



Speed Race: Benelli and QJ Compete in the International Motorbike Arena

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Challenge

While Benelli wants to improve its sales in the USA and Europe, it has to overcome the cultural differences and distribution problems of Benelli.

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SWOT Analysis

Strengths: Benelli, QJ, Keeway

Weaknesses: Cultural differences, Distribution problems

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Options

Option 1: President Obama
Option 2: Central Place
Option 3: Old Best
Option 4: Booming Business

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Solution

Option 4: Booming Business is the best solution for Benelli and QJ to overcome the cultural differences and distribution problems in the USA and Europe.

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Key Issues

- > Lower sales than expected
- > Cultural differences
- > Distribution problem Benelli

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Solve Matrix

	Option 1	Option 2	Option 3	Option 4
Strengths	+	+	+	+
Weaknesses	-	-	-	-
Opportunities	+	+	+	+
Threats	-	-	-	-

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Thank you for your attention

How?

1. Establish a distribution network in the USA and Europe.
2. Develop a marketing strategy to attract customers in the USA and Europe.
3. Launch the product in the USA and Europe.
4. Monitor the sales and adjust the strategy accordingly.
5. Expand the product line to other countries.
6. Establish a long-term relationship with customers in the USA and Europe.
7. Collaborate with local distributors to overcome cultural differences and distribution problems.
8. The key to success is to establish a strong distribution network in the USA and Europe.

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Costs?

Benelli and QJ have to invest \$10 million in the USA and Europe to establish a distribution network and launch the product.

Item	Cost
Marketing	\$2,000,000
Distribution	\$3,000,000
Product Development	\$5,000,000
Research and Development	\$1,000,000
Other	\$1,000,000
Total	\$12,000,000

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Challenge

Marta Zhang needs to figure out how two totally different companies with other visions and cultures can work together and combine efforts.

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Key Issues

- > Lower sales than expected
- > Cultural differences
- > Distribution problem Benelli

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SWOT Analysis



Strengths

- Sports image(quality)
- Low costs(quantity)



Weaknesses

- Distribution network
- Market knowledge



Opportunities

- Scooter market
- Customer service



Threats

- Japanese competitors
- Company differences

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Options

Option 1: President Obama

Option 2: Central Place

Option 3: Old Best

Option 4: Booming Business

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Solve Matrix

	Option 1 <i>President Obama</i>	Option 2 <i>Central Place</i>	Option 3 <i>Old Best</i>	Option 4 <i>Booming Business</i>
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Suitability	11	13	12	19
Acceptability	7	8	6	6
Feasibility	10	8	10	12
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Total points	28	29	28	37



Solution

Option 4: Marta's Benelli must cooperate with Generic and Keeway Motor to penetrate the European scooter market by developing a new basic scooter line funded by QJ and altered for each specific region.

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How?

1. Contact QJ and tell them about the "Booming Business"
2. Develop mechanisms for managing and coordinating with all European partners in terms of communication and R&D
3. Start a R&D project with these partners in which the three R&D departments will work together to create the European designed scooter.
4. When R&D is completed, set up production lines within the QJ factory in China
5. Start manufacturing the basic model scooter
6. Keeway, Generic and Benelli will each import the scooter model and apply the finishing touch to make them target specific regions.
7. In the meantime you must set up a great system of distribution to improve the cooperation between Benelli, Keeway Motors and Generic.
8. You must invest in marketing, especially for sales promotion, post-sales assistance and customer care.