

How will Smart Vision's Current Marketing Mix Change when Entering the Mozambique Market?

Business Internal Assessment SL
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#001048-018
March 2nd, 2011

Word Count: 1,482

A. Title

How will SV's current marketing mix change when entering the Mozambique Market?

B. Introduction

Smart Vision (SV) is a local Portuguese company of strategic auditors and advisors for local governmental municipalities. More concretely, SV provides the knowledge and the strategy needed for the public sector to accomplish projects. Therefore, the main objective of the company is to help municipalities follow a framework that will put their ideas in practice. A specific paradigm of the product offered by SV consists of the strategy in implementing the System of Accountability and Costs for the municipality of Évora and accompaniment and orientation for the management of the System of Quality Management of the Theater of Faro¹.

This investigation evaluates the extent to which SV's Portuguese national marketing mix will change internationally, since the company is contemplating expansion to Mozambique. Consequently, there will be a variety of changes in an international market that SV will have to adapt to. Furthermore, this investigation will be mainly carried out by secondary research.

In order to investigate this, the following business theory will be used: the marketing mix, the product positioning strategy, different methods of international expansion, branding and the SWOT Analysis.

C. Findings

SV would like to expand its service to the Mozambique market to spread out the customer base, thus gain more profit and spread risks between Portugal and Mozambique. Additionally, the mission statement of the company also suggests that SV thrives to provide their assistance and services to other municipalities, in order for the personal development of the clients².

However, some issues that SV may have to overcome in becoming a multinational company is the possible lack of local knowledge, the cultural and legal barriers to which the Portuguese professionals are not accustomed to. Therefore, these factors represent difficulty since they require adaptation and a whole new way of accomplishing negotiations. Also, the contrasting political and economical conditions in Mozambique can also represent an obstacle for SV to thrive as a multinational corporation since the disparity present within the different markets and infrastructure since the Portuguese professionals will have to adapt to different conditions. Consequently, a different country, represents a different way of carrying out business and accomplishing goals. However, even though the language barrier does not

¹ SV ." SV. N.p., n.d. Web. 17 Mar. 2011. <<http://www.smartvision.pt/Referencias.html>>.

² The mission of SV is to provide the fulfillment of its customers, employees and partners, targeting organizations and public agencies for change, aligning people, processes, systems and structures, through advice and strategic audit (...).

necessarily represent a threat, there is local vocabulary that the employees will have to become familiar with.

Mozambique's local municipalities can potentially benefit from the services of SV, since SV has assisted local Portuguese municipalities in accomplishing goals. Therefore, SV can potentially accomplish the same internationally³. Local businesses can also develop partnerships with SV⁴.

SWOT Analysis

Strengths:

- The company differentiates itself from other such businesses by making its service accessible⁵
 - the company can reach a greater margin of the public sector
- The highly qualified and experienced staff contribute to the company's flexibility⁶
- Local experience⁷
- The known quality of the service offered by SV allows the company to maintain clients and attract more municipalities⁸
- The importance attributed to the human collaboration to SV allows to maintain motivation among the employees of the company⁹

Weaknesses:

- With the austerity measures, local municipalities may not be willing to spend funds

Opportunities:

- The possible expansion to Mozambique.
- The variety of clients that SV can obtain through differentiating itself

Threats:

- Competition
- Current economy
- The expansion to Mozambique might represent a variety of threats, since there are negative factors inherent in investment within the country¹⁰:
 - Organized crime
 - Bureaucracy
 - Corruption
 - Diseases

D. Analysis

³ SV ." SV. N.p., n.d. Web. 17 Mar. 2011. <<http://www.smartvision.pt/Referencias.html>>.

⁴ "SV ." SV . N.p., n.d. Web. 17 Mar. 2011. <<http://www.smartvision.pt/clientes-parceiros.html>>.

⁵ Refer to Document 2

⁶ Refer to Document 2

⁷ Refer to Document 2

⁸ Refer to Document 1

⁹ Refer to Document 1

¹⁰ Refer to Document 3

The marketing mix for SV, which consists of a service, consists of the seven components of product, price, promotion, place, physical evidence, people and process.

The product offered by SV consists of the service provided to local municipalities consists of devising the necessary strategy and framework to achieve certain objectives. The basis of the service will not change when extending the company Mozambique, however, only what sorts of projects to be accomplished might. While locally, the most recurrent projects completed by SV are of a financial nature, such as managing funds or developing financial and accounting operations and internationally, this may undergo a change. More concretely, it may be more common for SV to have to elaborate strategy for other projects, such as infrastructure, communication systems public facilities.

Moreover, as for the price, the main changes that such factor will undergo consist of the adaptation to the national culture. The strategy employed by SV, which consists of making the service accessible, in order to branch out to other municipalities and gain a wider range of clients and thus, bring in more profit. Therefore, the strategy will be kept the same as SV becomes a multinational company, since the service has to be maintained affordable¹¹.

Subsequently, promotion on a domestic basis is mostly obtained from personal contact, as it can be deduced. Furthermore, the company can reach potential clients through the scheduling of meetings. Therefore, the most obvious change that will occur consists of the unfeasibility of travelling constantly between the two countries and possibly, meetings will have to be carried out through the internet by conference calls. Such form of communication is convenient for SV, since the same can be accomplished and it will not be as time consuming and resource demanding as constantly having to travel. It can also be deduced that, apart from the direct contact, SV also obtains exposure from the official website. Perhaps some of the clients can be brought to SV since the website is dedicated to the characteristics, the objectives and the mission of the company. The projects accomplished or being completed by SV¹² and the clients who sought the service of the company¹³. Furthermore, SV takes advantage of external publishing, compiling all press releases that were dedicated to SV and its accomplishments on one section of the website. This can be effective because the public can regard the external acknowledgements, thus contributing to making the company more reliable in the eyes of the customer. The company also advertises in national highly-regarded newspapers¹⁴. SV also exposes itself to potential customers by hosting seminars and being part of conferences, since such promotion may attract potential municipalities. Such will be challenging to accomplish due to the issues inherent in the transportation between the two countries and maybe, these seminars will not occur with as much frequency. The new company that will be set up in Mozambique will be called "SMART Vision Moçambique" (SVMZ)¹⁵ and the change in name will occur since services that are associated to foreign countries can instigate trust¹⁶.

As for place, since SV is a service that will become multinational. The office that will be built will consist of the center, as is in Portugal, but there will be no strict place to old meetings and as occurs locally, the collaborators will be required to travel or to use the advantage of the technology to communicate with clients. The resource of

¹¹ Refer to Document 4

¹² A total of 297

¹³ A total of 104

¹⁴ Such as *Público* and *Expresso*

¹⁵ Translation in English: SMART Vision Mozambique

¹⁶ Chéu, Sérgio. Phone interview. 2 Mar. 2011.

the internet might be challenging, since communication is somewhat restricted. Therefore, it may be concluded that SVMZ requires locals that will also have to give feedback to Portugal.

As for Physical Evidence, it will be also required for SVMZ to have an office where the locals will attend to on a regular basis. This office will have to have good conditions to hold meetings and have access to the internet. Domestically, SV has an office in Aveiro, where the main operations are held, but the collaborators are not strictly present, due to work trips and other such responsibilities¹⁷.

When referring to process, within SV, it consists of how the staff follows up with the project belonging to each specific client. This, is therefore, composed by what method of communication is employed to reach clients, either through meetings or through e-mail. Also, other meetings can be conducted by the locals that work for SVMZ.

People is a component that will also undergo change, since locals have to be hired and the same criteria for recruitment has to be utilized. It will be demanding for the workers to SV to juggle between the two companies and so, locals can be assigned with projects, such as: getting clients, hosting seminars and advertisement and both companies can collaborate to devise the strategy.

E. Conclusion

Since the principles of SV will be maintained the same for SVMZ, the product will not change, but certain factors will have to be adapted to local conditions. Therefore, the price must be made accessible to municipalities and “Companhia Portuguesa” will just have to adapt to the local projects. The promotion methods will not change either, they just have to be adapted according to the local conditions. The place and process are factors that might be the most challenging. The distance between the two countries is the main obstacle for SV. It is important to have local staff internationally, to deal with local factors.

¹⁷ Chéu, Sérgio. Phone interview. 2 Mar. 2011.