

New business opportunities and product life cycle – Assessment

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Introduction

New opportunities related to a particular business can be considered as highly effective for the enhancement of efficiency and productivity of that firm to a great extent. It is majorly essential to explore new ideas in order to apply the entrepreneurial opportunities as this can be beneficial for rapid growth of the company. On the other hand, the stages related to the life cycle of a product have major relevance in raising the sales opportunity for the company. However, this is also suitable to diminish errors in the production process of a particular product. The Volvo Company has been taken in this context for the discussion as for its new implementation for electric cars in the market of Europe.

Volvo is one of the second largest automobile companies in UK that is highly reputed among the customers due to the availability of luxurious cars with high quality services. It has been observed that in the year 2020, due to the high rate of sales of around 39% by the end of 2019, market share of the company has increased by almost 13.8% in 2020 (Autocar, 2020). This study will further be focused on various business opportunities in producing electric cars. The concept of product life cycle and its application on Volvo will be analysed in this study. Moreover, pestle analysis, and porter's five force model have been discussed based on the new implementation of this business for identification of the opportunities within the market of Europe. Other sectors of the automotive industry have been determined and discussed due to their efficiency for developing profitability in the field of the long run.

Discussions

The establishment of new business opportunities in the field of the implementation of electric cars in Europe can be identified through the PESTLE analysis of this country as well as the car industry. The Volvo Company has been analyzed for the electrification of the cars as well as entrepreneurship in this field to find the opportunities within this industry.

Politics are influenced by Europe as a good Global actor by playing a powerful role in the field of operations of the country. An important role is played by the country in the field of power up and plays a role in encouraging security, peace, freedom and democracy at the global level. Good relations are maintained with the other powerful countries such as the United State for maintaining the political segment within its country of Europe. The Business expansion of Volvo cars in the field of electrification Technology will be helpful for the powerful political role of this country in Europe. The Brexit event of this country can negatively impact of the company expansion in the field of new brand development. Corruption rate of this country can also impact on the business expansion of Volvo and explore it to international market rather than Europe.

The Economic factor of Europe portrays the greatest achievement in the field of business operations as there are 21 million SMEs and 500 million customers within its account. Availability of labour, capital, services and goods along with its free movement provide effort for developing the business within its country. In the year 2018, the GDP of this country was \$ 18.8 trillion and this represents 30.224% of the global economy (Achinaset *al.* 2019). The machinery exports of this country are 41% and import of this country was 31% in the year 2018. Therefore, Volvo will be greatly helpful for its entrepreneurship in the field of electrification of cars.

The social factor of Europe portrays the rich culture of Heritage and shirt cultures within its country. Some social challenges are faced by Europe in the present situation such as the rate of female employment in the country, which is lower. Therefore, this situation of the social factors can affect negatively for the implementation of business by Volvo cars in the field of its entrepreneurship in the electrification of cars. 74.14 crores people are there in the Europe and most of the population is higher educated. The educated population of this country have provide the opportunity for resourcing the technology experts as well as other employees in the production purpose of electric cars of Volvo.

Europe plays as a global leader in the field of technological development as well as science and excellent performance have been provided by this country (Gheibiet *al.*, 2018). The

technological advance countries are connected with Europe that is such as the UK, Sweden, Germany, France, Finland and others. The scientific powerhouses of Europe have contributed immersive technology and sciences in the present days. There are some inefficiencies in this country in the field of the IT sector and IT technologies couldn't develop its efficiency in the field of business operation. The modern technologies that can be used in the electric cars are such as artificial intelligence, robotic automation, solar technology and many more. Therefore the electrification technology implementation in the field of Volvo cars will be appreciated at a huge rate for its entrepreneurship within Europe.

Pollution is one of the biggest issues with this country which develops environmental risk for maintaining the health of citizens. Premature deaths are caused by 20 environmental factors which are estimated to be 400000 (Gheibet *al.*, 20185). The air quality also fails to meet the normal standard of environmental measurement. Therefore, the implementation of this technology by Volvo for its electrification of the cars will be very acceptable in this country.

The legal environment of Europe is maintained through the own legal system of this country. International laws are overruled by the legal system of Europe and the national law of this country develops a conflict with European Union law. The consistency of the loss is focused on the application as well as interpretation which are more accessible, transparent and understandable by all the citizens of this country. The employability law, equality act of this country is also provided for the development of the business progress of this country. Volvo will be helpful by the implementation of those laws in the field of business operation for maintaining values and ethics within its organization.

Therefore, the **opportunities** of this company in the field of implementation of the business operation in Europe for electrification of cars are seen in the field of development of the technological factors and economic factors. These factors will help provide opportunities for the entrepreneurs within the European market and establishment of the business with their new implementations.

The product life cycle of the materials is circulated in four major stages that are such as Introduction, Growth, Maturity and Decline. The product life cycle of the Volvo Company in the field of implementation of electrification within the cars have been discussed here:

The electric cars will be introduced in the market with the latest technologies which will be aimed to reduce pollution and save nonrenewable sources of energy. The investment will be done by the company Volvo in the introduction stage for the promotion and marketing of the product and as well as delivering them to the customers. The attractive features of the car model with the electrical energy implemented within it will be portrayed by the company at

the time of releasing in the market. VOI Technology is one of the company in the field of electric cars which provides its production process in the field of producing electric scooters. This company have achieved success in the market and developed a revenue amount of \$197.9 million (Crunchbase, 2020). This stage is very important for the company for sensing about the requirements of the customers as well as their responses for acquiring this new implemented product (He *et al.* 2019). The Technologies that are required for the acquiring of the customers and mitigation of the needs of the consumers can be identified in this stage of the new implementation by the entrepreneurs. Volvo will also implement the electrified cars in the market for their sale and promote them for acquiring by the customers along with sensing the responses from the market.

This stage refers to the consumption of the product in the market along with the growth of the rate of buying products from the company in the field of newly implemented products. The popularity of the product as well as increasing the sale of the product is developed in this stage. The rate of sales needs to be identified by the company and try to develop the attention of the customers in the field of developing revenue (Christiansen and Strobel, 2019). The sell growth of the market can be enhanced by Volvo for the electric cars by showing the cost effectiveness and the environment friendliness. This strategies have been produced by VOI Technology for growth of the company. Promotions of the Volvo company in the field of entrepreneurship of electrified cars needs to be done for the competitors within the market and expand the market with the growth of the products. The functions as well as the features of the model needs to be developed for attracting customers as per their requirements.

The maturity of the products is slowed down or the signal is received to be stopped due to the saturated market for the selling of the product. The price is shrinking at this stage and the signaling margin develops competitive pressure for the development of the new implementations in the market (He *et al.*, 2019). At that time, new strategies are required to be implemented for the development of the market segment and achieve the Target Point of their selling margin. Volvo will also need to develop new technologies and features for attracting new customers to develop business operations within the saturated market with existing products.

Every product of the market declines after the maturity stage though the companies provide effort for keeping the products alive. In this stage, a significant drop can be found and changes can be determined in the consumers for showing demands for the existing products in the market. Therefore, a lot of losses are faced by the company due to this product along with losing the market shares as well as dropping the power for competition with the other

companies (Taoet *al.*,2016).To cope up this point the company, Volvo needs to develop more other products by aligning them with the demand of the customers to attract them for acquiring the products.

Therefore the product life cycle for Volvo in the field of producing electric cars will be helpful to implement its products in the market and develop its market operation to achieve revenue. The sales growth of the products for Volvo cars can be determined and identified as well as the needs of the customers can be determined through this process.

The system of the company is dependent upon the Porter's Value Chain model and outputs as well as inputs of the company is developed on the basis of this model. The business operation of Volvo can be discussed as per the activities that are primary activities as well as support activities (Pelliccione *et al.*, 2017). The inbound logistics of the company provides the supplier relationship and the materials that are needed for the production of the electric car is supplied in this distribution chain. The transformation Of the activities can be seen in the operational activities by Volvo in the field of developing output for the production process which will be delivered to the customer. Outbound Logistics of the company Volvo will collect the produced car to the distributors for the selling purpose in the stores. The stores of Volvo will produce the selling strategies to the customers and approaches will be done by the stores in the purpose of marketing the products (Chesula and Kiriiny, 2018). The electric cars will be purchased by the customers and services will be provided by Volvo For any kind of assistance to the customers after selling the cars.

The support activities that can be developed by Volvo is in the field of procurement of the electric cars in the market. This organisation resources the products for the business operation and vendors will be searched for the purchasing purpose of the customers as well as a selling purpose in the market by Volvo. The Human Resource Department of the company will maintain the hiring of the employees for production purposes as well as motivating them and you are eating them in the field of developing work progress for the production of electric cars (Julita, 2019). The technological development activities of the company will be processed and managed for developing the information and the company will protect it in the field of knowledge base. The information technology cost will be minimised and advancement of the kind Technology can be default in this process. Volvo will develop the infrastructure of the company which will be helpful for the functioning of daily operations and will provide support to the administrative, account, legal and general management structures.

The competitiveness of the company for a specific product implementation in the market can be identified through the application of porter's five force framework within its business operation.

There are a less number of competitors in the market of Europe For the production of electric cars. Therefore there will be **low** scope for intense rivalry in the market due to unavailability of the companies within this specific production industry for Volvo.

There are a lot of suppliers available in the market of Europe due to its technological development within its country and the country is specifically dependent on the automobile industry for its GDP growth (Chesula and Kiriiny, 2018).Therefore suppliers have **low** scope to influence the business operation of Volvo in the market of Europe for electric cars.

The buyers can be attracted by the product due to its features as well as eco-friendly e-services where the pollution is not impacted.The buyer of this country is very **high** due to their availability of the substitute products.

The new entry within this industry may have provided trade to the company in the field of developing their products with the latest features and cost-effectiveness (Julita, 2019).Therefore, **high** intensity can be seen by the threats of the new entrants within the automobile industry of Europe.

The substitutes of this industry are available in the market which is operated through petrol and diesel. Those products are available in the market and many competitors are there to provide it whether there are fewer competitors in the field of producing electric cars in Europe. Therefore, the substitute may be lower due to its innovative idea in the market which is very effective for the environment in the present world.

The present world is suffering from air pollution and other types of pollution that hampers the environmental balance at a huge rate. The temperature of the world is also growing due to this air pollution and increasing of the greenhouse gases in the atmosphere which affects the other components of the environment such as the glaciers are starting to melt (Lumbanraja *et al.*, 2019). Therefore the whole world is concerned about the environmental factors and stock of nonrenewable sources of energy is also needed to be finished.

An international environmental study in Europe has been carried out to assess the prospects for the development in the Volvo car company for the technical introduction of electrification. Such technical deployment will aid the country's political element in floating the technology ship through Europe. The country's economic influence is also important, because the country's GDP is very large and plays a leading role in improving the global economy. Volvo's competitiveness in the area of electrification technologies would also be

boosted by the country's technical element, since the nation has outstanding success in the field of scientific and technological advancement (He et al., 2019). The technical application to reduce emissions and control air quality should therefore be approved by the country's environmental component. The legal structure and social element of this country would obstruct the entrepreneurship flow of Volvo for its entrepreneurship in the area of advanced technology deployment and electrification, because there are no suitable strategies for their preservation.

This scenario portrays that, implementation of the automotive industry based on petrol or diesel cars are not as effective as the pollution level is increasing due to the Automobile engines. The cars that are operated by the fuels or nonrenewable sources of energy will not be effective for the long run to drive its business. After a certain time, those cars will be useless due to unavailability of its fuel and the production processes will be stopped due to ending of the consumption by the market (Pelliccioneet *al.*, 2017). Therefore, the electric cars will be very effective in the long run for its business operation as it can be operated by the electrical charges which can be produced through the renewable sources of energy at any time.

Conclusion

The discussion of the Volvo Company in the field of implementation for electric cars within the market of Europe provides knowledge about its efficiency, advantages and opportunities for their entrepreneurship. The competitive environment has been discussed as per the five Forces model and external environment has been analyzed by the pestle analysis. The inefficiency of the automotive industry for developing other products in the market has been discussed for gaming products for the long run of business progress. The Porter's Value Chain Model have been used in the context for developing the opportunities of the company for implementing the electric cars in the market.

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