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DEFINITION

A strategy in which operating decisions are decentralized to each country to enhance local responsiveness.



CHARACTERISTICS

1. Decentralized authority with substantial autonomy at each business

2.Customization or frequent adaptation of products for each separate market TheCaseSolutions.com High

Global Efficiency 3. Use existing domestic model globally.

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4. Quality and image across markets are important sources of competitive advantage

5. Franchise, Joint ventures, subsidiaries.

- 6. Few system wide opportunities for economies of scale
- 7. Value-adding activities performed and duplicated in each market
- 8.Coordination of marketing and sales within each market

ADVANTAGE

- 1. Customization strategy within each market
- 2. Meets customer needs and wants
- 3. Prodeucts or services tailored for eah market
- 4. Reduce distribution cost.
- 5. Managers have greater authority in host market