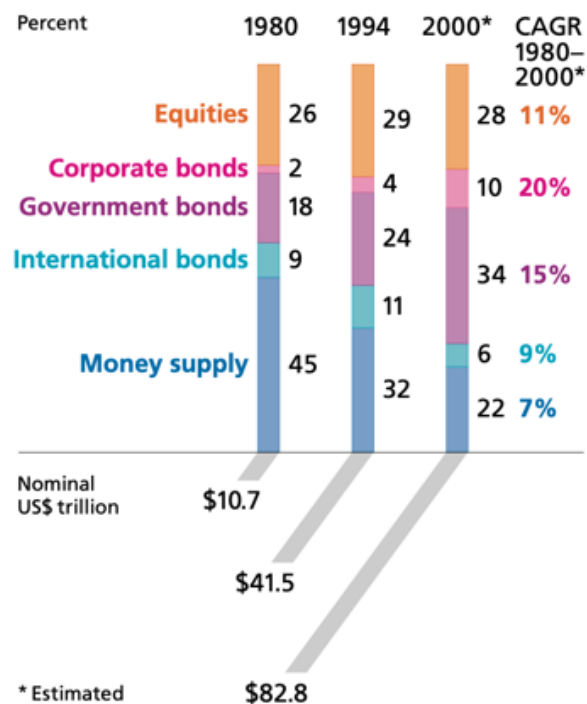


Figure 1 - Capital market trends (Fraser, 1997).

Internationalization strategy

The act of our organization globally necessitates a carefully considered strategy that considers the distinct attributes of every target market and tackles any obstacles that may arise. In partnership with the Tata group, our internationalization strategy for breaking into the Indian market consists of the following major steps.

Gather market data: To comprehend the Indian market environment, consumer behavior, and trends, comprehensive market research is important. Making educated decisions and customizing our services to match the unique requirements and expectations of Indian consumers is possible when we have insights into the market dynamics, competitive landscape, regulatory environment, and cultural subtleties. The principal aim of market research is to recognize prospects and obstacles in the Indian market and formulate a focused approach for entering the industry. The need of this includes figuring out the market size and potential for expansion, figuring out which target customer categories to focus on, evaluating rivals, and comprehending consumer preferences. The need of obtaining precise market knowledge for manufacturers is increasingly widely acknowledged. By using this information, we may create goods, services, and marketing plans that appeal to Indian consumers, improving our prospectus of success in the market. It was found that market research guarantees that information is found processed, gathered, and updated using unique techniques for processing information to support management decisions. It is confirmed that it is possible to diagnose an organization marketing activity by examining the information support's constituent parts using data from marketing research(LARKA, 2023). Consumer behavior and corporate process, and restricted access to trustworthy data are some of the potential obstacles to conducting market research in India. Furthermore, market dynamics and conditions could change quickly, necessitating constant observation and modification of our research strategy.

Choosing a local partner: To successfully navigate the difficulties of the Indian market and build a significant presence, it is imperative that we choose a local partner who shares our ambitions and has market understanding. Smoother market entry and growth can be

achieved by working with a local partner who can offer essential insights into the local business landscape, regulatory needs, and cultural subtleties. Furthermore, collaborating with a respectable business like the tata group increases our credibility and dependability among Indian stakeholders and customers. Selecting a local partner will primarily allow us to take use of their networks, resources, and market expertise to expedite our market entry and growth in India. Through our partnership with tata group, we will have access to their vast industry knowledge, infrastructure, and distribution networks a larger clientele and improving our exposure and market reach. Local enterprise partnership can increase resilience and create synergy to create creative solutions to socioeconomic problems by establishing networks and linkages(Doyle, 2013). Finding a local partner who shares our goals, values and operational needs could be difficult when choosing a local partner. Challenges may also arise in the negotiation of partnership agreements, the definition of roles and responsibilities, and guaranteeing agreement on strategic objectives and decision-making procedures. To ensure a successful collaboration, it is necessary to manage cultural differences, communication difficulties, and competing priorities between partners.

Ensure legal compliance: Adhering to Indian statutes and guidelines is vital for lawful and moral operations within the Indian marketplace. When regulations are broken, there may be legal repercussions, harm to ones' reputation, and disruptions to business operations. Through comprehension and adherence to Indian regulations concerning business operations, employment, taxation, and consumer protection, we may reduce risks and establish confidence and trust with Indian authorities, clients, and stakeholders. Preventing legal and regulatory risks and building a strong base for our operations in India are the main goals of guaranteeing legal compliance. This entails acquiring the required licenses and permissions, abiding by tax laws and rules, and following labor and employment standards. By displaying our dedication to morality and compliance. We may establish credibility and trust with Indian regulators, customers, and business associates, creating the foundation for sustained success in the market (Haelterman, 2022). Navigating intricate and constantly changing regulatory requirements, correctly interpreting, and applying the law, and timely acquisition of licenses and permits are some

of the challenges associated with maintaining legal compliance in India. There may be difficulties comprehending and abiding by Indian rules and regulations due to cultural differences, linguistic obstacles, and lack of experience with local legal system. previous entrances of the company in the same country have a good impact on the acquisitions' lifespan. Comparably, when the expanding company has made previous entries in the same nation as well as in other nations within the same cultural block, the lifespan of international entries in which the firm holds a majority stake improves(Barkema, Bell and Pennings, 1996).

Provide necessary resources: Support our market entry and expansion goals in India requires allocating sufficient resources, including cash, people, technology, and infrastructure. In the absence of enough resources, we might face challenges in carrying out our plan to enter the market and accomplishing our goals. We can improve our chances of success and make sure that the market entry process runs smoothly by making the appropriate upfront investments in resources. Providing the required resources would primarily help our market entry strategy and activities in India be carried out successfully. This covers money for infrastructure, distribution, marketing and advertising, product development, market research, and advertising. we can strengthen our competitiveness, establish a solid basis for our business in Indian, and set ourselves up for long term growth and market success by investing in the appropriate skills and resources. Providing the required resources can be difficult due to financial limitations, judgements about how to allocate resources, and conflicting organizational agendas. even in cases when product demands are positively connected, investing in a flexible resource can be advantageous since it gives a greater investment cost and a hedge against demand unpredictability(Van Mieghem, 1998). It can be difficult to prioritize resource allocation based on market possibilities and dangers, strike a balance between short term financial considerations and long-term strategic initiatives, and make sure resources are used effectively. In addition, careful planning and execution may be necessary to source and retain talent, technology, and infrastructure in India's competitive industry.

Foster trust and collaboration: Establish a solid presence and reputation in the Indian market requires fostering trust and cooperation with our local partner, stakeholders, and customers. Building positive relationships and facilitating smoother corporate operations and growth are made possible by trust and collaboration, which improve communication, cooperation, and mutual understanding. We can establish confidence and trust with Indian stakeholders and foster a cooperative and encouraging business environment by acting with decency, honesty and transparency in our dealings and alliances. The relevance of transparency in corporate environments such as alliances and joint ventures is supported by the fact that it considerably boosts confidence and trustworthiness in one shot and recurrent encounters. Building confidence and cooperation would primarily help us improve our connections with our local partner, clients, vendors, authorities, and other Indian stakeholders. This entails encouraging candid and open communication, keeping our word when making agreements, and acting with dependability and integrity. We can foster goodwill, loyalty, and support among Indian stakeholders by fostering trust and collaboration, which will open doors for cooperation, innovation, and growth. Collaboration not only has a clear, practical result, but it also fosters trust and improves conflict resolution. Different expectations and priorities among stakeholders, as well as cultural and communication hurdles, might be obstacles to building trust and collaboration in the Indian market. It could take some time and effort to establish rapport and trust with Indian partners, clients, and stakeholders; this calls for, patience, and adaptability. Effective negotiation and conflict resolution abilities may also be necessary for managing conflicts, settling disagreements, and keeping varied stakeholders in agreement on objectives and plans of action.

Implementation plan in international market

To maintain our global expansion over the long term, our company will use these strategies into practice.

Reacting to changing market conditions: We will continuously assess customer inclinations, legislative developments and market trends in India and modify our products and services accordingly. We can preserve our competitive advantage and seize new chances if we continue to be flexible and adaptable. Among young urban Indian consumers, environmental attitudes and perceived consumer effectiveness have a considerable impact on environmentally conscious buying behavior, but subjective norms have no discernible effect (Kanagaretnam et al., 2010).

Risk mitigation: Our company will proactively recognize and handle any risks that could jeopardize the long-term viability of our foreign activities in India. To properly reduce and manage risk management procedures into place and creating backup plans. By reducing risk likelihood in a matter of minutes, automated risk mitigation in business process has the potential to eliminate risks.

Forming strategic alliances: Company will keep fostering and bolstering alliances and partnerships with important Indian partners, such as regional companies, vendors, wholesalers, and public servants. We can expand our market reach, seize fresh prospects, and reduce risk by utilizing their knowledge, assets, and connections.

Investing in innovation and research and development: to spur innovation and keep a competitive edge in India, our company will give research and development top priority. We can stand out from rivals and maintain long-term growth by creating new goods, services, and technology that cater to changing consumer demands and industry trends. Research and development investments are positively correlated with innovative behavior in all countries, as indicated by the introduction of new goods or services to the market.

Building strong customer relationships: Our company's main goal is to establish enduring bonds with Indian clients by providing exceptional customer service, tailored marketing and communication, and continuous involvement. We can improve consumer contentment, loyalty, and retention by comprehending and catering to their demands and preferences, which would propel long term progress and prosperity in the Indian market. Customer satisfaction is primarily influenced by perceived value and core service quality, with relational service quality playing a major but secondary role.

Conclusion

Conclusively, Zenobe Energy's Indian market entry is a strategic bid given the global solar penetration and sustainability still in its infancy stage. Over its internationalization blueprint entailing joint ventures, market stability and strategy alliance, Zenobe exhibits a commitment to capitalizing on opportunities in India while minimizing the associated risks. The formulation will facilitate Zenobe to become a key player in India's solar energy phase of transition, allowing it to assist India in meeting its goal of environmental resilience and economic growth. This will be achieved through innovation, customer orientation and regulatory compliance.

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