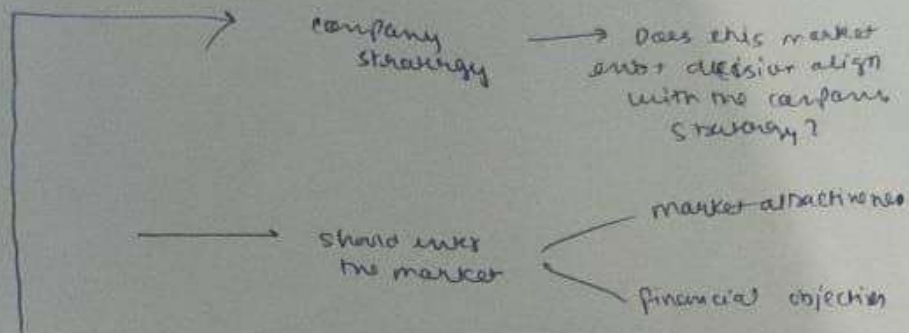


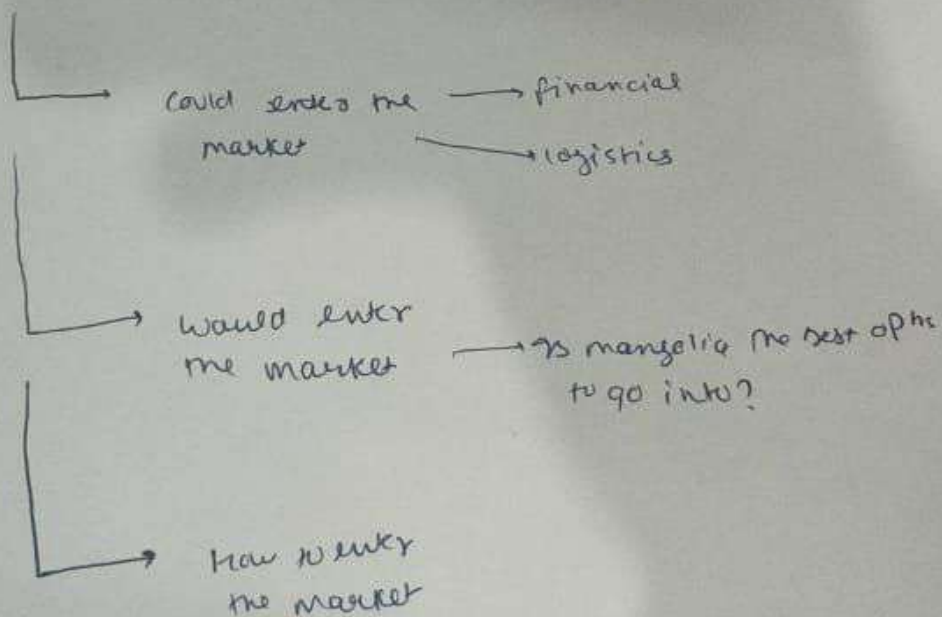
Q Can dealership or vehicle local distribution is a business that sells new or used car at the retail level, based on a dealership contract with an automaker or its sales subsidiary

Finding → .

Cell envt - no existing operations, no partners, no prior business



(old BMW
enter mango's & generate
\$50 million in 1st year
operations).



green field investments - occurs when a parent company begins a new venture by constructing new stores or facilities in a country outside where the company is headquartered

good questions. (Be to the point)
 try to implement it in your own style to make your own
 frameworks

BMW Case study-

BMW

Objective for:

- 1) why choose this time to enter mongolian market
- 2) why they choose mongolia specially?

Decision on financial & political both

Success metric - To generate \$50 million revenue in the
 first year operation

Company totally rely on their mission vision & position
 on applying a strategy

U.S. of country pop is in capital & have city
 Ulaanbaatar.

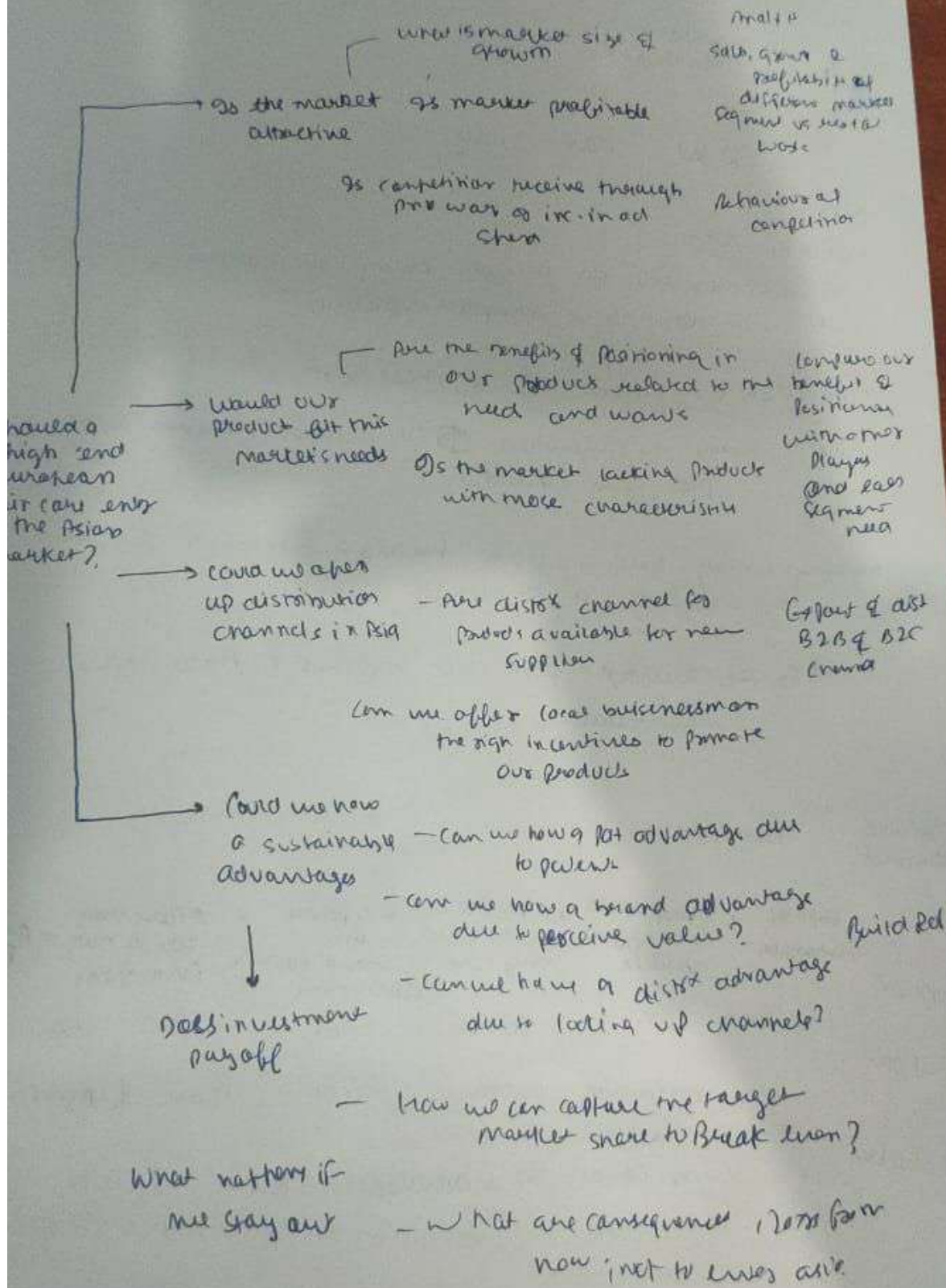
Supply and
 Demand.

Demand.

Supply	Pop of Ulaanbaatar	x % people who could afford vehicle	x % people who would buy cars	x % people who would purchase BMW cars	x # cars they would buy in a year	x Avg. price.
	1.5 million	10%	60%	10%	0.2	\$80,000
Calculation		0.15 million	90,000	9,000	1,800	\$108 million

if check

Each person in Ulaanbaatar spend 72 USD
 on BMW cars in a year



Market Entry Strategy

Market entry how a company plans to begin selling its products and services in a market which it doesn't currently operate.

Trade barriers -

Localized knowledge - what is happening locally and how to position the product

Price localization - what is an acceptable price for the buyers of the product.

Competition - there will always be competition

Export subsidies - does govt to your country target market offer an incentives

Tariff rates

Does product to be localized
transportation cost
marketing } increase company cost

9 Types of Market Entry Strategy -

1. Direct Exporting

2. Licensing

Franchising

Partnership

Joint ventures

Buying a company

Piggybacking → sell part to large domestic firm

Turnkey projects → provide services

Greenfield investments