**INTERNATIONAL MARKET AND BRAND ANALYSIS**

**Executive Summary**

This report summarises the brand analysis of Sainsbury’s by analysing different aspects of the company. This report contains the introduction of Sainsbury’s brand that includes the mission, vision and objective of the company. Furthermore, this report includes a brief description of brand promoting values and brand elements of Sainsbury’s. The report has also identified three probable marketplaces that are culturally different yet possesses an opportunity for expanding business of Sainsbury's in those foreign markets. In addition, the report also analyses the potential competitors for the organisation in those marketplaces.

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# Introduction

International market refers to the system that allows the exchange of financial, commercial and labour resources among different countries. The international market concept is helpful to enhance the economy of individual countries by enhancing the profit structure of individual companies. Besides, brand analysis is a process that helps to describe the brand value of a company that is helpful to plan the business process accordingly to enhance the brand value. The brand analysis for the international market is helpful to enhance the profit structure of the business by enhancing the rate of customer engagement. Furthermore, the brand analysis is a vital factor that helps to make successful export planning tht6a is effective to enhance the business of the international companies.

# Part 1. Brand analysis

## 1.1 Brand Introduction

Sainsbury's is a retail company in the UK that was established in 1869 by John James Sainsbury. This company has a mission of providing healthier lives by sourcing their customers with integrity. Besides, this company focuses on respecting nature to maintain sustainability (About.sainsburys.co.uk, 2023). Sainsbury’s focuses on the approaches that are relevant to make a positive difference to the community and provide a safe workplace for their employees.

Sainsbury's have a specific vision that they become the most trusted retailer in the market of the UK to ensure an effective place to work and shop. Therefore, it can be mentioned that this company has the vision to help the customers and employees. Besides, Sainsbury’s has the vision to ensure customer satisfaction by using creativity regarding the product that is helpful to cope up with recent market trends (About.sainsburys.co.uk, 2023). Furthermore, the company officials of Sainsbury's focuses on the customer services of the company that is essential to enhance the brand value by enhancing customer engagement rate.

Sainsbury’s have the objective of knowing customer demand by analysing their purchasing habits. This objective is helpful to enhance the profitability of the company as it helps to enhance the customer engagement rate with the company. In recent years Sainsbury's is holding a revenue of 2,989.5 GBP (Statista.com, 2023). The company has a goal to ensure the providence of quality products for their customer to ensure the loyalty of the consumers.

## 1.2 Brand promotion

GROCERIES

GENERAL MERCHANDISE

CLOTHING PRODUCTS

WM MORRISON SUPERMARKETS LTD.

B&M RETAIL

TESCO

**Figure 1: Brand promotion**

(Source: Created by author)

The brand promotion of Sainsbury’s depends on the analysis of product lines that the company has and the existing competitors regarding those products. Sainsbury’s used to supply multiple varieties of products that include groceries, general merchandise and clothing products. In recent years, Wm Morrison Supermarkets Ltd. has become the main competitor for Sainsbury’s groceries items. The competitive advantages of Wm Morrison are a employment force of 35,291 individuals that have enhanced their competitive advantages against Sainsbury’s (Morrisons-corporate.com, 2023). Moreover, the companies such as B&M Retail and Tesco are the competitors for Sainsbury’s products.

## 1.3 Brand element

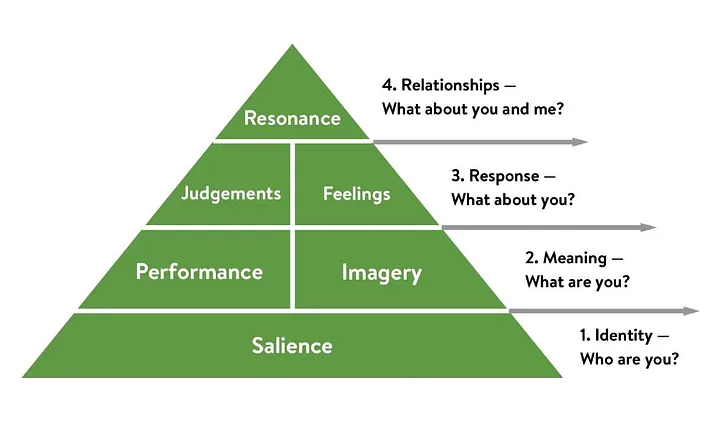
**Figure 2: Brand element**

(Source: Created by author)

The brand element of Sainsbury’s refers to the factors such as design, marketing, logo, identity, strategy and advertising. The design of Sainsbury’s contains in house structure that is effective to reduce the issues regarding raw materials. Besides, Sainsbury’s uses BTL and ATL techniques for their marketing that is effective to enhance the brand value (About.sainsburys.co.uk, 2023). Sainsbury’s identity depends on the quality and effective pricing of their products. Sainsbury’s uses online platforms and other media platforms for advertising the company products.

## 1.4 Brand equity (Keller’s CBBE model)

The CBBE model was developed by Kevin Lane Keller, who was a marketing professor. Sainsbury’s had a brand value of nearly $3.75 billion, up from around $2.66 billion in 2018 (Statista, 2023). However, the brand value of this organisation has been the amount the brand contributes to the total corporation value. The brand equity model of Keller helps Sainsbury's to find a way for building a solid brand regarding their customer’s feelings and thinning. This model helps Sainsbury’s to find out the way to build a perfect brand by shaping the customer's thinking. CBBE models also help to recognize the stage in which Sainsbury’s belongs as well as what they do for moving further up (Ahmad *et al.* 2022). Marketers in each sector are looking for a much better image of their organisation as well as long-term visibility in the consumer's mind.



**Figure 3: Keller’s Brand Equity Model**

(Source: Influenced by Ahmad *et al.* 2022)

Keller’s logic in brand equity is very simple and states that to build a strong brand it must create a proper brand image. This model has been sectioned into four stages of brand equity such as identity, meaning, response, and relationship (Li *et al.* 2023). The performance of Sainsbury's has indicated their product is satisfying the requirement of their customers.

## 1.5 Brand Mantra

In the late spring, retailer Sainsbury's will retire the “Live Well for Less” motto as well as launch a new mission that focuses on new mantras such as “Helping everyone Eat Better”. It will be shared with all customers and colleagues on what it actually means in upcoming times. The brand mantra of any organisation has three major parts such as brand function, descriptive modifier, and emotional modifier (Li *et al.* 2023). The brand function is to describe the product or service nature of the brand that they provide. Sainsbury’s brand function is their food as they provide great food at a fair price rate. However, they describe modifiers as about whom the organisation or brand is for such as family, athlete, children, and more. Sainsbury’s business is for all people including males and females, but generally, 56.9% of customers belong to the female category (Globaldata 2022). The emotional modifier is discussed about the customer’s feelings about the brand. The customers of Sainsbury’s are in the ultimate category as the brand has offered some great product quality at a marginal price.

| **Brand** | **Brand Function** | **Descriptive Modifier** | **Emotional Modifier** |
| --- | --- | --- | --- |
|  | Food | Female | Ultimate |

**Table 1: Brand Mantra of Sainsbury’s**

(Source: Self-developed)

# Part 2. International market analysis

## 2.1 SLEPT analyses of 3 culturally distinct markets

***SLEPT analyses***

| **Factors** | **Finland** | **Ireland** | **Russia** |
| --- | --- | --- | --- |
| **Social** | * The current population rate in Finland is over 5.56 million (Statista, 2023) * In Finland work-related immigration is positive * Finland has a good acceptance of equality between the genders | * The population rate of Ireland 5.1 million in 2022 (Staisat, 2023) * The country is the wealthiest nation in the world * In Ireland, 83% of adults have complete HS Education (Statista, 2023) | * The current population rate of Russia is 145.6 million in 2022 (Statista, 2023) * The literacy rate in Russia is 99.70% * The unemployment rate is around 5.01% ( Statista, 2023) |
| **Legal** | * The country has an independent judicial policy (Freedomhouse.org, 2023) * Employment Act (605/1996) determines that employees are eligible to work 8 hours a day * Personal Data Act (523/1999) controls employment-related information security problems | * The country has extremely business-friendly and favourable laws for new business organisation * In Ireland, every citizen treated as same * The Employment Equality Acts 1998–2015 prohibited discrimination and prevent harassment in the workplace | * Russian employees law has developed 8 hours of working day and 5 days a week * The country strictly manages resources such as media, wealth and channels * Article 37 of the CRF demonstrates basic labour rights |
| **Economic** | * The GDP rate of Finland is $281.41 billion (Statista, 2023)according to the 2022 annual report * the moderate monthly earnings are sufficiently over “3 thousand Euro before taxes” * The corporate tax rate is 20%which is the lowest in the European Union | * Ireland is the 33rd largest economy in the world * The GDP rate of Ireland is 519.78 billion in 2022 (Statista.com, 2023) * The country has a low corporate tax rate has 12.5% (Statista, 2023) * The tax rate is favourable for business organisations | * The annual GDP rate of Russia is 2,133.09 in 2022 (Statista, 2023) * Russia is a member of the “BRICS” it encourages foreign investments * The corporate tax rate in Russia is 20% in 2023 (Statista, 2023) |
| **Political** | * Finland is a Nordic country and politically stable country * Finland maintained neutrality over the years concerning several foreign policy issues | * Ireland is a parliamentary democracy with a written constitution * The country shares its border with Ireland which is part of the UK * The country is politically stable | * Russia follows the semi-presidential policy of the government * The country holds a crucial role in world politics |
| **Technological** | * Finland is a technologically advanced society * The country effectively operates advanced technologies such as “mobile technology, advanced software, and software security” | * The country advanced in AI, robotics, and IoT * Ireland has one of the most powerful talent channels for STEM | * The technology sector has been achieving massive growth in Russia it increased by 15.2 in 2020 * IT industry has a significant impact on the Russian economy * The ICT industry has a huge impact on the Russian economy around 282 billion Russian roubles (Statista, 2023) * Many big organisations such as Microsoft, Google, HP and Apple are available in Russia. |

**Table 2: SLEPT analysis**

(Source: Self-created)

***Analysis***

**Finland**

Finland mainly follows self-governing democracy and the prime minister plays a most curricular role in the country's political party. However, it depends on various aspects such as people's psychological level and anxiety levels. People mainly enjoy their freedom in Finland and maintain a suitable distance from several international hazards, which can help Sainsbury's to run its business steadily without any political interruption. The government system assures the population freedom of religion, press and speech and it is also transparent that it can permit Sainsbury's to achieve recognition and enhance its brand value. According to the comment of Altis (2022), Finland has many opportunities for new entrants business organisations because of its open mindset and low tax rates. In addition, the country also has a reliable infrastructure with high funding which can be a very good opportunity for Sainsbury's to achieve a competitive advantage in the Finland market.

On the other, the country has many regulations regarding freedom. As per the comment of Kuusisto (2022), Finland is a master of various technologies and has a high rate of computer literacy in the nation can support Sainsbury's in engaging consumers in a more effective manner. Accordingly, Sainsbury’s business marketing can be easier with advanced technology such as email, the Internet and social media. Accordingly, economic stability is also a significant part, which can be extremely helpful for the company to expand its business in this country. As per the statement of Khoa (2022), the high earnings and a stable economy of Finland can help the company to reduce the volatility of inflation rates, which can lead to lower market interest and uncertainty rate. In addition, a stable economy also attracts many investors to invest. It can help Sainsbury's to achieve its desired success and growth.

**Ireland**

Ireland has shared a border with the UK which can be a benefit of this brand because Sainsbury's is a UK company for that reason importing and exporting can be extremely easier and it also can help to enhance the relationship with both countries. Forbes declared that Ireland is the 15th best country for business, because of its low tax rates, robust regulatory and legal framework and strategic location which can help Sainsbury’s achieve higher profit rate. As per the observation of Gokani *et al.* (2022), these features can positively help Ireland's appealing destination to expand its business in Ireland. In addition, high economic stability is another positive side of this country and Sainsbury’s can extend because maintaining a stable economy increases employment, develops living standards and can help the company to grow their revenue. According to the statement of Melé (2022), the government of Ireland has many very minimal tax rates for Sainsbury's and it can provide Sainsbury's competitive advantages to sustain itself in Ireland's market. In addition, tax endeavours are created to encourage business activities, specifically those retail development and innovative projects. Moreover, Sainsbury's can easily make its business in this country because of its open mindset and equality act. Technological advancement is another powerful opportunity that can allow Sainsbury's to spread its awareness among the Ireland population through various social media, emails and websites.

**Russia**

Russia is one of the largest domestic and economic markets in the world. The country's financial potential can be extremely beneficial for Sainsbury's to open its business here. As per the statement of Korzhak (2022), Moreover, to expand its business in Russia, Sainsbury's needs to be conscious regarding its marketing and promotional content because this country's government has massive control over public sources. Apart from that, the high technological factor can be a great opportunity for this company because technology contributes a massive amount to the Russian economy.

In addition, advanced technologies also have various advantages in newly expand businesses such as high marketing and infrastructures. The country has a low employment rate, in case Sainsbury's expands its business in Russia it can help to reduce the unemployment rate. As per the above discussion, it can be stated that the mentioned three countries have wide opportunities for new businesses. Hence, Sainsbury's can definitely expand its business infrastructure in these countries and can boost revenue growth and massive profitability.

## 2.2 Competitors analysis for each market

| ***FINLAND*** | | | |
| --- | --- | --- | --- |
| **Competitors** | ***Revenue*** | ***Market Share*** | ***Product line*** |
| ***K-Market*** | *6.1 billion euros* (Statista, 2023) | *36.6%* (k-ruoka.fi, 2023) | *Food and grocery* |
| ***Lidl*** | *97.8 billion Euros worldwide in 2020* (Statista, 2023) | *7.4%* (Statista, 2023) | *Household Essential and baby care* |
| ***RUSSIA*** | | | |
| ***X5 Retail Group*** | *2605 RUB billion in 2022* (x5.ru, 2023) | *13.2% in 2022* (x5.ru, 2023) | *Food retail stores* |
| ***Magnit*** | *$21.5 billion (2020)* (Statista, 2023) | *12.7% in 2021* (Statista, 2023) | *Food retail* |
| ***IRELAND*** | | | |
| ***SuperValu*** | *US$31.3m in 2022* (SuperValu, 2023) | *22.2%* (SuperValu, 2023) | *Food and personal care* |
| ***Perekrestok*** | *3,195 crores EUR* (Statista, 2023) | *22.1%* (Statista, 2023) | *Grocery and food items* |

**Table 3: Competitors analysis**

(Source: Self-created)

**Analysis**

**Finland**

Finland's biggest two retail organisations are K-market and Lidl and both successfully run its business in Finland. Lidl is the largest grocery store in Finland and the most crucial strategy of this organisation is to provide a high-quality product at a low price (lidl, 2023). In addition, the company also provides baby and household essentials. The particular company has a stronghold in Finland and for Sainsbury's entry, the company needs to strategies its price range low and provide high-quality products and services to sustain itself in the market for a long time. On the other hand, “K-Market” is the leading grocery shop in Finland. The main procedures of Kesko Food are characterised by the purchase history of “products, logistics, selection management, and development” of the “supply network and chain operations” (k-ruoka.fi, 2023). Critical observation of these two companies is essential to enter the Finland market. Apart from that, it can be much easier for the company to expand successfully because of their reliable infrastructure and low tax rate.

**Russia**

Russia’s biggest two retail origination X5 retail company is Magnit. Hence, both companies hold a strong place in Russia and Sainsbury's needs to focus on its market strategy to successfully expand its business over here.The mentioned two companies are food retail companies providing their potential customers with proper service with high-quality products. The market strategy of X5 company is to make value for shareholders and the community by becoming a better tech-based and competitive organisation while staying the number one selection in the food market (x5.ru, 2023). On the other hand, Sainsbury's also needs to make a value chain to make a successful entry and sustain itself in the Russian market. Apart from that, the X5 company has taken various steps towards sustainability, by reducing 30% GHG emissions by 2030 (x5.ru, 2023). Accordingly, Sainsbury's also needs to take some sustainable business strategies such as using biodegradable plastic and recyclable products to grab the Russian market.

Apart from that, Magnit is one of Russia’s leading food retail chains, number one by the number of outlets and geographical range. Magnit employs a multiformat model, which contains “supermarkets and pharmacies” (Magnit, 2023). Accordingly, Sainsbury's also needs to follow the multiformat model and need to organise their product range according to the requirements of the customer. As per Forbes’ ranking Magnit has ranked one of largest companies in Russia (Magnit, 2023). However, it can be a great threat to the Sainsbury because of Magnet's strong market hold. The Sainsbury's need to include more advanced technology and an efficient well spoken native language For connect with the Russian customer.

**Ireland**

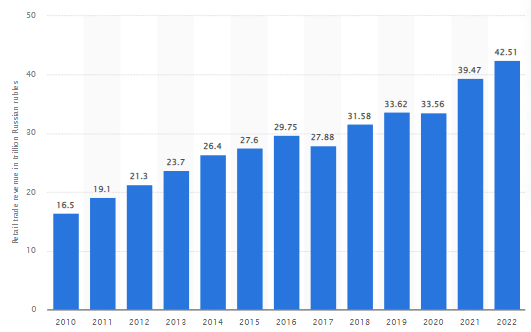
The most important thing for Sainsbury's to expand its business in Ireland is to analyse the market and its potential competitors. SuperValu is Ireland's largest grocery and food distributor with 223 outlets in malls all over Ireland. The particular company has run their business for almost 30 years with a well-developed landmark in Irish society (SuperValu, 2023). The company is famous for its fresh and high-quality food and affordable price. Apart from that Supervalu also provides 96% recyclable, reusable and compostable packaging which is a very good step towards sustainability (SuperValu,2023). Accordingly, for Sainsbury's to expand its business in Ireland, the company needs to focus on high-quality food with a minimal price range to grab the market. Apart from that, Sainsbury also needs to concentrate on its packaging to provide 100% recyclable food packaging to maintain a sustainable environment.

On the other hand Perekrestok is one of the oldest food retail stores in Russia. The main business strategy of the organisation is the company targets its potential customers with their income levels and living style (Perekrestok, 2023). Significantly, the most important part is the company’s location and the fast and convenient service. Sainsbury’s also needs to develop its delivery service to give strong competition to Perekrestock because this company has famous for delivering its first service. In addition, the company needs to hire efficient local talents, who efficiently know the market better, which can help the organisation to successfully establish its business in Ireland. Moreover, selecting local partners carefully is also important for the company to successfully manage the supply chain and a strong presence in Ireland.

# Part 3. Strategy for market entry

## 3.1 Selection and Justification of new international market: Russian Market

It is important for the company to extend its service to another foreign country which helps the company to achieve a new and promising target market which has been crucial in developing operations. Therefore, it is important for companies to analyse the demands of the target market which drives the company to enhance implications in terms of developing importance regarding market development. In terms of Sainsbury’s marketing options, Russia in terms of marketing opportunities can be ideal in terms of implicating the understanding regarding performance development. Russia can be chosen for the target market as Russia has limited competition in retail which can be beneficial for Sainsbury’s.



**Figure 4: Retail revenue of Russia 2010-2022**

(Source: Statista.com, 2023)

It is important for Sainsbury’s to assess the growth of their products which is essential in assessing the target market’s industrial development. It is assessed that 42.5 trillion rubles have been generated in the retail trade industry which depicts the engagement in the industry (Statista.com, 2023). In this regard, it can be stated that Sainsbury’s can forecast this market of Russia where the customers have the focus on developing market growth. Furthermore, it can be crucial for Sainsbury’s to enhance its market to Russia due to its position as a BRIC country. Russia’s effective tax rules have been considerate on foreign businesses. As per the opinion of Sołoducho-Pelc and Sulich (2020), it is crucial to analyse external factors such as economical and social factors before entering a potential new market which further implicates obtaining better businesses. Therefore, it can be stated that Sainsbury’s can use the target market to launch their product in terms of gaining new customers. However, it can be detrimental for Sainsbury’s as there is limited competition among brands such as X5 Retail Group and Magnit as the core competitors in the industry.

In this scenario, the market entry of Sainsbury’s can be crucial in terms of analysing the current state of the market. The corporation tax for business in Russia has been critically low which has been crucial in mapping business ideas (Businesscasestudies.co.uk, 2021). This attracts foreign investors that want to earn money by saving in form of taxes. In this regard, it is justified from the perspective of Sainsbury’s which helps in understanding the target market and helps in developing the brand’s scope. It is also important for Sainsbury’s to analyse performance of the potential competitors that are influential in terms of assessing the competitive advantage. For instance, X5 has the opportunity to develop implications with its shareholders and considers their interest in understanding performance development. According to the opinion of Ingabire and Irechukwu (2022), competitive analysis has been important in analysing performance development in terms of improving the differentiation process and cost-effectiveness which has been influential in the competitive industry. Therefore, it is required to be assessed for Sainsbury’s to analyse the competitive study that has been crucial for the businesses to analyse its positioning and strategic options development. Furthermore, it is crucial in cost-effectiveness that helps in developing implications that are important in understanding product enhancement.

## 3.2 Strategy for market entry

It is crucial for Sainsbury’s to determine a factor that helps in analysing the marketing position that also helps in developing the scope in the potential target market. Market entry strategies are crucial in terms of planning and distribution of products in the international market which is crucial in analysing market policies (Notteboom *et al.* 2022). Sainsbury’s needs to focus on understanding implication that depicts the control of the product in the international market which has been crucial considering the partners in developing involvement in the market.

***Franchising***

Franchising is important considering the businesses that develop branching in target market in considering entrepreneurs' chances to contribute to the businesses. Exporting products to Russia can be beneficial in terms of analysing implications that have been important in terms of developing implications considering direct exportation. In this regard, it is crucial for Sainsbury’s to develop implication in terms of understanding the international market and third-party development. In this regard, it is crucial in analysing market development considering the performance. Furthermore, it is important in terms of developing implications on the competition with the existing companies in the market. As per the opinion of Maček *et al.* (2019), franchising is a flexible business approach that is crucial in terms of analysing performance in its own businesses. Therefore, Sainsbury’s needs to focus on the customer decisions that are implicative in the distributional approach which has been crucial considering the performance in the business. It has also been important for Sainsbury’s to implicate on enhancing the brand understanding regarding franchising which can be chosen as an entry strategy in terms of assessing performance in foreign countries.

***Partnership***

Partnering with organisations that are intended to work in terms of analysing the business approach which further implicates the profitability of the company has been essential. Sainsbury’s can focus on analysing SMEs that are intended to collaborate with the process which has been influential considering the capability of the companies. As per the opinion of, Chileshe *et al.* (2022), partnering with organisations has been crucial in developing infrastructures have been developed in terms of understanding implication that is influential.

Russian market has a significantly changing market demand for retail items, thus, often leading to disrupted customer market analysis. In this respect, Partnership strategy for market entry can help Sainsbury's to depend on local businesses for effective market evaluation and appropriate potential market identification. Additionally, partnership market entry strategy might lead to the distribution of risk among Sainsbury’s and local businesses in Russian market improving the profitability of the brand in Russia. In this regard, it is important to note that Russian retail market is not highly competitive so the company need to develop their market considering the success factor for the company. In other words, Sainsbury’s can focus on implicating these entry strategies in Russian retail market.

## 3.3 Marketing mix framework

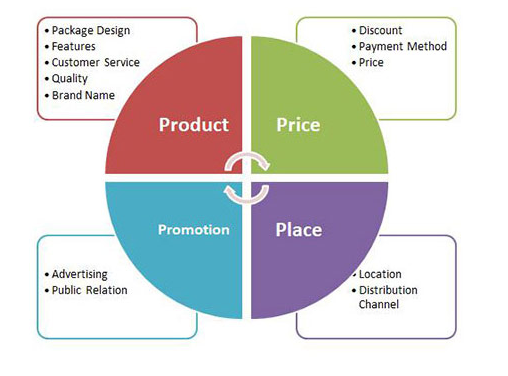
Sainsbury’s has an effective market operation in UK, thus, has a sustainable opportunity of expanding in Russian market with a significant marketing mix framework.

***Product***

Sainsbury’s with an expanded product line comprising grocery, packaged food, and cosmetics can enter market in Russia with initial operations. According to Danso *et al*. (2019), product differentiation permits businesses to establish themselves as uniquely operating brands. This leads to improved potential customer attraction and loyal customer development due to offering products that are different from competitors and extensively demanded by customers in an expanding market. Similarly, as quoted by Schroeder *et al*. (2019), differentiated products help capture industry benefits by creating a separate perspective of the company varying significantly from competitors. In this context, differentiated product strategy will help Sainsbury’s to improve its market presence and effectively attract potential customers in Russian retail business market. Thus, the retail business can implement differentiated product marketing strategies to support effective market entry and establishment in Russia.

***Price***

The retail market of Russia is evidently competitive which requires Sainsbury’s to adopt low-cost product pricing along with offering high-quality products. Retailers like X5 Retail Group, Ozon, Magnit, and Perekrestok impose a critically competitive retail market in Russia (golden.com, 2023). The high market competition might restrict effective market penetration and sustainability of Sainsbury’s in Russia. As stated by De Giovanni and Zaccour (2019), penetration pricing involves offering low-cost products initially at the time of market entry and gradually increasing the price later. Penetration pricing has a risk of hampering brand image in later years of operation due to constant price increases and might disrupt market sustainability of a company. As argued by Ali and Anwar (2021), competitive pricing or cost-leadership strategy serves as an effective solution for companies during market entry, penetration, or sustainability. Furthermore, constant competitive pricing helps retail businesses to establish themselves as effective and unique brands offering high-quality products at low prices. Therefore, Sainsbury’s can suitably implement a competitive pricing strategy for its Russian retail market entry.



**Figure 5: Marketing mix framework**

(Source: Created by author)

***Place***

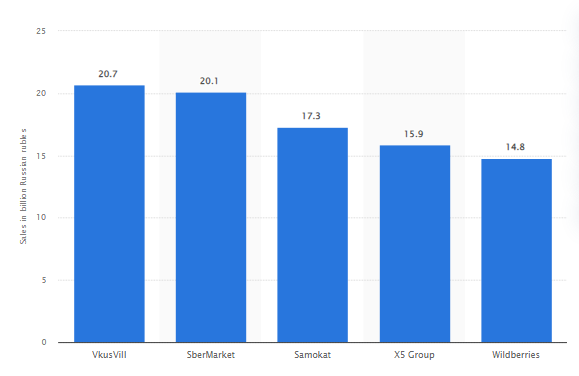
Sainsbury’s entering the market of Russia can suitably undertake a geographic place segmentation strategy to appropriately identify potential customers. The retailer can significantly start with physical store operations in most populated cities in Russia. In this regard, Sainsbury’s can establish approximately ten stores in Moscow, the capital city of Russia as it is the most densely populated city with 12.6 million residents (worldpopulationreview.com, 2023). The high population of Moscow might provide an opportunity of expanded potential customer base and market to Siansbury’s. Followed by six stores in Saint Petersburg as it is second-most densely populated city with 5.6 million residents (worldpopulationreview.com, 2023). Moreover, two stores each in Novosibirsk, Yekaterinburg, and Kazan for initial market entry and establishment. Sainsbury’s to improve its market penetration can open more stores in Russia’s operational market.

***Promotion***

The increasing online business format demand and internet users globally along with Russia indicates that social media marketing might be most appropriate marketing strategy adopted by Sainsbury’s new market entry. Russia has 127.6 million internet users in the present year, accumulating 88.2% of its total population (datareportal.com, 2023). Hence, showcasing that online promotional activities can support Sainsbury’s to spread significant awareness of its Russian market entry among local customers. The retail brand can use social media platforms like Facebook, Twitter, and Instagram actively to release posts on a regular basis along with establishing effective customer engagement. Moreover, the company can also use print media to advertise through popular local newspapers or magazines to interact with customers not using internet in Russia. According to Lal *et al*. (2022), social media marketing acts as an effective tool to attain a high return on investment by reaching out to numerous customers with low-cost investments. Thus, indicating that Sainsbury’s can suitably perpetuate its new market entry and operations through social media.

## 3.4 Intended Points of Parity and Points of Differentiation

***Points of Parity***



**Figure 6: Grocery sales in Russia in 2022**

(Source: Statista, 2022)

* Grocery products like bread, pulses, rice, butter, etc

The staple food product variety can be most suitable point of parity to enter Russian market as every market has an existing market for grocery products. The sales of grocery items in 2022 were 20.1 billion Russian rubles (Statista, 2022). Thus, indicating that Sainsbury’s has a massive existing market for its grocery product offerings.

* Competitive market pricing similar to its competitors like Perekrestok and Magnit

The competitive marketing pricing can serve Sainsbury’s to improve its market engagement and customer interaction. Major retail brands like Perekrestok and Magnit in Russia use competitive pricing to gain a competitive edge and improve market sustainability (golden.com, 2023). Additionally, competitive pricing might also lead to increased sales that can help improve profitability of the company. Therefore, competitive pricing can also be a suitable point of parity applied by Sainsbury’s for its Russian market entry operations.

***Points of Differentiation***

* Product differentiation

Sainsbury’s in Russia can offer healthy packed meal-kit products that are not available in retail stores of the country. The meal-kit market of Russia accumulated US$1.27bn in 2023 (Statista, 2023). This showcases an extended meal-kit market in Russia that can be enjoyed by Sainsbury’s to improve its profitability and sales with new retail market entry. Furthermore, non-existence of meal-kit offerings by retailers in Russia migh help improve of market sustainability of Sainsbury’s in Russia.

* Packaging and design

Design and packaging of products can also be an evident part of differentiation leading to brand differentiation in Russia’s retail market. According to Eriksen *et al*. (2019), product packaging and design help businesses improve product identification in the market leading to improve customer engagement. The company also has a suitable opportunity of improving its market positioning by establishing itself as a responsible brand. Thus, Sainsbury’s has an effective opportunity of using unique non-plastic packaging to improve its CSR responsibility compliance and product differentiation in Russian market.

# Conclusion

From the above discussion, it can be concluded that in the global market, Sainsbury’s can sell their products. The overall concept of the market structure is central to marketing and economics. It is important to find out the target market to be a proper business along with inducing several product variations. The CBBE model has helped to build a perfect business in its target market. In conclusion, understanding the brand functions with the customers' requirements is a crucial part for Sainsbury’s. In terms of expanding the business of Sainsbury’s in the global market, justification and selection of the market are the most significant steps.

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