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Global Business Environment LCBB 4005. Lecturer: Eric Osei

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1. The supply side of the market could be affected from a lot of factors such as the price of raw materials needed for manufacturing one unit of product, social factors- number of people available to work, ageing of population etc, and technology- involving or developing new technology in the market or the industry. Any of these factors could impact the final price of the product.

-Price of raw material.- Any increasing or decreasing in the price of the raw material could have an impact on the final price. Depend on what materials are using for the product. For example, the price for the most basic model car of Land Rover would be different from the price of the same model car but with much more extras.

-Social factors. – Health workforce and level and quality of education are only a few of the social factors which are important for the competitiveness from the supply side of the market.

-Technology.- The number of the available technologies and their efficiency.

2. International trade. International trade is an exchange of goods and services between different countries. This kind of international interaction brings a lot of advantages for an organisation. Allows expanding the domestic market and increase the GDP of the countries. Reasons why Jaguar Land Rover should engage with the international market:

-Low cost of raw materials and wider market of suppliers.

-Wider employment market.

-Increase the company revenues.

-Better risk management.

3. BCG Matrix is a framework created to evaluate the current position of an organisation in the market. The Matrix is separated into 4 different stages represented by Star, Question Mark, Cash Cow, and a Dog. Every sign is a different stage of the product lifecycle. BCG Matrix It is a growth share 2x2 Matrix.

When the JLR was purchased in 2008 by Tata, the company has been in a position of a star. A company with a high market share and high growth rate. Now, JLR finds itself in a position of a question mark, the company still has a high growth rate and low market share.

To improve its position in the market, JLR should analyse the company operations from inside to outside (micro and macro environment) and implement the suggested following strategies below: Joint Ventures and Mergers and Acquisitions.

4. Global strategy refers to the company vision and mission for the future. Through analysing and planning its operations, answer to questions such as where the company has seen itself in the future and how will execute the plan.

However, due to the Covid-19 worldwide pandemic and Brexit, Jaguar Land Rover has realised decreasing in its sales. Decreasing it is happening mainly in China, where the domestic brands like Nissan and Toyota are leaders on the market and they are putting

pressure on the JLR sales. To remain in its position in the Asian market, JRL management should implement Joint Ventures strategy. This is an agreement between two companies to work together and thought this to improve their strengths and solving one another's weaknesses.

The partnership between the leaders on the market in China and UK would generate higher revenue for both organisations. Also, would improve their positions and into the global market.

To solidify its position in the European market, JRL could implement Mergers & Acquisitions. Dominated brands in the European market are Mercedes Benz and BMW. M&A strategy is a process of consolidation of a company through a different financial transaction. As a benefit of this strategy is that the consuming company conquers the market positions of the purchased organisation.