

Assessed Coursework Coversheet

For use with *individual* assessed work

Student ID Number:	2	0	1	8	0	0	7	5	5
Module Code:	LUBS5318M								
Module Title:	Evidence Based Consultancy								
Module Leader:	Dr. Sajid Siraj								
Declared Word Count:	2606								

Please Note:

Your declared word count must be accurate, and should not mislead. Making a fraudulent statement concerning the work submitted for assessment could be considered academic malpractice and investigated as such. If the amount of work submitted is higher than that specified by the word limit or that declared on your word count, this may be reflected in the mark awarded and noted through individual feedback given to you.

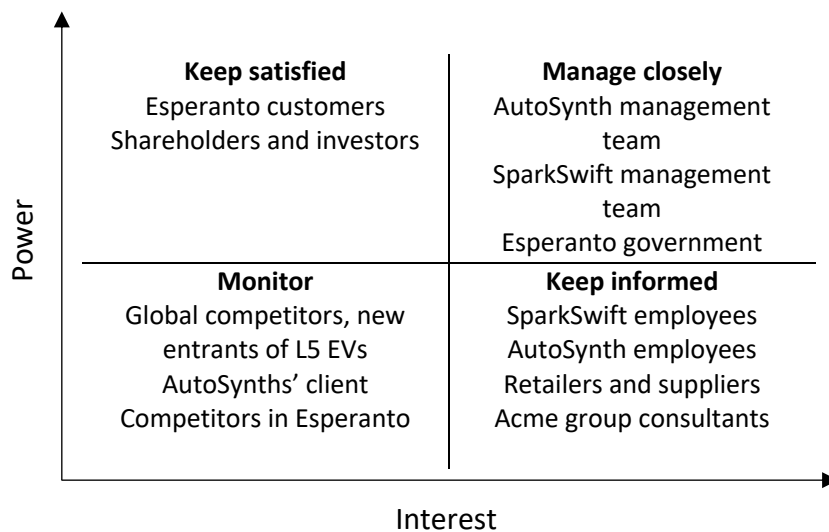
It is not acceptable to present matters of substance, which should be included in the main body of the text, in the appendices ("appendix abuse"). It is not acceptable to attempt to hide words in graphs and diagrams; only text which is strictly necessary should be included in graphs and diagrams.

By submitting an assignment you confirm you have read and understood the University of Leeds **Declaration of Academic Integrity** (http://www.leeds.ac.uk/secretariat/documents/academic_integrity.pdf).

A1.

Opportunity statement for SparkSwift	
Achieved Result	Largest share in East Asian EV market. Market share of 5% in European EV market Expertise in L2 automation Capabilities in L4 automation
Desired Result	Increase the market share in European EV market in the next few years.
Disturbing Event	The legalisation of Level-5 autonomous EVs in Esperanto.
Result Gap	Inability to produce L5 autonomous EVs due to insufficient technology.
Key Question	How should SparkSwift enhance their L-5 automation technology in order to capture the Esperanto L5 EV market and increase the existing European EV market share of 5%?
Stakeholders	SparkSwift and AutoSynth management team SparkSwift and AutoSynth employees Esperanto customers and government and competitors Global competitors and new entrants of EV AutoSynth's other client Acme Group SparkSwift and AutoSynth shareholders and investors Retailers and raw material suppliers
Constraints	Not specifically mentioned but we can inquire SparkSwift regarding financial and timeline constraints for e.g., <ul style="list-style-type: none"><input type="checkbox"/> Financial and budgetary limitations?<input type="checkbox"/> Timeline constraints with respect to acquisition and market entry?<input type="checkbox"/> Adherence to regulatory and legal constraints<input type="checkbox"/> Competitive environment
Decision criteria	Some of the possible criteria (using abductive reasoning) can be: <ul style="list-style-type: none"><input type="checkbox"/> Minimise the cost of acquisition and production<input type="checkbox"/> Launch L5 EV as soon as possible<input type="checkbox"/> Increased market share and improved brand recognition in Esperanto.<input type="checkbox"/> Technical competency of AutoSynth<input type="checkbox"/> Market value and growth potential of AutoSynth<input type="checkbox"/> Synergy between SparkSwift and AutoSynth<input type="checkbox"/> Smooth market entry

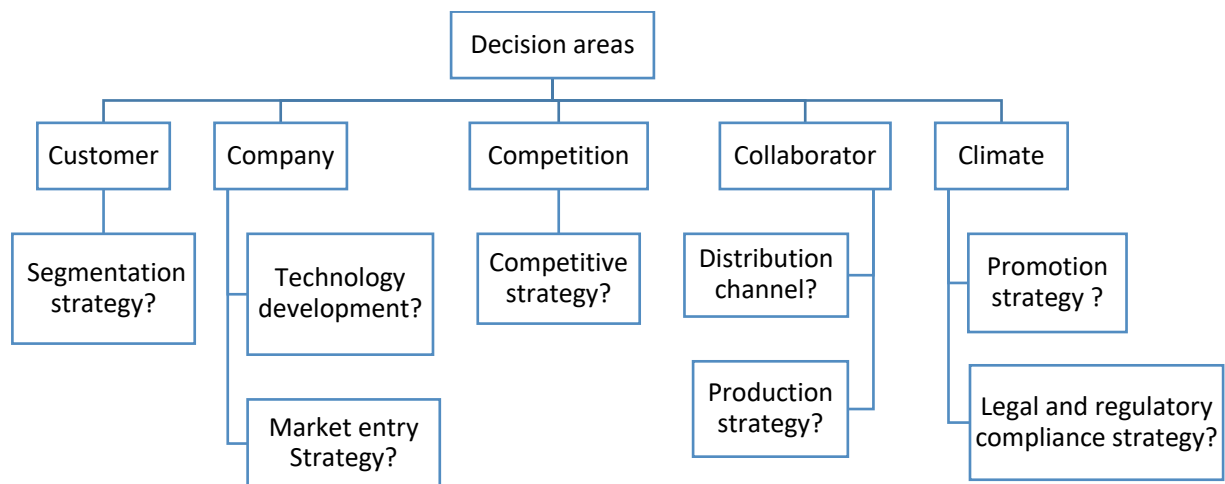
Power-interest matrix as proposed by Johnson et al. (2008) for stakeholder analysis



A2. Questions SparkSwift should consider for investigation:

- ☐ **Related to Customers**
 1. Demand for L5 EVs in Esperanto?
 2. Are there any specific customer segments to target?
- ☐ **Related to Cost**
 1. Is L5 EV market more profitable than SparkSwift's L4 and L2 EV business?
 2. Is it profitable to sell L5 EVs in Esperanto or are there opportunities anywhere else?
 3. Financial feasibility of acquiring AutoSynth and will it provide a good ROI?
- ☐ **Related to Competition**
 1. Who are the existing competitors in Esperanto and key players among them?
 2. What are they offering and how much market have they captured?
 3. Possibility of new entrants in near future?
- ☐ **Related to Capabilities**
 1. Does SparkSwift possesses the necessary marketing and sales required for L5 EVs?
 2. Issues with producing L5 EVs its compatibility with existing production process?
 3. Is AutoSynth's technical competency on par with industry standards?
- ☐ **Related to Collaborators**
 1. What is the most effective distribution channel for L5 EVs?
 2. Are local manufacturers and retailers willing to collaborate with SparkSwift?

I will utilise the Kenichi Ohmae's 5C model to identify the key decision areas.



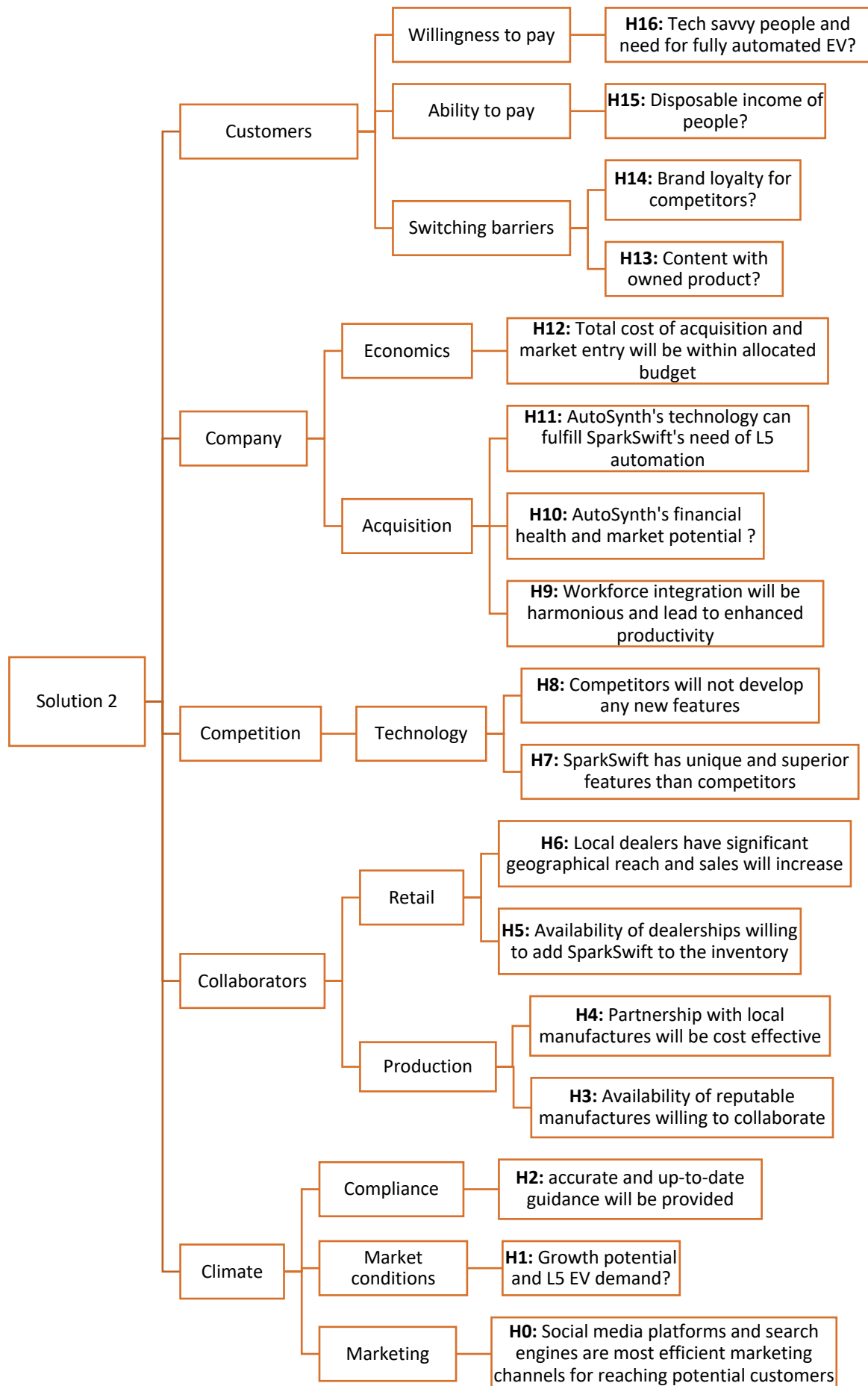
Decision Area	Options
Technology development	<input type="checkbox"/> Proceed with the acquisition of AutoSynth. <input type="checkbox"/> Contractual partnership with AutoSynth. <input type="checkbox"/> Reject the acquisition decision and seek other suppliers with similar capabilities. <input type="checkbox"/> Form a R&D team to analyse and fill the gaps.
Market entry strategy	<input type="checkbox"/> Enter Esperanto EV market directly. <input type="checkbox"/> Postpone market entry and wait for other competitors to enter first. <input type="checkbox"/> Leave Esperanto and explore market entry opportunities elsewhere.
Segmentation strategy	<input type="checkbox"/> Focus customers based on demographics. <input type="checkbox"/> Focus customers based on behaviour. <input type="checkbox"/> Focus customers based on geography.
Production strategy	<input type="checkbox"/> Manufacture in one of the sites and export to Esperanto. <input type="checkbox"/> Joint production with local manufacturing facilities in Esperanto. <input type="checkbox"/> Invest in building new production sites in Esperanto.
Distribution channel	<input type="checkbox"/> Collaboration with local dealers or rental companies. <input type="checkbox"/> Directly sell to customers (D2C) either through online platform or brand exclusive showrooms.
Competitive strategy	<input type="checkbox"/> Compete on cost leadership <input type="checkbox"/> Compete on product leadership
Promotion strategy	<input type="checkbox"/> Utilise the existing branding and marketing strategy. <input type="checkbox"/> Conduct analysis and devise a new marketing strategy.

	<input type="checkbox"/> Hire a marketing specialist.
Compliance Strategy	<input type="checkbox"/> Hire a local consultant/team specialising in matters regarding laws and regulations <input type="checkbox"/> Form an internal legal compliance team

A set of possible solutions are as follows:

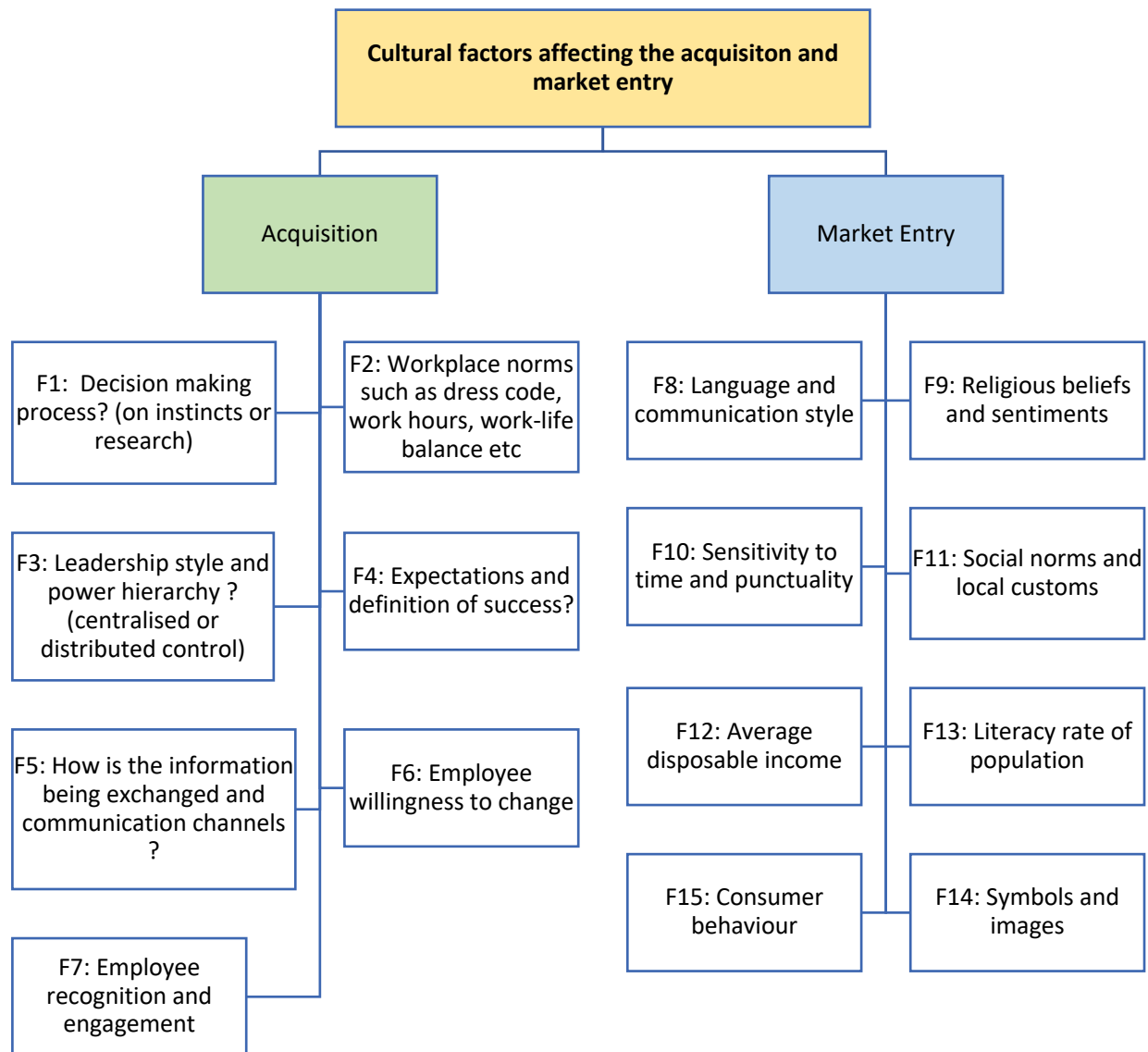
- **Solution 1** - To improve market share and brand recognition SparkSwift should acquire AutoSynth and observe feedback on competition before entering Esperanto. They should implement a behavioural segmentation and manufacture L5 EVs domestically, compete on product quality, hire a marketing specialist to navigate the cultural landscape of Esperanto. Invest in a legal team to satisfy regulatory requirements.
- **Solution 2** - To improve market share and brand recognition SparkSwift should acquire AutoSynth and enter Esperanto as soon as possible. They should implement a demographical segmentation, collaborate with local entities for production and distribution, compete on quality and devise a new marketing strategy after conducting a thorough risk assessment. Hire a local consultant to satisfy regulatory requirements.
- **Solution 3** - To improve market share and brand recognition SparkSwift should come in a partnership with AutoSynth and enter Esperanto as soon as possible. Focus customers based on geography and invest in the construction of new manufacturing sites and follow a D2C approach. Follow cost leadership strategy and devise a new marketing strategy after conducting a thorough risk assessment. Hire a legal team to satisfy regulatory requirements.
- **Solution 4** - To improve market share and brand recognition SparkSwift should explore market entry opportunities somewhere else, and overcome weaknesses in L5 automation capabilities without any external assistance.

A3. Going ahead with **Solution 2**, I have highlighted the assumptions across 5 dimensions, using the same framework which was used for identifying the decision areas.



A4.

The participants in an acquisition are human and their actions are influenced by both their shared culture and individual personalities. Research shows that companies who consider culture while dealing with acquisitions have a higher probability of success, achieve their goals, and have higher chance of employee retention than those who do not. However, companies still neglect the cultural integration.



Improper cultural integration between 2 companies is one of the most common factors for mergers or acquisitions failure. Conducting a thorough culture audit should be a prerequisite for acquisition/merger assessment process. Multiple studies (Hunt 1987, Ravenscraft et al., 1987, KPMG 1997) highlight that approximately 67% of all mergers fail to achieve the intended outcome due to organisations' neglect towards the human aspect of a merger process which includes the interests and reactions of the employees' (Marks et al., 1982). Moreover, differences in organisational culture have adverse impact on performance of acquisitions (Chatterjee et al., 1992). Some famous examples of failed mergers due to cultural incompatibility are:

- America Online and Time Warner – AOL acquired Time Warner in 2000, and the deal was valued at \$164 billion, making it the largest merger in history. But they struggled with operations integration due to vast cultural differences. Ultimately the merger proved unsuccessful, and they broke up in 2009.
- HP and Compaq – Hewlett-Packard acquired Compaq in 2002 for \$19 billion. The integration proved to be formidable due to mismatch of cultures and management styles. The merger was surrounded by criticism and many analysts expressed their doubts about the success. HP separated from Compaq in 2015, indicating that the acquisition did not achieve desired results.

Implications for acquisition process:

- **F1-** Incompatibility in decision making styles may lead to time-consuming decision making, failure to reach decisions or failure in their execution.
- **F2-** Differences in the working style may lead to decreased job satisfaction and loss of workforce by resignation. This will divert the attention of company to retain the workforce instead of focusing on how to get the work done.
- **F3-** Leadership is important to keep the employees motivated, engaged and goal oriented. Employees may be confused and even object to change in leadership and become unsupportive towards new leader. It may also result in a loss of talented employees.
- **F4-** companies have different expectations from the employees and different success criteria. When people who act collaboratively are merged with those who believe in individual performance may create situation where there is personal dislike and an unsupportive environment for completion of tasks.
- **F5-** Lack of transparency and clarity in communication may result in uninformed decision making, unclear objectives and misinterpretation of results.
- **F6-** Misalignment of organisational values may affect employees' willingness to change. They may be unwilling to take risks, implement new strategies, work in a cohesive manner, and work hard for the growth of company.
- **F7-** if in a post-merger scenario, there is inconsistency in, how the employees are rewarded for their contribution, they may feel undervalued or feel that they are not getting enough recognition for their work, which can cause:
 - 1) Negative impact on health and team members
 - 2) Decreased morale and reduced motivation

Understanding and adapting to the culture before entering a new market is a critical factor for business development and from marketing standpoint because it influences the way people behave, interact, and make decisions. Ignoring the cultural dynamics can pose challenges which may affect the establishment and growth of a business in a new market.

Examples of failed market entries due to cultural barriers:

- Walmart's failure in Germany: could not update its US business model to adapt to German retail landscape as proposed by Christopherson (2007).
- eBay's failure in China: market exit within a couple of years due to failure in understanding the dynamics of China's e-commerce platform landscape as pointed out by Ou et al. (2009).

Implications for market entry:

- **F8-** Advertisement in the local language will help in effectively conveying the message to the target audience. Dealings and negotiations conducted with local entities in native language will help to gain trust, maintain transparency, and build a supportive relationship. If there are multiple languages spoken within a country, marketers would require multiple strategies to address each category of language.
- **F9-** Unintentional offense or disrespect towards religious beliefs while promoting the product, or in marketing campaigns can result in customers losing faith or even boycott the brand e.g. in Islamic countries, display of exposed legs or arms of females are viewed as offensive.
- **F10-** Providing timely customer service in terms of resolving issues, complaints where time is of essence, will make customers feel appreciated, build brand loyalty.
- **F11-** Advertisements which go against social ideology while product promotion, branding may impact the customers negatively and damage brand image e.g. ads featuring groups tend to perform better in countries where group's well-being is valued, than in ones where individualism is prioritised.
- **F12-** The people will be less price-sensitive if disposable income is high and vice versa. Company can sell luxury items to customers having high purchase power, while it would have to focus more on providing value for money, if customers have tight budget.
- **F13-** Higher the literacy rate of people, the better their understanding and awareness of product, and the less sophisticated, more precise marketing would need to be to capture their attention.
- **F14-** symbols, colours, images are interpreted differently across different cultures. What is perceived appealing in one country may be viewed as inappropriate in another. If marketing visualisation is inconsistent with customer's perception, then it may not resonate with their thinking and cause issues with brand adoption.
- **F15-** consumer behaviour influences customer willingness and ability to buy. A right distribution channel which aligns with customer preferences will help in building a long-lasting relationship and increase brand reputation. Moreover, Business model should be flexible enough to adapt to customer expectations as they evolve.

A5.

Sub-assumptions	Methodology	Data	Ethical issues
H0	Sentiment analysis, content analysis, statistical methods	Online reviews, competitors' analysis	
H1	Evaluate the past performance, assess current condition, and estimate future potential of EV market	Year wise sales data of EV, Current ownership data, and sales data of EV, estimated growth and sales in upcoming years	exploring only confirming research to support market entry

H2	Assess the consultant's working standards, reputation, credibility. Inquire previous clients for quality of service provided	Consultant's qualifications data, documentation, contact info for previous clients, feedback data	Interview consultant's clients without consent Transparency issues in verification of consultant's practises
H3	Market analysis and online research for potential manufactures, assess their market position, customer bases	Details of manufactures, their collaboration history	Unfair employment practice
H4	Cost-benefit analysis comparing local production collaboration with alternative production strategies	Cost details of partnership, other strategies, revenue forecast and cost savings estimate	
H5	Online research, market survey for reputable dealerships, assess their market position, customer bases	Data from customer reviews, third party domains, details about existing product offerings	Privacy issues due to misuse of dealership data
H6	Assess geographical coverage and distribution network capability and sales history	Data about past sales, revenue, profits, data about distribution network	Privacy issues due to misuse of dealership data
H7	Performance metrics analysis, feature comparison analysis, cost-benefit analysis, customer feedback	Details about competitors EV, customer review data, SparkSwift EV performance metrics	
H8	Competitor roadmap analysis for technology scalability, monitor competitor plans for partnerships and collaborations	Data of patent fillings, third party domains, internal records, industry records	Bribing employees to get company's internal data, spying.
H9	Assess SparkSwift & AutoSynth work cultures, compatibility, weakness and strength, stakeholders meeting and interview	Data of employee survey, questionnaires, personal interviews, observational method (Hinde	Privacy issues due to misuse of employee data

		1996), data from HR department	
H10	Estimate AutoSynth's financial condition and market value. Analyse revenue and profitability statements,	data from account and finance department, historical revenue data, financial performance evaluation data	Use of unethical accounting practise to distort company's image
H11	Compare AutoSynth's competency vs industry requirements, assess integrational risks, technical team interview	AutoSynth's documentation, industry standard, third party domains.	Sharing sensitive or invalid data to competitors for own profit
H12	Estimate SparkSwift's financial condition. Analyse revenue and profitability statements, info from account and finance department	account and finance data, financial performance evaluation data	
H13	Assessing customer needs, their EV type vs current market offering, analysis of complaints and returns	Customer-satisfaction survey data	
H14	NPS surveys (Fisher et al., 2019), customer feedback, post-purchase customer survey, marketing strategy comparison analysis	data on competitors marketing strategies, customer retention and engagement programs etc	
H15	Analyse the income distribution of customers, economy survey	Census data, Bank summaries	Privacy issues due to misuse of customer financial data
H16	Technology awareness survey, recent trend of EV adoption rate and customer preferences analysis and buying trends	Historical sales data, digital behaviour study data	Avoid discrimination when conducting surveys

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