

Case Study- Toys "R "Us

Background

With reference to the given case study of Toys "R" Us, it is evident that the toy company is facing problems in association with the expansion of the marketing the products in the international markets, and has been facing major competitive problems as there are many new options and ways to purchase toys instead of visiting the main shop again and again. Other problems are in relation to the company's terms in decreasing sales due to the old methods of marketing strategies, here we will analyze the case study of Toys "R "Us in different problematic areas in order to determine a rationale solution.

Principal Managerial Issues and Policies

Markets are increasingly competitive, and companies are much more internationalized. Rapid changes characterize international markets which forces very competitive strategies to achieve success (Pereira, 2017). While the domestic market of Toys "R "Us requires a simple approach, Multidimensional strategies. They should limit their options to simple export; they should consider other forms of Such as: licensing, joint venture or direct investment.

There are 5 steps in the evolution of the internationalization process of a company. These differences in strategy, global market approach, different subsidiaries. These steps are not rigid and nothing obliges an organization has to go through all of them but according to the managerial policies, the following steps are considered to be necessary according to Sternquist (2013), for a successful achievement in international marketing, with reference to the present case study of Toys "R "Us:

1st stage - Domestic orientation

The organization is focused on the domestic market, its management orientation is Ethnocentric approach, centralizes its analysis in the domestic environment. The business Foreigners can happen if an important foreign customer or Thus, but always with a secondary and sporadic role.

2nd stage - International Orientation

At this stage the company maintains an ethnocentric management orientation. It addresses the more systematically, and the marketing strategies are no more than extensions of the activities carried out in the domestic. That is, according to the distribution of toys is limited to majority of areas in the USA and the company should be looking forward to meet more than the current outreach of the Eastern markets as well, the current distribution lacks an International experience and is considered to be still small.

3rd stage - Multinational orientation (multidomestic)

At this stage the company has already found that the different markets require changes to the Marketing-mix to succeed. Its management orientation is Polycentric, now has autonomous units in the different countries where it markets. This has the advantage of possible overshooting of products, and the use of economies of scale.

4th stage - Global Orientation

Global company is one that focuses its efforts on global markets. With reference to the given case study Toys R Us, the global situation of the company is poor and the outreach of the products has been limited. It is important for the company to have a global approach for their products on the basis of different countries throughout the world.

5th stage - Transnational Guidance

A transnational organization is much more than a sales company; it is an organization that connects global resources with global markets. There is not a pure example of such a company.