

# **Project of Penetration strategy for Chosen Company in Senegalese market**

Bc. Ibrahima Sara Balde

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Master Thesis  
2016



Tomas Bata University in Zlín  
Faculty of Management and Economics

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Tomas Bata University in Zlín  
Faculty of Management and Economics  
Department of Management and Marketing  
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## **MASTER'S THESIS ASSIGNMENT**

(PROJECT, ARTWORK, ARTISTIC PERFORMANCE)

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Degree Course: **Management and Marketing**

Thesis Topic: **Project of Penetration Strategy for Chosen  
Company in Senegalese Market**

Thesis Guidelines:

### **Introduction**

**Define the objectives and the application methods used in the Master thesis.**

#### **I. Theoretical part**

- **Prepare the literature review focused on market penetration strategies.**

#### **II. Practical part**

- **Analyze chosen company and its markets penetration strategy and the environmental competition of Senegalese market.**
- **Prepare the project of market penetration in Senegal for year 2016–2017.**
- **Submit the project to risk, cost and time analysis.**

### **Conclusion**

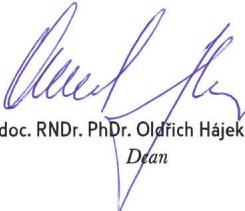
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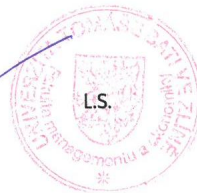
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Zlín 18/04/2016

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A handwritten signature in blue ink, appearing to read 'Balda', written over a horizontal dotted line.

signature

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## **ABSTRAKT**

Cílem této diplomové práce je navrhnout nový projekt penetrace strategie vybraného podniku do senegalské trhu. Zvolená Společnost je světovým lídrem v oblasti outsourcingu podnikových procesů.

Také vyhodnocování tržního prostředí v Senegal, pozorujeme, že senegalský trh představuje velké příležitosti pro proniknutí na vybrané firmě.

Interakce mezi vnitřními a vnějšími faktory dávají agresivní způsob zadávání příznivě působí na vybraném podniku v Senegal.

Optimální a vhodná strategie je realizovat kancelář v Senegal a zahrnuje kolem inovace, pokud jde o budování partnerství s veřejným a soukromým sektorem, transferu technologií a sociální odpovědnosti podniků.

**Klíčová slova:** Marketing, Strategie penetrace, Business Process Outsourcing (BPO), Mezinárodní marketing.

## **ABSTRACT**

The purpose this master thesis is to design a new project of penetration strategy of chosen company into Senegalese Market. The chosen company is a world leader in the field of Business Process Outsourcing. Also, evaluating the market environment in Senegal, we observe that the Senegalese market presents great opportunities for penetration for the chosen company.

The interactions between the internal and external factors give the aggressive method of entry favorable for the Chosen Company in Senegal.

The optimal and suitable strategy is to implement an office in Senegal and it involves around innovations in terms of building partnership with public and private sectors, technology transfers and Corporate Social Responsibility.

**Keywords:** Marketing, Penetration strategy, Business Process Outsourcing (BPO), International Marketing.

**Contents:**

<b>INTRODUCTION</b> .....	<b>1</b>
<b>OBJECTIVES AND METHODS OF MASTER THESIS PROCESSING</b> .....	<b>3</b>
<b>I. 4</b>	
<b>THEORY</b> .....	<b>4</b>
<b>1 INTERNATIONAL MARKETING</b> .....	<b>5</b>
<b>1.1 THEORETICAL FRAMEWORK OF INTERNATIONAL MARKETING</b> .....	<b>5</b>
<b>1.2 CROSS CULTURAL MARKETING</b> .....	<b>7</b>
<b>1.3 INTERNATIONAL MARKETING STRATEGIES</b> .....	<b>8</b>
1.3.1 EXPORT ENTRY MODES .....	10
1.3.2 NON EXPORT ENTRY MODES.....	11
✓ LICENSING, .....	11
✓ FRANCHISING, .....	11
✓ JOINT VENTURE, .....	11
✓ CONTRACT MANUFACTURING, .....	11
✓ FULLY OWNED MANUFACTURING FACILITIES, .....	11
✓ COUNTER TRADE, .....	11
✓ TURNKEY CONTRACTS, .....	11
✓ THIRD COUNTRY LOCATION, .....	11
✓ MERGERS AND ACQUISITIONS. ....	11
<b>2 MARKETING TOOLS USED TO ANALYZE COMPANIES</b> .....	<b>12</b>
✓ BENCHMARKING IS THE COMPARISON OF THE INTERNAL FACTORS OF AN ORGANIZATION WITH ANOTHER ONE. THE BENCHMARKING CAN BE INTERNAL (BETWEEN BUSINESS UNIT), COMPETITIVE OR GENERIC (WITH NON RELATED INDUSTRY). ....	12
✓ PEST (POLITICAL, ECONOMIC, SOCIAL AND TECHNOLOGIC) ANALYSIS.....	13
○ EXTERNAL FACTORS EVALUATIONS (EFE) MATRIX IS DERIVATE FROM THE PEST ANALYSIS AND PROVIDES THE OPPORTUNITIES AND THREATS FOR AN ORGANIZATION.....	13
✓ SPACE (STRATEGIC ACTION EVALUATION) MATRIX, .....	14
✓ BCG (BONSTON CONSULTING GROUP) MATRIX, .....	14
✓ SWOT (STRENGTH, WEAKNESS, OPPORTUNITY AND THREAT) ANALYSIS, .....	14
<b>II. 15</b>	
<b>ANALYSIS</b> .....	<b>15</b>
<b>3 BRIEF PRESENTATION OF THE CHOSEN COMPANY</b> .....	<b>16</b>
<b>3.1 ACTIVITIES OF THE CHOSEN COMPANY</b> .....	<b>16</b>
<b>3.2 MARKETING STRATEGY OF CHOSEN COMPANY</b> .....	<b>17</b>
<b>3.3 INTERNAL FACTORS OF CHOSEN COMPANY</b> .....	<b>18</b>
3.3.1 COMPETITIVE BENCHMARKING OF THE CHOSEN COMPANY .....	18
3.3.2 INTERNAL FACTORS EVALUATIONS MATRIX (IFE) OF THE CHOSEN COMPANY .....	20
<b>3.4 EXTERNAL ENVIRONMENT ANALYSIS</b> .....	<b>23</b>



3.4.1	PEST ANALYSIS OF SENEGAL.....	23
3.4.1.1	Political and Legal Factors.....	24
3.4.1.2	Economic factors.....	28
3.4.1.3	Social and Cultural factors.....	30
3.4.1.4	Technological and Environmental factors.....	30
3.4.2	PEST ANALYSIS MATRIX.....	33
3.4.3	EXTERNAL FACTORS EVALUATION (EFE) FOR CHOSEN COMPANY.....	35
3.4.4	SPACE MATRIX FOR THE CHOSEN COMPANY.....	37
3.4.5	SWOT ANALYSIS OF THE CHOSEN COMPANY.....	39
<b>4</b>	<b>PROJECT OF PENETRATION STRATEGY IN THE SENEGALESE MARKET.....</b>	<b>40</b>
<b>4.1</b>	<b>DESCRIPTION OF THE PENETRATION STRATEGY.....</b>	<b>40</b>
<b>4.2</b>	<b>MARKETING MIX FOR THE CHOSEN COMPANY.....</b>	<b>41</b>
4.2.1	PRODUCT (AND SERVICE).....	41
4.2.2	PLACE.....	42
4.2.3	PRICE.....	43
4.2.4	PROMOTION.....	44
4.2.5	PEOPLE.....	45
4.2.6	PROCESS.....	45
4.2.7	PHYSICAL EVIDENCE.....	46
<b>4.3</b>	<b>COST ANALYSIS OF THE PROJECT.....</b>	<b>47</b>
<b>4.4</b>	<b>RISK MANAGEMENT FOR THE PROJECT.....</b>	<b>48</b>
<b>4.5</b>	<b>TIME AND IMPLEMENTATION OF THE CHOSEN COMPANY'S BRANCH.....</b>	<b>48</b>
	<b>CONCLUSION.....</b>	<b>53</b>
	<b>BIBLIOGRAPHY.....</b>	<b>55</b>
	<b>LIST OF ABBREVIATIONS.....</b>	<b>57</b>
	<b>LIST OF FIGURES.....</b>	<b>59</b>
	<b>LIST OF TABLES.....</b>	<b>60</b>
	<b>APPENDICES.....</b>	<b>61</b>

## INTRODUCTION

The globalization and the high level of local and international competitions lead companies to look for opportunities in a foreign market where the labor costs are cheaper and abundant. To do so, companies research the place where they can minimize their cost and sustain increasing profitability and wealth.

The purpose this master thesis is to design a new project of penetration strategies of **Chosen Company** into Senegalese Market.

The Chosen Company is a world leader in the field of Business Process Outsourcing and IT services and software. Also, evaluating the market potential and environment in Senegal, I am going to draw up the Senegalese market opportunities and challenges for the Chosen Company.

The major strategy chosen evolves lot of resources in terms of financial, human and materials in order to implement an office in Senegal or create a joint venture with a local company.

Firstly, I am going to fulfill the theoretical frameworks of management and marketing studies, review the international and cross cultural Marketing theories related to the penetration strategies in a new market emphasis on global marketing for Business Process Outsourcing (BPO).

Then, after a complete analysis of all internal and external factors influencing the directly and indirectly the opportunities and challenges of the Senegalese market and the interaction between those factors, I will design the suitable strategy to use for the Chosen Company in the Senegalese market.

Ultimately, I am going to prepare the project of market penetration for chosen company in Senegal and submit the evaluation of the cost, risk and time analysis for the chosen company.

In conclusion, the project will present the overall strategy of penetration strategy for Chosen Company in Senegalese market in order to improve its development in providing the high quality of service.

## **OBJECTIVES AND METHODS OF MASTER THESIS PROCESSING**

This Master's Thesis aims to present the strategy to use by the Chosen Company to enter in the Senegalese market by identifying all its internal and external factors affecting it.

The objective of the project of penetration strategy is to design the penetration strategy for Chosen Company in Senegalese will be done by:

- ✓ First, analyzing all internal factors affecting the strengths and weaknesses of Chosen Company,
  
- ✓ Secondly, identify les external factors influencing the business opportunities and threats of the Chosen Company.
  
- ✓ After that, combine both internal and external factors to the set the optimal strategy for Senegalese market entry.

## **I. THEORY**

## 1 INTERNATIONAL MARKETING

The globalization refers to the notion of a united world where the countries' borders. Rich countries benefit from globalization by getting a higher return for the owners of capital and a wider range of goods for consumers.

However, these developed countries suffer a lot from outsourcing increasingly penalizing local businesses (call centers and Business Process Outsourcing).

Progressively, some emerging countries like China, India start being the cradle of the externalization of the activities like accounting, insurance, customer services and IT support.

This part of the master thesis will fulfill the theoretical framework of International marketing with:

- First, theories of International Marketing and the cross-Cultural Marketing will be developed.
- Second, I am going to present the Marketing tools used for the internal and external diagnostics of the factors impacting in the companies' strategies and the mode of entry to penetrate a new market.
- At last in this part, I will present briefly the International Marketing focused in the Business Process Outsourcing.

### 1.1 Theoretical framework of International Marketing

The globalization leads the companies to go beyond the borders in order to reach more customers.

Companies export these products directly in the foreign market or invest directly in a foreign country and produce the goods there International Marketing can be defined as *the performance of business activities designed to plan, price, promote, and direct the flow of a company's goods and services to consumers or users in more than one nation for a profit. The only difference between the definitions of domestic marketing and inter-*

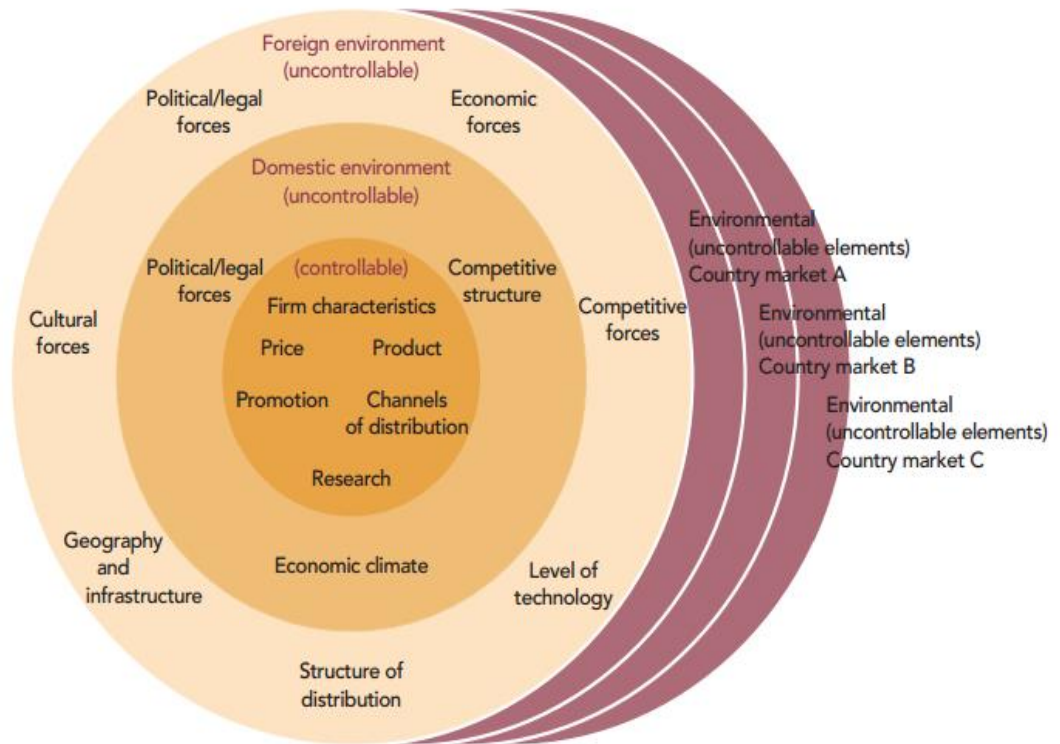
*national marketing is that in the latter case, marketing activities take place in more than one country (CATEORA, 2010).*

It means, in the Marketing international the place is extended from local to global market.

Then, the international marketing strategies are the marketing strategies across borders and cultures. It means considering cultural, social differences when planning marketing campaigns and media; realizing the need and balance between localization and globalization; and most importantly, implementing strategies that respect differences while seeking to unify brand messages.

The following figure shows the how the International Marketing is complex with the factors influencing it directly or indirectly and internally or externally.

**Figure 1** International Marketing Task (Source (CATEORA, 2010) )



It means in the aspect of the International Marketing, the firms have to deal with a lot of complexities in terms of uncontrollable domestic and foreign markets. And the firms are influenced by the environmental factors from other countries (CATEORA, 2010).

Thereby, the companies adopt some marketing strategies to promote these products and services. The penetration market strategies emphasize in a new culture and the companies face with the cultural differences generally. The International marketing has to take into consideration the local potential market to enter and the main goals to be successful in a new market in a new market can be the:

- Respect of the social norms,
- Adaptation of the marketing communication and promotion to the new market.
- Pricing policy and advertising also have to respond to the level of development and cultural roots.

Penetrating a new market is the confrontation of different cultures and it is more complex and in the culture can be perceived as an **Iceberg** where the roots and the values are mostly the hidden part and not easy to find through analysis of primary or secondary data.

## 1.2 Cross Cultural Marketing

The limited market shares in the domestic place and the international competitions lead companies to go for the International market where the rules are constantly changing due to the evolution of the technology.

Also, the increasing of the mobile Internet, the companies need not only to focus in local competitors and in the International competition where the control is hard.

This evolution of the technology and leads companies to use Internet and social media for Advertising and Marketing campaigns (Email or viral Marketing).



For example, according to the Muslim food prescriptions, penetrating a Muslim country for the products based on pork meat will not be successful compare to importing in the same country products based on chicken meat and lawful for Muslim (Halal food).

### **1.3 International marketing strategies**

The strategy can be defined as the choice of areas in which the companies are going engage in the long term to achieve goals. It involves decision making of effectiveness and efficiency allocation of the resources (financial, human resources, technological, etc.).

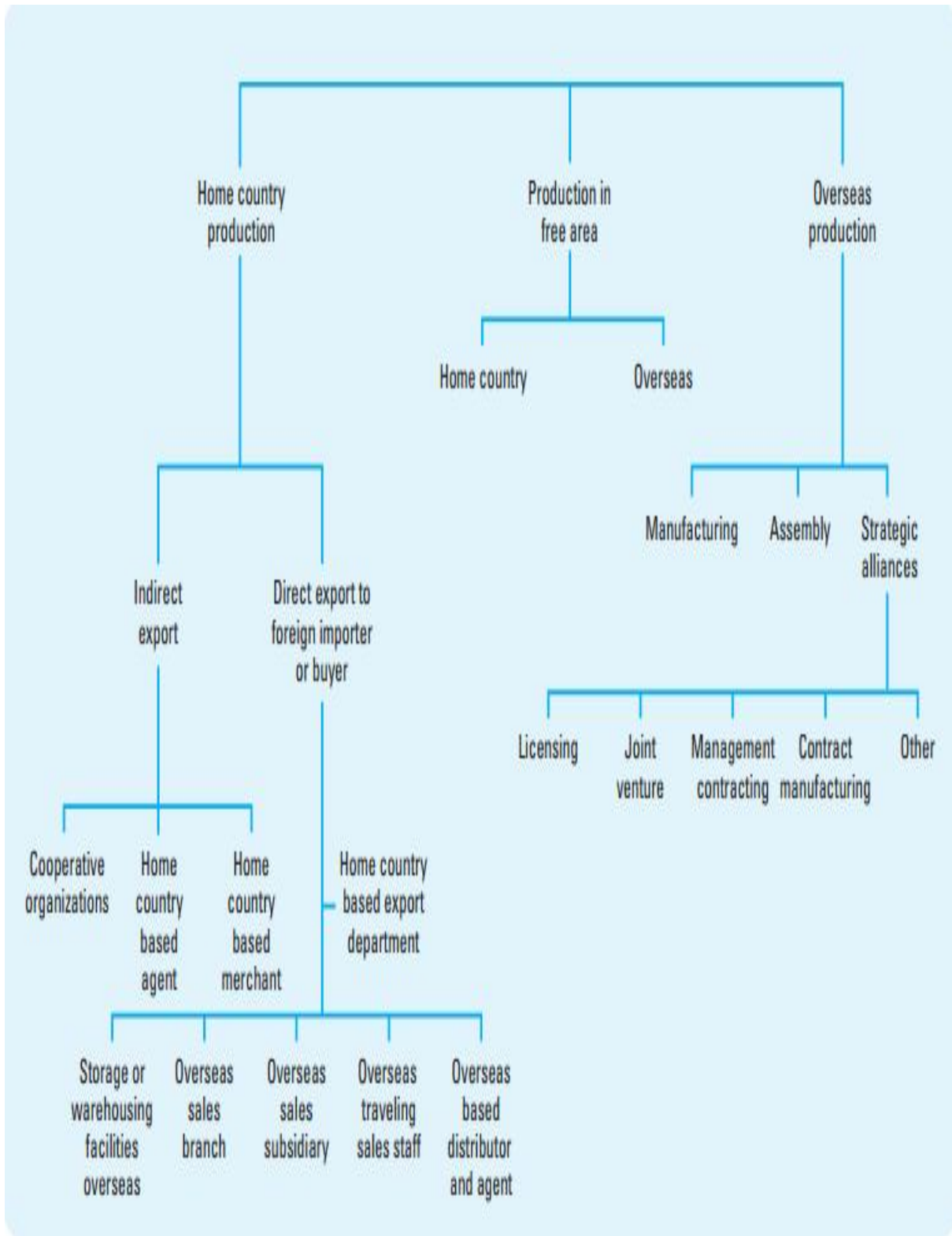
The decision of internationalization must take into account the factors: market, industrial, environmental and opportunities.

The choice of strategy is preceded by an internal diagnostic phase (strengths and weaknesses) and external analysis (opportunities and threats). The export diagnosis is to determine the company's ability to export, evaluate resources and skills and assess the chances of success and competitive advantages.

The figure 2 below illustrates the mode of entry in a new market and 2 types of strategies to enter a market are identified (ALBAUM, 2011):

- The export entry modes and
- The non export entry modes.

Figure 2 Outline of alternative basic international marketing channels (ALBAUM, 2011)



### 1.3.1 Export entry modes

Exporting is the traditional penetration strategy used in the international trade and according to **INVESTOPEDIA**<sup>1</sup> website *export is a function of international trade whereby goods produced in one country are shipped to another country for future sale or trade. The sale of such goods adds to the producing nation's gross output. If used for trade, exports are exchanged for other products or services*<sup>2</sup>.

It means the transportation of goods and or services from one country where the company producer is located to another country in the perspective to be sold or traded. No production or Technology transfer needed or required to entry mode.

Some countries like Senegal are contently doing important structural adjustment programs in order to encourage the international companies to increase these exportations.

For the export entry mode can be the direct and indirect:

- ✓ Direct export entry mode organization can use :
  - Agent,
  - Professional distributor,
  - Overseas subsidiary or
  - Government agency.
- ✓ Indirect export entry mode offer :
  - Contracts in the operating market or worldwide.
  - Commission sates give high motivation.
  - Manufacturer/exporter needs little expertise.
  - Credit acceptance from manufacturer.

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<sup>1</sup> <http://www.investopedia.com>

<sup>2</sup> <http://www.investopedia.com/terms/e/export.asp#ixzz473plGBKT>

### 1.3.2 Non export entry modes

County tariffs, social barriers (nationalism) and strategic advantages of a location can lead an international company to use a non export mode to penetrate a market in investing in Foreign Direct Investment (FDI). The non export entry mode gives the investor the abilities to monitor and control the activities. As non export strategy entry mode, we have:

- **Licensing,**
- **Franchising,**
- **Joint venture,**
- **Contract manufacturing,**
- ✓ **Fully owned manufacturing facilities,**
- ✓ **Counter trade,**
- ✓ **Turnkey contracts,**
- ✓ **Third country location,**
- **Mergers and acquisitions.**

## 2 MARKETING TOOLS USED TO ANALYZE COMPANIES

Companies need to be in a perspective of growth and have the necessary resources. Several models and tools are used to measure the market position and the attractiveness of the business.

- **Benchmarking**

It is the comparison of the internal factors of an organization with another one. The benchmarking can be internal (between business unit), competitive or generic (with non related industry).<sup>3</sup>

- ✓ **Internal Factors Evaluation (IFE) Matrix**

**It is the matrix derivate from the benchmarking analysis.** The IFE Matrix is derivate from the benchmarking analysis which provides the strengths and weakness of an organization.

**Weight** is in the range of 0-1; in total it is 1

**Ratings** are from 1 to 4 with:

- 1 major weakness,
- 2 minor weakness,
- 3 minor strengths,
- 4 major strengths.

**Weighted score** is equal to the corresponding weight multiply by the corresponding rating:

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<sup>3</sup> Marketing Application lecture.

- **PEST (Political, Economic, Social and Technologic) analysis**

Figure 3 PEST Analysis (Source <http://visual.ly/pest-analysis>)



- **External factors Evaluations (EFE) Matrix** is derivate from the PEST analysis and provides the opportunities and threats for an organization.

**Weight** is in the range of 0-1; in total it is 1

**Rating** are from 1 to 4 with:

- ✓ 1 major **threats**,
- ✓ 2 minor **threats**,
- ✓ 3 minor **opportunities**,
- ✓ 4 major **opportunities**.

**Weighted score** is equal to the corresponding weight multiply by the corresponding rating:

- **SPACE (Strategic Action Evaluation) Matrix,**
- **BCG (Boston Consulting Group) Matrix,**
- **SWOT (Strength, Weakness, Opportunity and Threat) analysis,**
- **Etc.**

## **II. ANALYSIS**



### 3 BRIEF PRESENTATION OF THE CHOSEN COMPANY

The Chosen Company is an international (global) Indian company leader in :

*Consulting, Technology, Outsourcing and Next generation services*<sup>4</sup>.

And extending its development in all over the world and Senegal represents a potential emerging market to explore. The company is leader in its field and evolves in the sectors of services.

#### 3.1 Activities of the Chosen Company<sup>5</sup>

The Chosen Company has activities all around the world and evolves mostly the the market of services. As services we can enumerate :

- ✓ Application Development and maintenance,
- ✓ Corporate performance management,
- ✓ Enterprise quality services,
- ✓ Infrastructure services,
- ✓ Packaged application services,
- ✓ Product engineering,
- ✓ Systems Integration.

It operates and serves all industries like :

- ✓ Aerospace and Defense,
- ✓ Automotive,
- ✓ Communication,

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<sup>4</sup> Chosen Company website

<sup>5</sup> Chosen Company website

- ✓ Consumer goods,
- ✓ Manufacturing,
- ✓ Energy,
- ✓ Healthcare,
- ✓ Insurance,
- ✓ Utilities,
- ✓ IT services and
- ✓ Banking.

The Chosen Company has only one **product** for the banking system. This product is used in 183 banks in 84 countries. The Chosen Company's product serves 14 percent of the world's banked population.

### 3.2 Marketing strategy of Chosen Company

The Chosen Company is precursor of the **Global Delivery Model (GDM)** which “*a framework for distributed project management and multilocation engagement teams*”<sup>6</sup>

This Code of Ethics and the management style established the fundamental standards of Chosen Company values consistent with the principles of good governance and business ethics for observance by all employees and business partners.

To do so, I am going to inventory of internal factors impacting the Chosen Company's strengths and weaknesses and the external factors influencing its opportunities and threats.

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<sup>6</sup> Information from Chosen Company Website

The project of penetration in the Senegalese market is very important due to the huge potentials of the low inputs costs, high quality of education and french is the official language.

### 3.3 Internal factors of Chosen Company

#### 3.3.1 Competitive Benchmarking of the Chosen Company

The competitive Benchmarking of the Chosen Company evolving in the BPO sector is the comparison of its Marketing mix 7P (Product - Place – Price – Promotion – People – Process – Physical evidence) variances with its competitors.

The competitors are chosen according to their location, potential and position in the BPO market:

- As **Internal competitors**, I select the BPO companies' leader in the Senegalese market according to the International Trade Centre (ITC) and those companies **PCCI**, **Call ME** and **Way2Call** are the most important BPO in Senegal and control mostly and manage outsourcing services all over the French speaking clients.
- The **external competitors** (IBM, CAPGEMINI and TCS) used in the benchmarking are selected according to the world top leader in the sector of outsourcing services and their potentials to present a real threat to our project.

The principle is to set a mark for each company from 1 to 12 and the bigger number is the more strength it represents.

Table 1 Benchmarking for the Chosen Company (Own processing)

	Weight	Chosen Company	Internal Competition			External Competition		
	1		PCCI	Call Me	Way2Call	IBM	CAPGEMINI	TCS
<b>PRODUCT</b>								
Technology and Software	0.07	10	7	7	7	11	10	10
Value and quality	0.06	10	7	7	7	11	10	10
Customer service	0.07	10	9	8	7	10	9	10
<b>PLACE</b>								
Method of delivery	0.03	8	8	8	8	8	8	8
Distributions channel	0.04	10	8	8	7	11	10	10
Logistics	0.03	6	7	7	6	10	9	9
<b>PRICE</b>								
Penetration price	0.06	8	11	11	11	9	7	6
Payment methods	0.04	6	10	8	8	9	9	9
Credit	0.04	6	8	8	8	10	9	9
<b>PROMOTION</b>								
Direct marketing & branding	0.05	8	9	6	6	10	8	9
Public relation	0.07	6	9	9	9	6	6	6
Marketing Communication	0.04	8	7	7	7	9	7	8
<b>PEOPLE</b>								
Culture	0.03	9	9	8	8	9	7	6
Training and skills	0.05	8	8	8	8	8	8	8
Recruitment &	0.07	9	9	9	9	10	9	9

Remuneration								
<b>PROCESS</b>								
Customer focus	0.06	9	9	8	8	10	9	9
IT support & Innovation	0.05	9	7	8	6	10	9	9
Research & Development	0.04	6	6	7	5	10	7	9
<b>PHYSICAL EVIDENCE</b>								
Online experiences	0.03	9	7	7	6	10	8	9
Employee Reputation	0.03	6	7	7	7	10	7	8
Notoriety of the company	0.04	3	10	6	5	11	8	10

The table below of the comparative benchmarking of Chosen Company and its competitors will be used to define the strengths and weakness in a Marketing tool the Internal Factors Evaluations Matrix (IFE) of the Chosen Company compared to the competitors.

### 3.3.2 Internal Factors Evaluations Matrix (IFE) of the Chosen Company

The IFE Matrix is derivate from the benchmarking analysis which provides the strengths and weakness of the Chosen Company.

The results of the analysis are resumed in the following table where:

- **Weight** is in the range of 0-1; in total it is 1
- **Rating** are from 1 to 4 with:
  - 1 major weakness,
  - 2 minor weakness,
  - 3 minor strengths,
  - 4 major strengths.

- **Weighted score** is equal to the corresponding weight multiply by the corresponding rating:

Equation 1 Calculation of Weighted score

$$\text{Weighted score} = \text{Weight} * \text{Rating}$$

**Table 2** IFE Matrix of Chosen Company (Own processing)

	<i>S/W</i>	<i>Internal Factors</i>	<i>Weight</i>	<i>Rating</i>	<i>Weighted Score</i>
<b>STRENGTHS</b>	1S	Technology and Software	0.07	4	0.28
	2S	Value and quality	0.06	4	0.24
	3S	Customer service	0.07	4	0.28
	4S	Method of delivery	0.03	3	0.09
	5S	Distributions channel	0.04	4	0.16
	6S	Penetration price	0.06	3	0.18
	7S	Direct marketing & branding	0.05	3	0.15
	8S	Marketing Communication	0.04	3	0.12
	9S	Credit	0.04	3	0.12
	10S	Training and skills	0.05	3	0.15
	11S	Recruitment & Remuneration	0.07	3	0.21
	12S	Customer focus	0.06	3	0.18
	13S	IT support & Innovation	0.05	3	0.15

	14S	Online experiences	0.03	3	0.09
<b>TOTAL</b>			<b>0.72</b>		<b>2.40</b>
<b>WEAKNESSES</b>	1W	Logistics	0.03	2	0.06
	2W	Payment methods	0.04	2	0.08
	3W	Public relation	0.07	2	0.14
	4W	Research & Development	0.04	2	0.08
	5W	Culture	0.03	2	0.06
	6W	Employee Reputation	0.03	2	0.06
	7W	Notoriety of the company	0.04	1	0.04
<b>TOTAL</b>			<b>0.28</b>		<b>0.52</b>
<b>TOTAL WEIGHTED SCORE</b>			<b>1</b>	<b>-</b>	<b>2.92</b>

### 3.4 External environment analysis

The external environment analysis will focus on the Senegalese market conditions and abilities to host any valuable company.

In that section, the analysis of the Political and Legal, Economic, Social and Cultural and Technological (PEST) factors of Senegal will be done in order to define the factors influencing the project of penetration strategy of the Chosen Company.

This PEST analysis will be used to define the opportunities and threats for the Chosen Company in the Senegalese marketing in an External Factors Evaluation (EFE) matrix.

#### 3.4.1 PEST Analysis of Senegal

The republic of Senegal located in the West African continent, is well known as the country of hospitality and legendary welcome (TERANGA Wolof in Senegalese language).

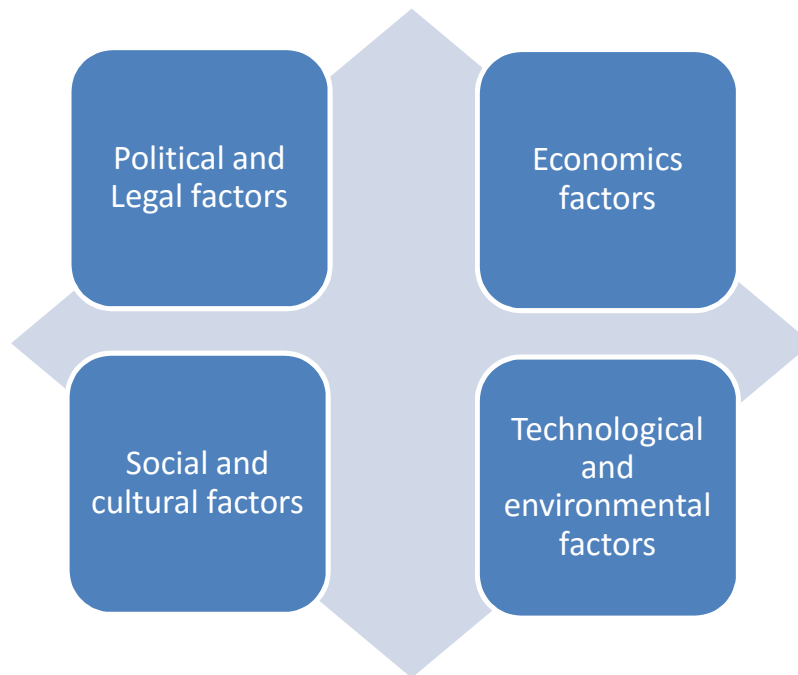
Senegal is secular, democratic and social. It ensures equality before the law for all citizens, without distinction of origin, race, sex, religion and respects all beliefs.

The political stability, economical potentials and the strategic location drive lot of multinational companies to the Senegalese market.

French is the official for administrative and business activities. The national languages are Diola, Malinke, Pular, Serer, Soninke, Wolof and other national language to be codified. Wolof is the common language used for everyday life interaction.

The country has fourteen regions whose chief towns are the main cities: Diourbel, Fatick, Kaffrine, Kédougou, Kaolack, Kolda, Louga, Matam, Saint Louis, Sédhiou, Tambacounda, Thies, Ziguinchor and Dakar which is the capital city is Dakar.



**Figure 4** PEST Analysis - Source own processing

#### ***3.4.1.1 Political and Legal Factors***

Senegal is one of Africa's most politically and economically stable countries. Since independence from France in 1960, Senegal has been a functioning democracy.

In 2000 brought President Abdoulaye Wade became president and ended 40 years of Socialist Party rule. He was re-elected in 2007.

The presidential elections in 2012 ended with President Wade being defeated by his ex-prime minister Macky Sall elected by universal suffrage for seven years.

The actual Senegalese president Macky Sall has started a very important project "Plan Senegal Emergent" (PSE) in order to increase the level of development and the competitive advantages of Senegal.

The IT is well represented in the PSE and the objective of the Government of Senegal is to have the first and largest regional platform in digital infrastructure and competitive advantage.

To do so, three phases have to be achieved as following<sup>7</sup>:

The first is the construction of Digital Technologies Park ('Parc de Technologie Numerique' PTN) to Diamniadio in 2015. The digital city project will be built on twenty-five (25) hectares. The formulation of the project will be in line with other initiatives whose objectives are linked, including residential project Diamniadio, draft Business park business, the city of knowledge, the second university in Dakar, Senegal from the Virtual University and the special economic area Diass.

The second step is related to the deployment of the Digital City project on Diamniadio, Sébikotane, Diassaxis to form an urban center that the digital economy is the main economic engine.

The final phase will extend a national network of digital platforms, according to a shared development and investment plan supported by local authorities in collaboration with the ministry in charge of ICT.

The Senegalese government has created lot of national agencies focused on the facilitation and the control of the rules of competitiveness and the development of business activities in Senegal.

- The Investment Promotion Agency (APIX) works to improve services to investors, including offering a unique window for governmental services which is the most important for investors. APIX has set all the facilities guiding and helping companies to start being operational within two days.
- The Regulatory Authority for Telecommunications and Post ("Autorite de Regulation des Telecommunications et Postes" = ARTP) is an independent administrative au-

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<sup>7</sup><http://www.gouv.sn/-Plan-Senegal-Emergent-PSE,65-.html>

thority, responsible for regulating the telecommunications and postal sectors in Senegal. Among other Mission ARTP strictly ensures:

- Compliance with the rules of fair competition;
  - Monitor specifications of operators;
  - Ensure respect of fair interconnection between operators;
  - Frame rates of dominant operators;
  - Grant permissions and ensure the implementation of the regulation, registration and domain name management and establish an appropriate management mechanism;
- The new **General Tax Code**( Code General des Impots = CGI)of Senegal set a lot of customs and tax benefits for New business and Expansion projects :
- **New business:** These are all newly created economic entity in the implementation phase of a program of eligible investment for the start of its activities. As advantages for the New Business :

**The implementation phase:**

- **Customs exemptions** (03 years) (see Article 11 Law No. 2012-32 of 31 December amending various legislation relating to tax regimes);
- **Suspension of VAT** (03 years) and exemption for the agricultural sector during the phase project (see Article 373 Law No. 2012-31 of December 31, 2012 with CGI).

**Operational phase:**

- **Exemption CFCE**<sup>8</sup> = five (05) years and eight (08) years if creating at least 200 jobs, or 90% of the jobs created are outside the Dakar region (Art 263 Law No. 2012-31 of December 31, 2012 with CGI);
- **Possibility of concluding fixed term contract** for a period limited to five (5) years (see Art 19. b law 2004-06 of 26 February 2004 CI);

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<sup>8</sup> CFCE = Contribution Forfaitaire a la Charge de l'employeur (Lump contribution to the employer's expense)

- **Ability to take advantage of commercial vehicles** after obtaining the approval for Phase operating;

-**Credit tax:** Permission to deduct for five (05) years, 40% of the amount of Investments without exceeding the limit of 50% of taxable income (70% of earnings taxable if the business is outside Dakar) (Art 252 Law on CGI 2012-31).

- **Expansion project :** These are all approved investment program, initiated by an existing business and generate:
  - ✓ An increase of at least 25% of the production capacity or the acquisition value of fixed assets;
  - ✓ Or an investment in equipment of production of at least 100 million FCFA.

The customs and taxes advantages for Expansion project are :

**The implementation phase:**

- **Customs exemptions** (3 years) (Art 11 Law No. 2012-32 of 31 December amending various. Legislation relating to tax regimes);

- **Suspension VAT** (3 years) and exemption for agricultural projects (during the phase the project) (Art 373 Law n ° 2012-31 of December 31, 2012 with CGI).

**Operational phase:**

- **Exemption CFCE** = five (5) years and eight (8) years if creating at least 100 jobs, or 90% of the jobs created are outside the Dakar region (Art 263 Law No. 2012-31 of December 31, 2012 with CGI);

- **Possibility of concluding fixed term contract** for a period limited to five (5) years (see Art 19. b law 2004-06 of 26 February 2004 Investment Code of Senegal );

- **Ability to take advantage of commercial vehicles** after obtaining the approval for Operational phase;

- **Tax credit:** Permission to deduct for five (05) years, 40% of the amount of investments without exceeding the limit of 50% of taxable income (70% of earnings taxable if the business is outside Dakar) (Art 252 Law on CGI 2012-31).

- ✓ The Chosen Company will have lot of advantages due to the important partnership between Senegal and the Indian Government which are cultural, social, commercial and technological:
  - Agreement on the establishment of a Joint Commission on economic, technical, political and cultural between the Government of the Republic of Senegal and the Government of the Republic of India signed at New Delhi, February 16, 1997;
  - Memorandum of Agreement 350 bus acquired by Senegal on the Indian financing;
  - Promotion Agreement and Investment Protection between the Government of the Republic of Senegal and the Government of the Republic of India signed at Dakar on 3 July 2008 Came into force on 15 November 2009.
  
- ✓ Senegal is a member of WIPO and of the Bern Copyright Convention, and is working to update its laws covering the protection of intellectual property rights.

#### **3.4.1.2 Economic factors**

The economic factors are very important for the Chosen Company to enter in the Senegalese market.

According to the World Bank, Senegal is a lower middle income with GDP at market price 15.66 billion US Dollars and aspires to become an emerging country by 2035.

According to the **MOCI**<sup>9</sup> (**Moniteur du Commerce International**) website, the foreign trade in the Senegalese GDP is around 75% (WTO, 2011-2013). The Senegal mainly imports mineral fuels and oil, cereals, machinery and vehicles and main suppliers are France, Nigeria, the Netherlands, China and India.

Imports still account for nearly half of GDP and exports of goods and services contribute to more than a quarter of GDP. The main customers are from Senegal, Mali, Switzerland, India and Guinea. The main products exported are mineral fuels and oil, marine products, inorganic chemicals, salt, sulfur and vehicles. Export leader, the fishery products have many years of modernization of port facilities and a food industry well established.

The strategic position of Senegal in the African continent, China is a partner increasingly important for Senegal as witnessed China-Africa summits. Between 2014 and 2015, the Senegalese exports to China have quadrupled, with China becoming the fifth trading partner, ahead of France.

The Senegalese foreign trade is characterized by a structural deficit of the current account equivalent to several percentage points of GDP. In 2016, the country remains under international financial assistance, remains uncompetitive and struggling to convince international investors.

According to the **Trade Economics** website the economic indicators of Senegal are:

- ✓ The **Unemployment Rate in Senegal** increased to 13.40 percent in 2016 from 12 percent in 2015.
- ✓ The **inflation rate** is actually 1.3 per cent.
- ✓ Senegal has an estimated population of 14.55 million.
- ✓ The estimated GDP growth rate for 2015 is 7 percent.
- ✓ **The corruption rank** is gradually decreasing with from 112 on 2012 to 61 in 2015 and it represents a good indicator for potential investors.

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<sup>9</sup><http://www.lemoci.com/fiche-pays/senegal/acces-marche/>

Monetary policy is controlled by the regional central bank, the West African Monetary Union Central Bank (BCEAO), headquartered in Dakar.

Despite Senegal's openness to the rest of the world, French influence remains strong. The Senegalese currency **CFA franc** ties to the Euro and the French Treasury's guarantee of the exchange rate. The exchange rate is fixed at **1 Euro = 655.957 CFA franc**.

#### ***3.4.1.3 Social and Cultural factors***

The legendary welcome (TERANGA), the culture, geographic and history of Senegal give a high level of diversity and tolerance.

The country has a Cultural Cooperation Agreement with India, signed in New Delhi on 21 May 1974 and ratified on 26 June 1975.

All Senegalese Television Channels have as weekly program an Indian movie or serial and the Indian community is well represented and respected in the country.

The cultural diversity of the country is an important factor leading the stability social and religions and traditional leaders are well respected and may influence directly or indirectly the business environment.

#### ***3.4.1.4 Technological and Environmental factors***

Senegalese government invests lot of resources in order to have a better business environment attracting investors.

The Digital Technologies Park (PTN) to Diamniadio is being designed for all IT companies willing to invest in the country.

With the globalization, the technology is the same everywhere depending only on the cost of its accessibility. Several modern IT companies are implanted in the country and provide high quality of service.

The Chosen Company will not need to import any IT devices due to all IT products and accessories brands are well represented in the country (HP, DELL, IBM, APPLE, SAMSUNG, HUAWEI, etc).

Regarding the internet and telephone providers, the market is actually well served with:

- SONATEL (ORANGE Senegal),
- TIGO and,
- EXPRESSO-SUDATEL.

SONATEL provides investors with specialized high-speed internet connections and rents international lines at very competitive rates.

According to the **International Telecommunication Union (ITU)**, Senegal ranks first in West Africa for penetration growth and quality of services<sup>10</sup> with:

- 100 percent digital network providing broadband and a range of diverse products throughout the country (ADSL, Frame Relay, ISDN, VSAT etc.).
- 4.2 Gb/s International Bandwidth available (2010).
- Satellite Communication Centre Intelsat 355.5 °.
- Satellite VSAT service Hub Intelsat 328.5.
- 100 percent digital telecoms network including a 3000 km (2000 miles) optical cable loop around the country.
- National IP Network and specialized links from 64 Kbps to 2 Mbps.
- 2.5 Gb systems available on all routes since 2007.
- Broadband in all regional capitals (ADSL) since 2008.
- 100 percent GSM and CDMA coverage.

**Senegal is at the crossroads of high speed intercontinental networks (apix.sn)**

- Atlantis 2: 20 Gb/s, between Portugal, Spain, Senegal, Cape Verde, Brazil & Argentina.
- SAT-3/WASC/SAFE: 120 Gb/s, linking Europe, Africa and Asia.
- Senegal is also connected to North America through the Teleglobe Canada network.

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<sup>10</sup> Website of promotion of investment of Senegal (apix.sn)



- Sub-regional connectivity via 2.5 Gb/s optical ground wire (OPGW) interconnecting Senegal, Mauritania and Mali and extended to Burkina and Côte d'Ivoire.
- 2.5 Gb/s optical wire Kidira-Bamako extended to Burkina and Côte d'Ivoire
- 622 Mb/s optical ground wire from Senegal to the Gambia supported by 155 Mb/s digital beams.
- 622 Mb/s Fiber optic cable Senegal-Guinea Bissau- supported by 34 Mb/s digital beams extended to Guinea-Conakry.

The business environment suffers a lot with the **Cyber Criminality** and the Senegalese government is constantly fighting against it but it cannot be handled by a single country.

## 3.4.2 PEST Analysis Matrix

Table 3 PEST Analysis Matrix of Chosen Company (Own processing)

PEST analysis factors	Note	Potential impact	Implication			
			Time frame	Type	Impact	Relative importance
<b>Political and Legal Factors</b>						
Political stability	Reference in Democracy and strong Institution.	Medium	3 months	Positive	Increasing	Critical important
Law of Investment	Attractiveness of Investors.	High	2 months	Positive	Unchanged	Important
Administrative procedures	APIX ne office for all procedures of .	High	1 month	Positive	Increasing	Important
Regulation	ARTP ensures the respect of regulation	High	1 month	Positive	Increasing	Important
Tax system	3years tax advantages for New company	Medium	36 months	Positive	Unchanged	Critical important
<b>Economic factors</b>						
Economic growth	The economic situation of Senegal presents an increasing GDP	Medium	6 months	Negative	Unkown	Important
Inflation rate	Lower provides good business and consumers power.	Low	2 months	Negative	Unknown	Important
Unemployment rate	Tax advantges on decreasing the rate	Medium	12 months	Positive	Decreasing	Critical important
Corruption	Decresing but still high and impacting in competitiveness	High	6 months	Negative	Decreasing	Important
Currency exchange rate	Fix exchange rate with Euro 1€ =655.957	Medium	1 month	Positive	Unchanged	Low important
<b>Social and Cultural factors</b>						
Hospitality	Legendary welcome to foreigners	Medium	1 month	Positive	Unchanged	Low important

	(TERANGA)					
Cultural diversity	Openess of the Senegalese to foreigners	Medium	3 months	Positive	Unchanged	Low important
Social norms	Influencing directly or indirectly the business	Medium	6 months	Negative	Decreasing	Low important
<b>Technological and Environmental factors</b>						
IT equipments	Accessibility in the local market directly	Medium	2 months	Positive	Increasing	Important
Telecommunication accessibility	First West African quality of services Telecom	High	2 months	Positive	Increasing	Important
IT Innovation	Innovation and Digitalization of the services	Medium	3 months	Positive	Increasing	Important
Business Environment	Government investing in IT infrastructure for more attractiveness	Medium	3 months	Positive	Increasing	Important
Cyber Criminality	Government not power enough to fight against it locally.	Medium	12 months	Negative	Decreasing	Important

### 3.4.3 External Factors Evaluation (EFE) for Chosen Company

The external factors influence the activities of the Chosen Company from the outside. Those factors already identified in the PEST analysis represent the opportunities and threats of the Chosen Company in the Senegalese market.

The results of the analysis are resumed in the following table (same principle as IFE) where:

- **Weight** is in the range of 0-1; in total it is 1
- **Rating** are from 1 to 4 with:
  - ✓ 1 major threat,
  - ✓ 2 minor threat,
  - ✓ 3 minor opportunity,
  - ✓ 4 major opportunities.
  
- **Weighted score** is given by the above.

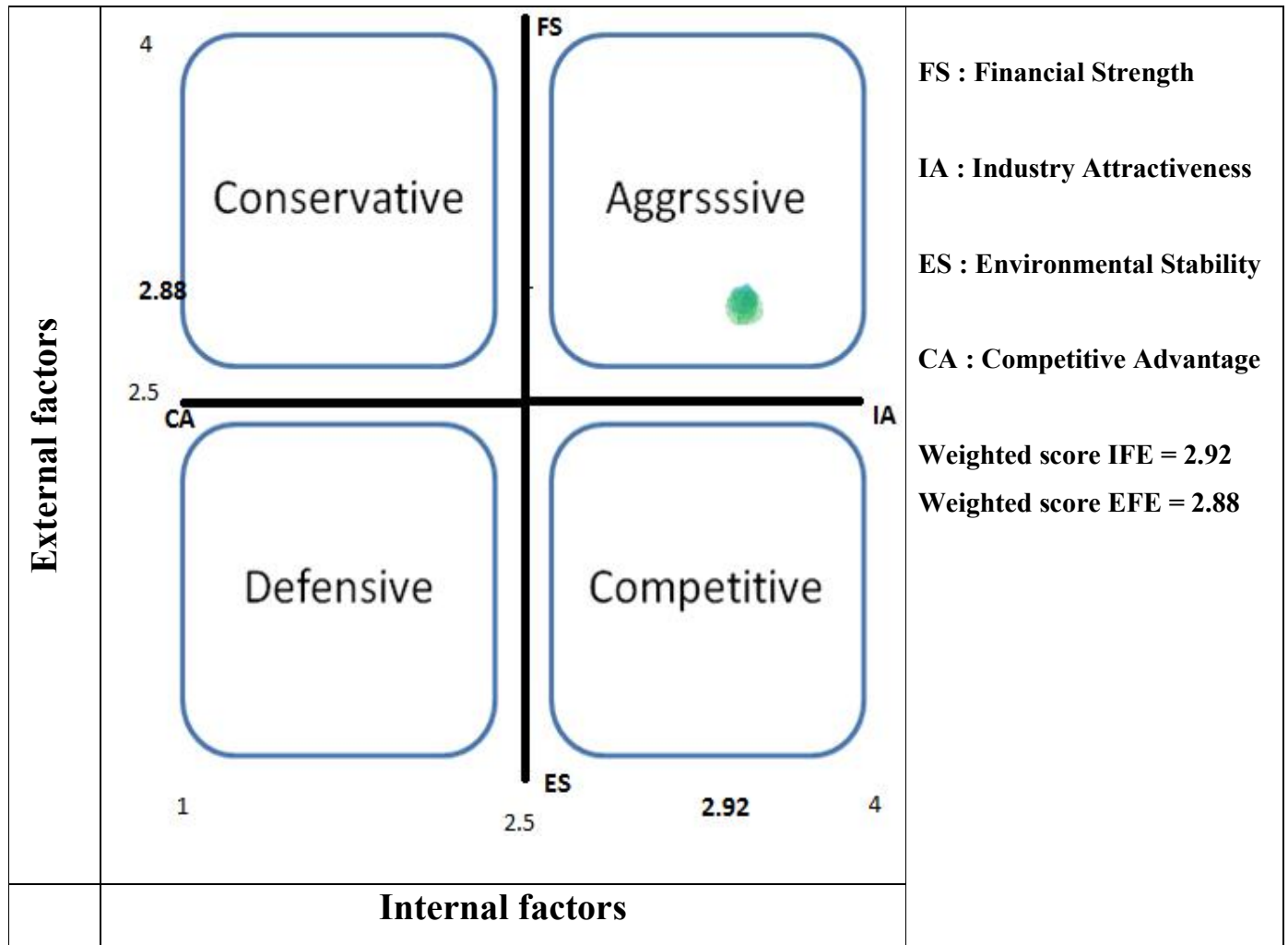
Table 4 EFE Matrix of Chosen Company (Own processing)

	External Factors	Weight	Rating	Weighted score
<b>OPPORTUNITIES</b>	<b>Political and Legal Factors</b>			
	Political stability	0.08	4	0.32
	Law of Investment	0.07	3	0.21
	Administrative procedures	0.10	3	0.30
	Regulation	0.07	3	0.21
	Tax system	0.10	4	0.40
	<b>Economic Factors</b>			
	Unemployment rate	0.03	4	0.12
	Currency exchange rate	0.02	3	0.06
	<b>Social and Cultural Factors</b>			
	Hospitality	0.02	3	0.06
	Cultural diversity	0.03	3	0.09
	<b>Technological and Environmental Factors</b>			
	IT equipment	0.05	3	0.15
	Telecom accessibility	0.08	3	0.24
	IT Innovation	0.04	3	0.12
	Business Environment	0.05	3	0.15
<b>TOTAL</b>	<b>0.69</b>		<b>2.43</b>	
<b>THREATS</b>	<b>Political and Legal Factors</b>			
	<b>Economic Factors</b>			
	Economic growth	0.05	2	0.10
	Inflation rate	0.06	2	0.12
	Corruption	0.09	1	0.09
	<b>Social and Cultural Factors</b>			
	Social norms	0.03	2	0.06
	<b>Technological and Environmental Factors</b>			
Cyber Criminality	0.08	1	0.08	
<b>TOTAL</b>	<b>0.31</b>		<b>0.45</b>	
<b>TOTAL WEIGHTED SCORES</b>	<b>1</b>		<b>2.88</b>	

3.4.4 SPACE Matrix for the Chosen Company

The SPACE Matrix shows the suggested penetration strategy suitable for the analysis of the internal and external factors.

Figure 5 SPACE Matrix for Chosen Company (Own processing)



The figure above shows that both weighted score from IFE and EFE are greater than 2.5. Meaning that the company’s Strengths and Opportunities are favorable in the Senegalese market and the **aggressive** method of penetration strategy is the more suitable for the Chosen Company.

In the next section, I am going to present the SWOT Analysis where I will interconnect the Strengths and Opportunities to build the strategy plan.

3.4.5 SWOT Analysis of the Chosen Company

Table 5 SWOT Analysis of the Chosen Company (Own processing)

	<p><b>Strengths (S)</b></p> <ul style="list-style-type: none"> <li>○ Technology and Software</li> <li>○ Value and quality</li> <li>○ Customer service</li> <li>○ Method of delivery</li> <li>○ Distributions channel</li> <li>○ Penetration price</li> <li>○ Direct marketing &amp; branding</li> <li>○ Marketing Communication</li> <li>○ Credit</li> <li>○ Training and skills</li> <li>○ Recruitment &amp; Remuneration</li> <li>○ Customer focus</li> <li>○ IT support &amp; Innovation</li> <li>○ Online experiences</li> </ul>	<p><b>Weaknesses: (W)</b></p> <ul style="list-style-type: none"> <li>➤ Logistics</li> <li>➤ Payment methods</li> <li>➤ Public relation</li> <li>➤ Research &amp; Development</li> <li>➤ Culture</li> <li>➤ Employee Reputation</li> <li>➤ Notoriety of the company</li> </ul>
<p><b>Opportunities (O)</b></p> <ul style="list-style-type: none"> <li>➤ Political stability</li> <li>➤ Law of Investment</li> <li>➤ Administrative procedures</li> <li>➤ Regulation</li> <li>➤ Tax system</li> <li>➤ Unemployment rate</li> <li>➤ Currency exchange rate</li> <li>➤ Hospitality</li> <li>➤ Cultural diversity</li> <li>➤ IT equipment</li> <li>➤ Telecom accessibility</li> <li>➤ IT Innovation</li> <li>➤ Business Environment</li> </ul>	<p><b>SO1:</b> Open a new office in Senegal and build strong partnership with Senegalese Government and the Private sectors for the PSE project and perspective of mutual growth, IT innovation and employment.</p> <p><b>SO2:</b> Develop attractive market through innovative technology and aggressively lower the price of services in the market.</p> <p><b>SO3:</b> Progressively, relocate all French customer Support in the Senegal to cover worldwide French speakers clients.</p> <p><b>SO4:</b> Sponsoring and promoting favorite sports in the Senegal and in Corporate Social Responsibility (CSR) and frequent targeting marketing campaign via the communication support.</p>	
<p><b>Threats (T)</b></p> <ul style="list-style-type: none"> <li>➤ Economic growth</li> <li>➤ Inflation rate</li> <li>➤ Corruption</li> <li>➤ Social norms</li> <li>➤ Cyber Criminality</li> </ul>		



## 4 PROJECT OF PENETRATION STRATEGY IN THE SENEGALESE MARKET

### 4.1 Description of the penetration strategy

The Outsourcing activities is the fact of working directly in a Company real data and need to be secured, protected and confidential.

The penetration strategy for the Chosen Company suitable for this project is the **Foreign Direct Investment (FDI)** which consists to:

- Open a **branch in Dakar** capital city of Senegal, so called **Delibery Center (DC)** and build strong partnership with Senegalese Government and the Private sectors for the PSE project and perspective of mutual growth..
- Develop attractive employment and aggressively lower the price of services in the market through IT and management innovations.
- Progressively, relocate all French customer Support in Senegal to cover worldwide French speakers clients.
- Sponsoring and promoting favorite sports in the Senegal and in Corporate Social Responsibility (CSR) and frequent targeting marketing campaign communication supports (Radio, TV, News papers, Social Media, etc.).

The table below presents the Advantages and disadvantages of the project of implementing a branch in Senegal.

**Table 6** Advantages & Disadvantages for the project (Source Own processing).

Advantages		Disadvantages	
Senegal	Chosen Company	Senegal	Chosen Company
Economic growth	Increasing profitability	Profit transferred	Relatively risky
Employments created	Low costs of labor in Senegal.	Risk of local competitors to face the competition	Corruption and favoritism
Technology transfers	Direct control of production and process		Change of Law of Investment
Strategic partner	PSE Tax benefits		

## 4.2 Marketing Mix for the Chosen Company

### 4.2.1 Product (and Service)

The products and services offered by Chosen Company are going to be profitable for Senegal and the west african countries. Those products and services are used in across the financial, banking, insurance and healthcare sectors. As existing products and services the Chosen Company has:

- Core banking
- Mobile platform
- WebAccessibility
- Security and Authentication
- Mobile Phone application
- Healthcare
- Customer services in IT, Management and Marketing.

The strategic position of Senegal will represent the point of distribution of products and services in West African Nations.

The Chosen Company will work also in the translation of the software into French language in order to capture and absorb the potential profitability of the French speaking countries all over the world.

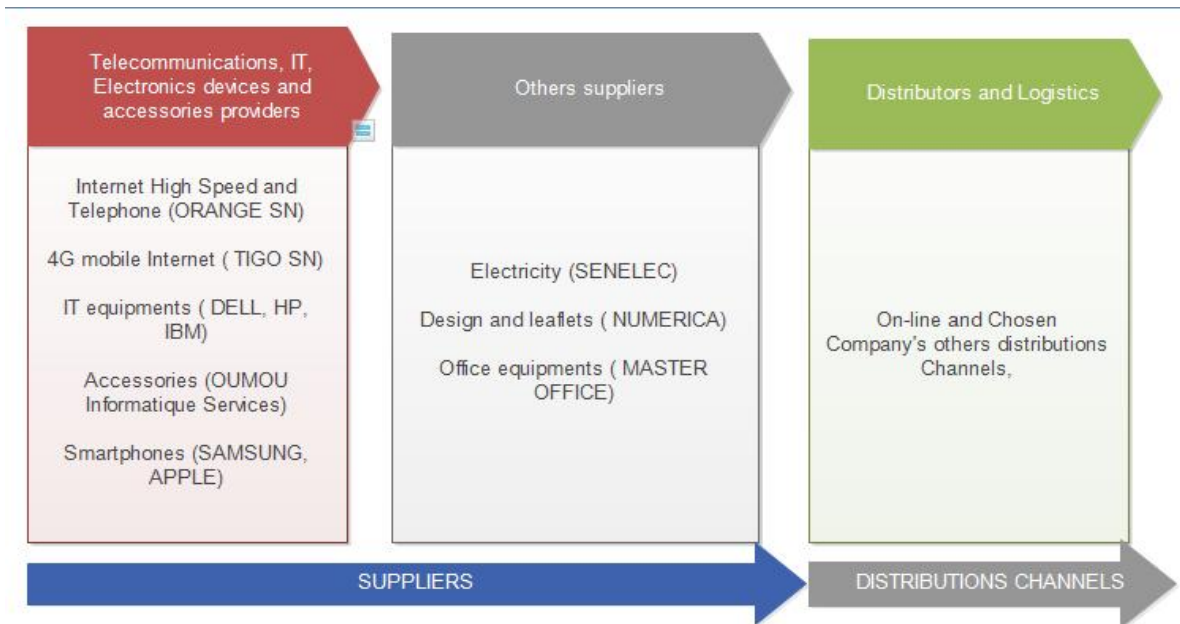
**4.2.2 Place**

The Chosen company is globally presented in more than 30 countries in the world. The project of entry in Senegal represents a strategic opportunity to cover totally the world demand of BPO services.

The first location of the project will be temporary in the center of Dakar where all administrations are accessible easily.

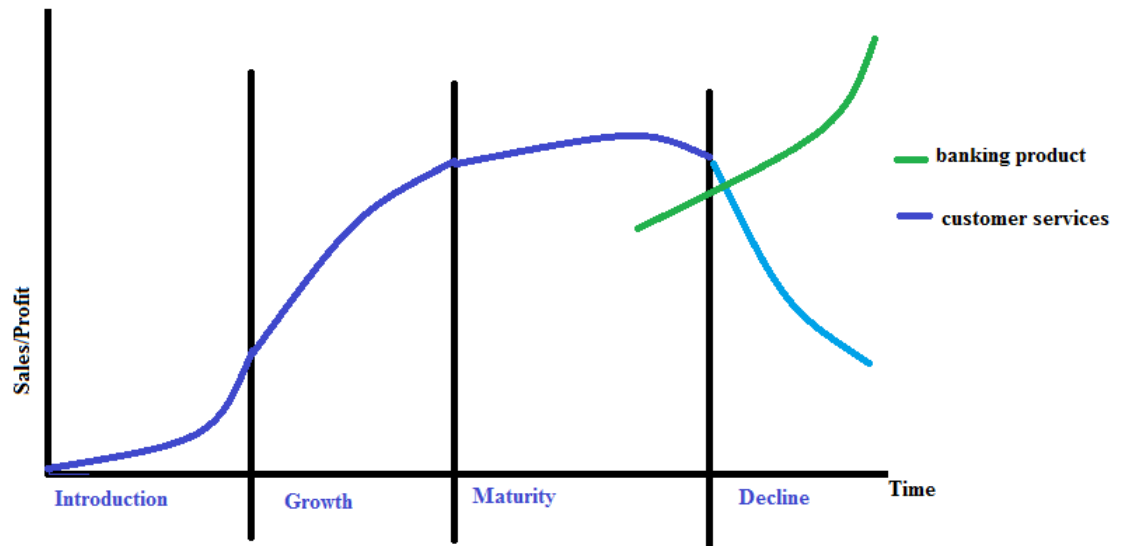
This place is going to change after the delivery of the Digital Technologies Park (PTN) of Diamniadio.

**Figure 6** Value Chain of Partners (Own processing in Edraw Max Software)



### 4.2.3 Price

Figure 7 Product Life Cycle for Chosen Company (Own processing in pain)



In the Product Life Cycle (PLC) graph, I recommend to introduce the **Customer support in French Language** from the others Chosen Company's project at the beginning and the **famous core banking product will be introduced** in the maturity and stability and its growth will correspond with the decline of the transferred project.

The pricing strategies will be:

- At the **introduction stage**, the company will apply the **penetration pricing** in order to gain some market shares from Senegal and West African countries.
- In the **growth** of the PLC, the Chosen Company can use the **premium pricing** in increasing the prices of the services offered and set the difference between of its products and services and its competitors.
- In the **maturity period**, to use the **economy pricing** strategies in order to keep the period as longer it is possible to :
  - ✓ Introduce a new product and or service (**core banking product**),

- ✓ Make lot of innovation and improvement for existing products and or services.
- In the **decline** time, I suggest the Chosen Company to combine the all those pricing strategies and introduce its Foundation in Senegal and Africa and in order to develop its notoriety and activate its environmental and social politics in Corporate Social Responsibility.

For example, the Chosen Company can sponsor and offer:

- ✓ Some students from poor family internships and part time jobs,
- ✓ IT equipments for some Universities, High and elementary schools,
- ✓ The protection of the environmental programs and activities.

#### 4.2.4 Promotion

Concerning the promotion of the marketing mix, the Chosen Company will have to focus on the PSE program, communicate with media and organize professional and social events.

- ✓ **Public Relation:** Sign a strategic partnership with the Senegalese authorities pour the PSE development and invite the media to cover this action.
- ✓ **Advertising :** Use the communication channels (TV spot, Radio, Press, Social media, email and viral marketing, billboards) for the the Official opening week and the job opportunities.
- ✓ **Professional seminars** for Banks: presentation and prposition of the advantages, the security, safety and the notority of the Chosen Company's **banking products** solution used worldwide.
- ✓ **Active in Corporate Social Responsibility:** Politics of green technology, environment protection, starting activities of the **Chosen Company Foundation, healthcare, rurals development and promotion of social events** (Muslims and Christans celebrations) and sponsoring of sports and particulary the Senegalese national **wrestling**.

#### 4.2.5 People

The Chosen Company has globally more than 120 nationalities employees with a huge cultural diversity, self motivated, value and customer focus oriented.

The Chosen Company provides high quality internal training and development in :

- ✓ Customer orientation and satisfaction,
- ✓ Communication,
- ✓ Soft skills ( for example Stress Management),
- ✓ ITIL certification,
- ✓ Six sigma certification,
- ✓ Etc.

The future employees of the Chosen Company in Senegal will be trained as same as the employees in USA, India or Czech Republic.

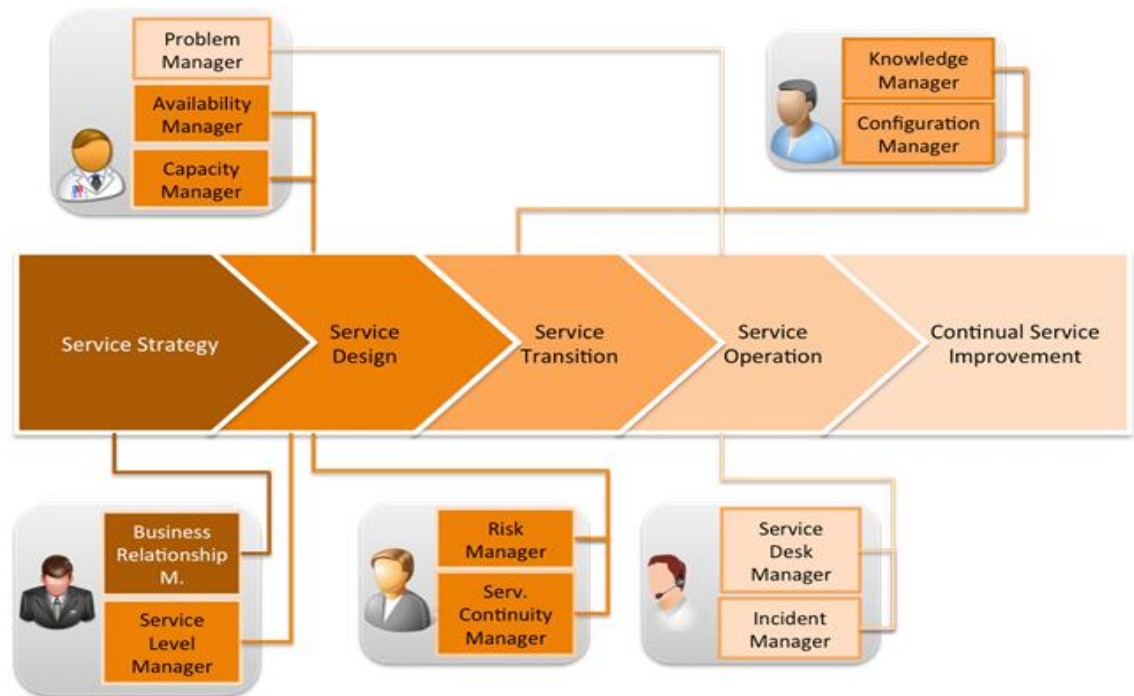
Those training and development confer to the Chosen Company a privileged place in the market where people are the only asset creating more than expected result, executing and managing the process.

#### 4.2.6 Process

The activities of the Chosen Company are mostly based on processes and the GDM is the process used to manage project where the supports are multilinguals. The Chosen Company is support French customer in the Eastern countries like Czech Republic.

The project of entry in Senegalese market is for the Chosen Company the best opportunity to obtain a complete GDM where Dakar ( Senegal) will be mainly for french support.

Chosen Company has an innovative process for the implement its activities and technology transfers into Senegalese market. In that IT project, I will borrow the **ITIL** (Information Technology Infrastructure Library) framework to implement the project.

**Figure 8** ITIL steps and role (Source advisera.com)

The process of implementing the project in senegal, The Chosen Company will follow the steps:

- *Service Strategy*
- *Service Design*
- *Service Transition*
- *Service Operation*
- *Continual Service Improvement*

#### 4.2.7 Physical evidence

Regarding the Physical evidence, The Chosen Company is present in more than 30 countries in the world.

### 4.3 Cost analysis of the project

**Table 7** Cost analysis of the implementation (Own processing)

<b>Costs descriptions</b>	<b>Estimate</b>
<b>Pre- penetration Stage</b>	
Analysis of the opportunities and challenge in the market	++
<b>Penetration Stage</b>	
Visit of Senegalese authorities for partnership in the PSE	++
<b>Implementation phase</b>	
Temporary location	+++
Administrative procedures	+
Equipments	+++++++
<b>Pre -operational phase</b>	
Recruitments administrative staffs	++
Marketing communication and cost	++++
Employees temporary transfered	+++++++
Recruitment Operational employees	++
Utilities ( Electricity, Internet, etc)	+++
Management Salaries	++++
Labor cost	+++++
Facilities cost	++
Health and Safety costs	++
Community involvement costs	+++
<b>Production phase</b>	
Distribution costs	+++
Others Suppliers costs	+++
Others costs	++
Others production cost	++
Evaluation cost	+++

The costs to implement IT branch are high and the Chosen Company will minimize in compensate with the low cost labor and the 3 years customs exemption and VAT suspension at the implementation phase and 5 years exemption of CFCE at the exploitation phase.



#### 4.4 Risk management for the project

The risks management of the project is very important due to the heavy and strategic investment involved to enter in the Senegalese market.

**Table 8** Risk management of the Chosen Company (Own processing)

<b>Risks</b>	<b>Description</b>	<b>Mitigation</b>
<b>Political</b>	Some political disputes may occur and impact in the Chosen Company's activities.	Constantly monitor political climate and adjust strategies accordingly.
<b>Corruption</b>	Bureaucracy due to corruption can favorite the competitors	Negotiate properly when dealing with government officials. Look for sponsors from the government.
<b>Taxation</b>	The tax advantages may change when the President change, or some new taxes may be create	Positive lobbying for lower taxes in the BPO industry.
<b>Terrorism</b>	Actually all the countries are menaced by a potential terrorist attacks	Keep updated from the news and transfer the risk to insurance companies.

#### 4.5 Time and Implementation of the Chosen Company's Branch

This step consists here in this project to set the partnership with Senegalese authorities for the development of the PSE and process to the administrative procedures for branch opening in Senegal.

According the Doing Business report 2016 of World Bank, in 6 consecutive days all administrative procedures for starting business in Senegal:

**Table 9** Procedures of Starting a Business in Senegal (Doing Business 2016 - World Bank)

No.	Procedure	Time to Complete	Associated Costs
1	Deposit the founding capital with a bank	1 day	included in the following procedure
2	Check the company name	1 day	no charge
3	Notarize company bylaws and bank deposit of subscribed capital	2 days	XOF <sup>11</sup> 200,000 - 400,000
4	Register your business at the one-stop shop	2 days	XOF 25,000 + XOF 2,000 + XOF 30,090 + XOF 90 for any other XOF 1,000,000 of share capital

The following table shows the duration in weeks for the activities that needed to be processed in the optic of entering the Senegalese market:

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<sup>11</sup> XOF = F CFA West African currency.

1€ = 655.957 XOF

**Table 10** Time Analysis for Chosen Company (Own processing)

Activity	Description	Predecessors Activity	Duration ( in weeks)
A	Analysis of the opportunities and challenge in the market		4
B	Visit of Senegalese authorities for partnership with the support of Indian Embassy in Dakar	A	10
C	Finding a temporary location of the branch	A, B	2
D	Administratives procedures for Branch Constitution	C	1
E	Order the IT and office equipments	D	4
F	Installation and configuration	E	3
G	Recruitment process of administrative staffs	D	4
H	Official opening week	G	2
I	Media Communication and promotion	H	3
J	Progressive transfert of some employees of existing Projects French support	F	6
K	Recruitment of Operational employees	J	1
L	Training and development of new comers	K	3
M	Production of Service	I, L	6
N	Evaluation of the activities	M	4

To analyze the time of the project, I will use the Program Evaluation and Review Technique (PERT) analysis in order to set the optimal time of execution and dress the critical path graph.

After using the software **WinQSB**<sup>12</sup> to find the solution of the time:

**APPENDICE I** : will be represented by the PERT solution method for completing the project of penetration strategy in the Senegalese market with the earliest start, earliest finish, latest start and latest finish of all activities and the completion time of the project is **44weeks**.

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<sup>12</sup>WinQSB software used for the PERT analysis.

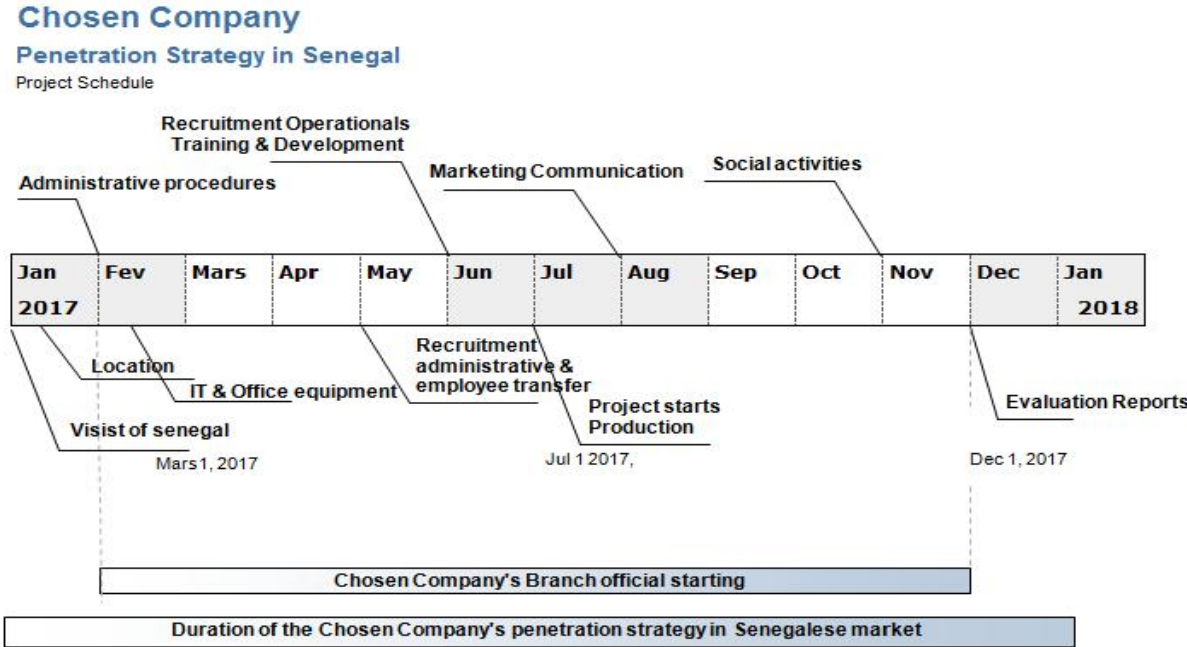
**Table 11** Critical paths of activities for Chosen Company (Own processing in WinQSB)

<b>04-25-2016</b>	<b>Critical Path 1</b>	<b>Critical Path 2</b>
<b>1</b>	<b>A</b>	<b>A</b>
<b>2</b>	<b>B</b>	<b>C</b>
<b>3</b>	<b>C</b>	<b>D</b>
<b>4</b>	<b>D</b>	<b>E</b>
<b>5</b>	<b>E</b>	<b>F</b>
<b>6</b>	<b>F</b>	<b>J</b>
<b>7</b>	<b>J</b>	<b>K</b>
<b>8</b>	<b>K</b>	<b>L</b>
<b>9</b>	<b>L</b>	<b>M</b>
<b>10</b>	<b>M</b>	<b>N</b>
<b>11</b>	<b>N</b>	
<b>Completion Time</b>	<b>44</b>	<b>44</b>

Lastly, a graphical solution and Gantt chart of all activities solved by PERT are labeled in Appendixes II and III with the same result which is the optimum completion time of 44 weeks.

The project timeline is resumed in the figure below

Figure 9 Penetration strategy timeline (Own processing from the template of vertex42<sup>13</sup>)



<sup>13</sup> <http://www.vertex42.com/ExcelTemplates/timeline.html>

## CONCLUSION

In this master thesis, I prepared the suitable strategy to use by the Chosen Company in order to expand its activities and establish a branch to Senegal.

This optimism is due to strengthening bilateral between Senegal and India, the low cost of employment and initiative of the Senegal State in the development of the PSE and the tax advantages for new investors and number of employments generated for investment.

In the beginning of the project, a competitive benchmarking analysis of the Chosen Company has been evaluated in competitive environment with three main competitors from Senegal and three from the global market of outsourcing activities. I set also the PEST analysis of the external factors impacting in the Chosen Company's opportunities and Challenges to enter the Senegalese market.

Then, IFE and EFE factors of outsourcing product and services have been examined and combined through SPACE matrix in order to pick up the most suitable strategy for opening a branch in Senegal.

As the result, I found out that the Chosen Company can use an **aggressive strategy** to enter the Senegalese market.

SWOT analysis has been used for decision making which approach to use to penetrate the Senegalese market.

- ⇒ Open a new office in Senegal and build strong partnership with Senegalese Government and the Private sectors for the PSE project and perspective of mutual growth, IT innovation and employment.
  
- ⇒ Develop attractive market through innovative technology and aggressively lower the price of services in the market.

- ⇒ Progressively, relocate all French customer Support in the Senegal to cover world-wide French speakers clients.
  
- ⇒ Sponsoring and promoting favorite sports in the Senegal and in Corporate Social Responsibility (CSR) and frequent targeting marketing campaign via the communication support.

After that, I have made the decision for suggested marketing strategy, Foreign Direct Investment (FDI) due to the sensitivity of outsourcing is the fact of working in clients' data and need to be protected and confidential.

Firstly, 7P marketing strategy of FDI has been made so as to enter the Senegalese market and introduce the banking product and transfer the French support from existing Chosen Company's portfolio to Senegal through some suggested promotion orientation.

Secondly, the effectiveness and efficiency cost and risk analysis of FDI have been forecasted for detail plan in the near future.

Finally, the main reasons are the short timing of implementation, the lows risk and cost, the larger ability of recovering investment, the ability to start activities in a short term, the potential and strategic localization of Senegal, advantage in the French language and the support and tax facilities set by the Senegalese state with the PSE.

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**LIST OF ABBREVIATIONS**

IFE	Internal Factors Evaluation
PEST	Political, Economic, Social and Technologic
EFE	External factors Evaluations
BPO	Business Process Outsourcing
CGI	Code General des Impots
CFCE	Contribution Forfaitaire a la Charge de l'Employer
CI	Code des Investissements
APIX	Agence de Promotion des Investissements
ARTP	Agence de Regulation des Telecommunications et Postes
CSR	Corporate Social Responsibility
IT	Information Technology
ITIL	Information Technology Infrastructure Library
PSE	Plan Senegal Emergent
PTN	Parc des Technologies Numeriques
PLC	Product Lifecycle
7P	Product, Place, Price, Promotion, People, Process, Physical evidence
PERT	Program Evaluation and Review Technique
MOCI	Moniteur du Commerce International

SWOT Strength, Weakness, Opportunity, Threat

SPACE Strategic Position and Action Evaluation

**LIST OF FIGURES**

<b>Figure 1</b> International Marketing Task (Source (CATEORA, 2010) ) .....	6
<b>Figure 2</b> Outline of alternative basic international marketing channels (ALBAUM, 2011).....	9
Figure 3 PEST Analysis (Source <a href="http://visual.ly/pest-analysis">http://visual.ly/pest-analysis</a> ) .....	13
<b>Figure 4</b> PEST Analysis - Source own processing.....	24
<b>Figure 5</b> SPACE Matrix for Chosen Company (Own processing).....	37
<b>Figure 6</b> Value Chain of Partners (Own processing in Edraw Max Software) .....	42
<b>Figure 7</b> Product Life Cycle for Chosen Company (Own processing in pain) .....	43
<b>Figure 8</b> ITIL steps and role (Source <a href="http://advisera.com">advisera.com</a> ).....	46
<b>Figure 9</b> Penetration strategy timeline (Own processing from the template of <b>vertex42</b> ).....	52

**LIST OF TABLES**

<b>Table 1</b> Benchmarking for the Chosen Company (Own processing).....	19
<b>Table 2</b> IFE Matrix of Chosen Company (Own processing).....	21
<b>Table 3</b> PEST Analysis Matrix of Chosen Company (Own processing).....	33
<b>Table 4</b> EFE Matrix of Chosen Company (Own processing).....	36
<b>Table 5</b> SWOT Analysis of the Chosen Company (Own processing).....	39
<b>Table 6</b> Advantages & Disadvantages for the project (Source Own processing).....	41
<b>Table 7</b> Cost analysis of the implementation (Own processing) .....	47
<b>Table 8</b> Risk management of the Chosen Company (Own processing) .....	48
<b>Table 9</b> Procedures of Starting a Business in Senegal (Doing Business 2016 - World Bank).....	49
<b>Table 10</b> Time Analysis for Chosen Company (Own processing) .....	50
<b>Table 11</b> Critical paths of activities for Chosen Company (Own processing in WinQSB).....	51

## **APPENDICES**

APPENDIX I: Result of PERT method for activities of penetration strategy for Chosen Company in Senegal.

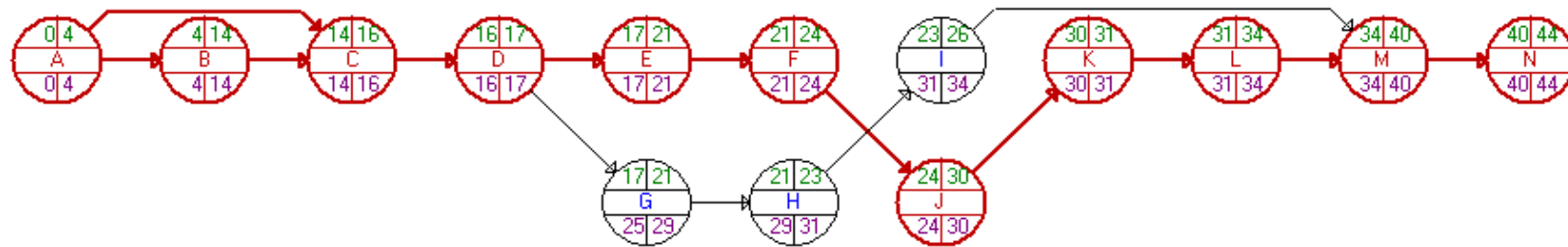
APPENDIX II: Graphic solution of PERT method for activities of penetration strategy for Chosen Company in Senegal.

APPENDIX III: Gantt chart for the project of penetration strategy for Chosen Company in Senegal.

**APPENDIX II: RESULT OF PERT METHOD FOR ACTIVITIES OF PENETRATION STRATEGY FOR CHOSEN COMPANY IN SENEGAL.**

04-25-2016 09:25:19	Activity Name	On Critical Path	Activity Time	Earliest Start	Earliest Finish	Latest Start	Latest Finish	Slack (LS-ES)
1	A	Yes	4	0	4	0	4	0
2	B	Yes	10	4	14	4	14	0
3	C	Yes	2	14	16	14	16	0
4	D	Yes	1	16	17	16	17	0
5	E	Yes	4	17	21	17	21	0
6	F	Yes	3	21	24	21	24	0
7	G	no	4	17	21	25	29	8
8	H	no	2	21	23	29	31	8
9	I	no	3	23	26	31	34	8
10	J	Yes	6	24	30	24	30	0
11	K	Yes	1	30	31	30	31	0
12	L	Yes	3	31	34	31	34	0
13	M	Yes	6	34	40	34	40	0
14	N	Yes	4	40	44	40	44	0
	Project	Completion	Time	=	44	weeks		
	Number of	Critical	Path(s)	=	2			

**APPENDIX II: GRAPHIC SOLUTION OF PERT METHOD FOR ACTIVITIES OF PENETRATION STRATEGY FOR CHOSEN COMPANY IN SENEGAL.**





## APPENDIX III: GANTT CHART FOR THE PROJECT OF PENETRATION STRATEGY FOR CHOSEN COMPANY IN SENEGAL.

