

Forming an Innovative Business

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1. The innovative idea.

My products promotion strategy will be undertaken according to my target market. The different target market a single product will determine the promotion strategy of the product and it will be quite different from another product promotion strategy. The distribution of my product will start with a more widely based market that. Since the target market is quite large, distributions plan will have to be developed to cater for the whole target market. The first market plan will be presenting my products to my customers. The most effective way to present my product will be through the use of the community idols, and well-known figures within the society. In launching my products, I intend to include my own distinctive label that will separate my product from other competitors' products. The Community idols will have some discount on all products and especially on custom designed products. The main aim of this promotion strategy is to create new trends and fashion preference that is mostly accustomed by the well-known figures within the society. When a celebrity is seen by the general public wearing a certain design of cloth, shoes or accessory with a specific label on it, a new trend is mostly created and this shift the public desire on the particular product. My customer will know what I have to offer through celebrities and well known person in the community. My core competencies will include the making of new and trendy products that are aimed in fulfilling the market's desire on clothing, footwear, and accessories. Providing new product always receive acclaimed attention and response on products. A strong relationship with my customer will be built through the provision of different type of products that will range in different price to ensure that there is something for everyone. Any customer that will enter any of my store will have to come out with a product as there will be a different prices for similar products.

2. The business structure for my innovative business venture.

The best business structure for my business venture will be a joint venture since my market will be based on a new region and country. Joint venture will involve my business to consider an enterprise where another investor will share the control and ownership over property operations and rights within the new market. This strategy which is known to be the most common strategy when new companies are entering foreign market will prove to be of immense benefit to my new innovative venture (Demick, Barbara, 2006). My business may show interest within an already existing South Korean company or the formation of a new enterprise that will involve my business and a South Korean company. The use of a South Korean company will be crucial as the South Korean company already understand the dynamics of the South Korea economy and market. This partnership will benefit my business since no research will be needed to understand the market. The South Korean company partnering with my business should already have a good knowledge of all the possible threats and opportunity that are available while partnering with my business. The partnership will also help in financing, risk sharing and making the enterprise be owned by South Korean individuals hence it will not be considered a full foreign company (Demick, Barbara, 2006). Datamonitor (2009), suggest that any company needs a partner that knows and has a better understanding of any new market so as to act as an advisor to any foreign company before market entry. Some companies that have used this strategy and proved to be successful are virgin mobile and Sony Ericson.

3. The stages in the entrepreneurial process needs to be follow when starting the business.

When starting the new business in South Korea, the best entrepreneurial process to be utilized will be the 4P's marketing mix that will ensure success to the business. They will involve:

1. Product perspective

The business will consider the elements of the product that will be more noticeable within the South Korean market. Warranty which is part of the sale support service also increase the sales demand for any product (Brigham, & Ehrhardt, 2010). With the number of other competing firms within South Korea, the business will have to distinguish itself from the competition that will be already waiting, the use of massive advertisement will be extremely crucial in fighting competition.

2. Place perspective

The business will set up distribution channels to primarily undertake a set of economic functions within South Korea and bridge the gap between their production points to the consumers. Through distribution of the business's products within South Korea, the business venture can market its product while also analyzing the market trend (Brigham, & Ehrhardt, 2010). A good distribution channel should be determined in order for the company to increase its market and entry into the new South Korean market.

3. Price perspective

The perception by consumer regarding the quality of any product is within a series of informational inputs that are concerned with a set criteria established to judge the product. When much of this expected information is not available, customers tend to use the price and brand quality to make their final judgment (Meldrum, & McDonald, 2007). The prices on all the business's products will determine and reflect the competitive position while indicating the products, innovativeness, quality and benefit towards the consumers. Most consumers tend to have the knowledge of all the price of the similar products that are competing. Through the price and taste, a consumer makes their final judgment on the product (Brigham, & Ehrhardt, 2010).

4. Promotion perspective

The company will have to constantly promote its product within the new South Korean market. New product needs to be promoted effectively so as to set a base within their new market. Advertising promotion helps the company to sell its product and create market awareness of new products (Meldrum, & McDonald, 2007).

4. The market for your innovative idea.

Since the intended market is based on a foreign country, there are different dynamics that will need to be focused on in regards to the South Korean market.

Country

South Korea being situated within Asia is known to have economic freedom and it is ranked as the 31st freest country within the world with a score of 71.2. This score is an improvement of 0.9 as compared to the previous year (Stenius, P. (2011). South Korea's

monetary and financial freedom outweighs the modest decline within the fiscal freedom, labor freedom, and business freedom. Within Asia, South Korea is ranked as position 8 out of the 42 countries within Asia.

1. Culture/consumer behaviour

There is a sophisticated culture within the South Korean consumers as it is blended with both contemporary and traditional elements. The traditional element of South Korean market is homogenous in nature. Nevertheless, technology and other factors have helped in blending in of the contemporary elements. A big number of South Korean consumers prefer a home based product as opposed to foreign products and with some bit of South Korean touch in almost everything.

When technology and other product that are not found within south Korea are concerned, there has been increasing demands off quality and well known products within the south Korean market (Datamonitor, 2009).

2. Channels

My business will have a number of suppliers, stakeholders and employees. Through them and the company management, all the decision required to run the company will be made and effected. Different channels will be used to ensure that the general consumer have their products on time and when need be.

3. Commitment

The new business will be committed in expanding to new markets while providing their best product to the consumers. South Korea is also committed in attracting more investor by providing the necessary condition for new investment to grow (Stenius, P. (2011).

4. Concentration

South Korea can be considered to be concentrated when its population is at stake. The growing population has also served as a ready market for new products and services. Its' concentration is made up of South Korean who are the majority.

5. Consumption

South Korea has a population of 50 million people with only 30 percent of this population being unemployed. This makes south Korea a big market for different products and services. This consumption of goods and services has attracted many investors to South Korea and there exist a readily available market for their goods and services. My business venture is a producing company but will have some consumption within the employment field operation (Griffin, 2006). South Korea's population prove to be a ready market for my clothing, footwear and accessories products.

6. Contractual obligations

South Korea is doing its best in attracting investors. The efforts made by South Korea are aimed in trying to fight competition from the other rising Asian countries. This improves the contractual obligation of South Korea, and many investors are willing to invest within this market. My business venture will have a contractual obligation as it will be supplying its products (Meldrum, & McDonald, 2007). These product are known to be quite essential to the growth of an economy and hence only a company with contractual obligation cab be allowed to operate within South Korea.

7. Caveats

Through market research, BP will find the existing caveats within the South Korean market. These caveats include culture and the people lifestyle. South Korean official also provides caveats to any investors or company that are not operating with the set regulations.

8. Capacity to pay

With the highest majority of the South Korean market being employed and a country's GDP of 106 trillion, this gives the South Korean population the capacity to pay for any good and services that are rendered to them without many difficulties. South Korea is also a fast growing country with the standard of living improving with the growth. The capacity to pay for South Korea has no doubts but the marketing might be the issue.

9. Communication

With exception of the Chinese minority within South Korea, the entire South Korean population speaks a similar language. This makes communication extremely easy between the general populations. Also, new investors try to cope up with the existing condition and are required to learn the language for their own businesses benefits (Griffin, 2006). Business using the South Korean language and culture are known to flourish more than businesses that come up with a different non South Korean style. My business's communication will needs some changes and adoption to the South Korean language if it is to remain significant within the South Korean market.

5. An action plan to overcome any foreseen barriers in the venture's success.

To overcome any barriers to the business success, the joint venture market entry strategy will be highly beneficial as its will reduce risk and other issues that comes with a new market

and the lack of knowledge pertaining the market dynamics. An implementation plan will put in place to ensure an effective undertaking of all specified tasks and operations. Through developing some milestones within the plan, the plan will be divided in several sectors to ensure maximum effectiveness that will guarantee success. And present a platform to resolve any issues that arise within the plan.

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