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Sebastian Becker

International Strategies of the Food Retail Industry

What factors contribute towards the implementation of a successful expansion strategy, deriving sustainable competitive advantage in the food retail industry in China for Metro Cash & Carry International?

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International Strategies of the Food Retail Industry

What factors contribute towards the implementation of a successful expansion strategy, deriving sustainable competitive advantage in the food retail industry in China for Metro Cash & Carry International?

Student Sebastian Becker

Course Business Dissertation (BUS301)

Date of Submission 21.11.08

Word Count 10,483

Dedication

My work on this dissertation is dedicated to my mother and father who have supported me ever since and had confidence in me when I doubted myself. Thank you!

Acknowledgement

First, I thank my tutor Dr. Nicholas Bowen for his continuous support. He taught me international business and widened my educational scope. Nicholas was always there to listen and to give advice. He is responsible for me to complete the writing of this endeavoring dissertation and the research that lies behind. This dissertation would not have been possible without the expert guidance of my esteemed advisor. Not only was he readily available for me, as he so generously is for all of his students, but he always read and responded to the drafts of each chapter of my work more quickly than I could have hoped. Thank you!

Special thanks go to my partner and best friend whom I love so much.

Thank you for your friendship and honesty. You have supported me with unconditional love and believe. Thank you!

Abstract

This research is concerned with the evaluation of factors that contribute towards sustainable competitive advantage in the food retail sector in China. Increasing globalisation encounters problems to market particularities from the macro and micro point of view. This research emphasises on the evaluation of political, economical, social, technological, ecological, and legal factors, the market attractiveness based on the bargaining powers of buyers and suppliers, the transformation of resources into capabilities, and the creation of value along the supply chain of key international market players.

The research is undertaken on the bases of cutting edge literature, articles, and journals. It is enriched by the use of primary research in the form of an interview with the general manager of Metro Cash & Carry, the world's largest self service food and non food retailer. Contemporary studies have been conducted through online sources.

The contributing factors for a successful strategic alignment in China are economies of scale and scope. This has been gathered from the analysis and encompasses t the product range and the store format adaptability and excellent procurement logistics with regards to strong supplier relationship management. The store format adaptability arises from excellent local supplier relationship for optimized product fit.

The implications of this research derive recommendations in the area of quality and freshness of product assortment, excellent global procurement logistics, political negotiation powers, and organic growth for sustainable competitive advantage for future expansion.

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