



**NEW MARKET ENTRY FOR ROBERT BOSCH POWER TOOLS IN THE HOUSING  
AND CONSTRUCTION INDUSTRY - GHANA**

Undergraduate Applied Project submitted to the Department of Business Administration, Ashesi  
University in partial fulfilment of the requirement for the award of Bachelor of Science Degree  
in Business Administration.

B.Sc. Business Administration

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### DECLARATION

I hereby declare that this Applied Project Report is the result of my own work and that no part of it has been presented for another degree in this university or elsewhere.

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Date: **\_23rd \_April\_2021\_**

I hereby declare that the preparation and presentation of the Applied Project Report were supervised in accordance with the guidelines on supervision of applied projects laid down by Ashesi University.

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Date: \_\_\_\_\_

## ACKNOWLEDGEMENT

*The plans of the diligent surely lead to success.*  
Proverbs 21:5

The soothing words of King Solomon elucidated in Proverbs 21:5 has been the cornerstone of my journey at Ashesi University. Indeed, diligence and hard work ensured the completion of this project.

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## **EXECUTIVE SUMMARY**

Robert Bosch Power Tools Ghana is a subsidiary of the larger Robert Bosch GmbH in Germany. Robert Bosch Power Tools Ghana established its office at Airport City, Accra within the year 2016. The company provides catalogues of blue Power Tools to artisans, craftsmen, and large agencies for woodwork, metalwork and building construction. Since commencing operations in Ghana, the company has continuously produced highly engineered power tools meeting the highest standards of durability with over a hundred sales outlets operating currently.

The management of Robert Bosch Power Tools Ghana wants to penetrate new industries and markets within the Ghanaian Industry. Specifically, the Housing and Construction Industry.

A needs assessment conducted revealed that contractors within the housing and construction industry in Ghana are battling with the high cost of renting building tools and equipment. Furthermore, there are no structured mechanisms or product service that offers readily available Power Tools to workers on-site during a house building process. (i.e.: inaccessibility). It was thus concluded that there are gaps within the Housing & Construction Industry - Ghana. Hence, Robert Bosch Power Tools Ghana can make an entry into the market or industry.

Literature review showed that the company can make an ideal market entry in the housing & Construction Industry if it undertakes efficient; decision making, pricing technique, distribution and delivery process of its products. Also, contractual agreements are an ideal entry strategy for the company within the housing and construction industry.

The proposed solution develops a market entry strategy for the company in the Housing and Construction Industry. The strategy incorporates a product, Bosch Osidan coined from a local Akan word meaning; “to build a house”. The product is an onsite demand power tools for contractors within the housing & construction industry. It is backed by a marketing mix and entry

strategy that ensures easy accessibility and efficient pricing methods for contractors within the Housing & Construction Industry.

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## CHAPTER 1: INTRODUCTION & INDUSTRY OVERVIEW

### 1.0 Chapter Overview

This chapter outlines the rationale behind this project. It gives a deeper insight into the company's core Strength, Weaknesses, Opportunities and Threats (SWOT Analysis). Furthermore, the chapter outlines short term organizational goals of the company. An industry analysis of the Ghanaian Housing & Construction Industry is conducted through the lens of Porter's Five forces to shed light on the dynamics within the Housing & Construction Industry.

### 1.1 Project Background

According to the Centre for Affordable Housing in Africa (CAHF), the housing deficit in Ghana; an economic powerhouse in West Africa, stands at 1.7 million houses. In 2019, the government of Ghana also announced a GH¢1 billion Mortgage and Housing Finance Fund in its budget. (CAHF, 2020). There is also a partnership between the Government of Ghana and the United Nations Office for Project Services (UNOPS) to build a whopping 100,000 new but affordable housing units by 2022 (CAHF, 2020). Such valiant statistics indicate a gradual growing market for the Housing & Construction Industry and building tool providers like Robert Bosch Power Tools Ghana. This breeds room for employability, increase in sales and revenues for stakeholders within the Housing & Construction Industry. Notwithstanding, the impact of the Global Pandemic (i.e.: COVID-19) has had a toll on several economies. The world Bank expects the world to plunge into its worst economic recession since World War II (World Bank, 2020). How do strong and major stakeholders in the Power Tools (building tools) Industry support the housing & Construction sector in Ghana to help bridge the housing deficit gap? In doing so, how

do these major Power Tool providers deliver innovative centered solutions that can help the industry during these unprecedented times?

Robert Bosch Power Tools Ghana affiliated with Robert Bosch GmbH (Germany) is a reputable brand with over a hundred sales outlets dealing in Professional Power Tools & Accessories. The company set up its office in 2016 making it one of the major suppliers within the country. Senior management of the company is looking for ways to enter into the Housing & Construction Industry. More so importantly, provide products within their capabilities that help offset the housing deficit gap and industry challenges. The company wants this new market entry to be built on a rigorous need's assessment process, research and contextual analysis that commensurate return on investment and sustainable growth for the company.

## 1.2 Project Objectives

- I. Assess the feasibility of market entry for Robert Bosch Power Tools in the Housing & Construction Industry - Ghana.
- ii. Develop a market entry strategy for Robert Bosch Power Tools within the Ghanaian Housing & Construction Industry.
- iii. Assess end-user experience with Robert Bosch Power Tools that can inform decisions in new market entry.

## 1.3 Company Profile - Internal Organizational Context & SWOT Analysis

Robert Bosch GmbH founded by Sir. Robert Bosch within the year 1866, was initially known as Workshop for Precision Mechanics and Electrical Engineering (WPME) in Stuttgart, Germany. It is a multinational company with approximately four hundred and forty (440) subsidiaries across

sixty countries (Robert Bosch GmbH, 2021). The multinational company provides products themed around Power Tools (Building Tools), Automotive Aftermarket, Household Appliances, Packaging and Thermo Technology. Fast forward centuries after, Robert Bosch GmbH has made expansions within thirteen African countries. The company currently boasts of 1,928 associates on the continent. (Robert Bosch GmbH, 2021).

### 1.3.1 Robert Bosch Power Tools Ghana

Robert Bosch Power Tools Ghana was set up in the year 2016 as an intervention to expand their market coverage in Africa. The Ghanaian company focuses on providing Power Tools with over five thousand (5,000) Stock Keeping Units (SKU's) and more than a hundred sales outlets in Ghana. The company is currently headed by Mr. Peter Du Bruyn who serves as Country Business Director for Ghana. Together, he operates with a sales and marketing department responsible for delivering Bosch Power Tools to artisans, craftsmen and large construction companies (Key User Managers - KUM's). Robert Bosch Power Tools Ghana provides constant training for its end-users to help them get accustomed to new versions of its Power Tools. Furthermore, it has service stations in Tema and Achimota that helps in servicing its Power Tools and addressing customer complaints.

### 1.3.2 Mission

Develop Power Tools that are “Invented for life,” that spark enthusiasm, improve the quality of life, and help conserve natural resources.

### 1.3.3 Vision

Continuously increase the footprint of Robert Bosch Power Tools in Ghana where Bosch provides Power Tools engineered for high excellence and quality.

### 1.3.4 Company Values

Robert Bosch Power Tools Ghana has set company values that shape their nature of work and operations. These values include;

I. Teamwork; One major underpinning value for Robert Bosch Power Tools Ghana is teamwork and coordination. The company depends heavily on coordinated efforts within its sales and marketing team to achieve its organizational goals.

ii. Sustainability: Robert Bosch Power Tools Ghana ensures their operations forge long term growth for the company. The company achieves this by undertaking constant market entry's that commensurate return on investment.

iii. Initiative and determination: product and services of Robert Bosch Power Tools Ghana are solely owned by the company and they pursue long term goals towards the consistent performance of their products within set markets.

iv. Openness and trust: the company operates the policy of open communication. Issues are communicated openly to create trustworthiness between the company and its customers.

v. Reliability and credibility Robert Bosch Power Tools Ghana seeks to be law-abiding in all of its dealings and has a structured supply chain system where artisans, craftsmen and large construction companies can rely on the availability of its products.

### 1.3.5. Product portfolio

Robert Bosch Power Tools Ghana offers two classes of products. These products can be classified broadly as “Professional Power Tools & Accessories” and “Measuring Tools”. Below is a table showing the current product offerings of the company under these two major categories.

Table 1: Product portfolio; Robert Bosch Power Tools Ghana.

<p><u>Professional Power Tools &amp; Accessories:</u></p> <p>Cordless drills/drivers, Cordless impact drills/drivers, Batteries &amp; chargers, Cordless solo tools, Magnetic drill &amp; stand, Rotary hammers SDS-Plus, Stirrers, Rotary hammers SDS-Max, Demolition hammers SDS-Max, Breakers, Diamond drill, Impact wrench, Angle grinders 670 W - 1700 W, Concrete grinder, Wall chaser, Vacuum cleaners, Large angle grinder, Polisher straight grinding, Metal cut-off saw, Jigsaws, Drywall screwdriver, Circular saws, Plunge saws, Angle grinders 670 W - 1700 W, Wall chaser, Polisher, Straight grinding, Metal cut-off saw, Orbital sanders, Random Orbit sanders, Belt sander, Router, Cordless multi-cutter, Planers, Miter saws, Table saw, Sliding miter saw, Combination saw, Heat guns, Blower.</p>
<p><u>Measuring Tools:</u></p> <p>Laser measures, Digital inclinometer, Digital angle measurer, Measuring wheel, Rotation lasers, Optical levels, Detectors, Inspection camera, Thermo detector, Line &amp; point lasers, Tile &amp; surface lasers.</p>

### 1.3.6 Company Short Term Goals

The short-term organizational goals for Robert Bosch Power Tools Ghana include;

- I. Expanding footprint to specific industries (i.e.: Housing & Construction Industry)
- ii. Increasing market sales than the previous year (i.e.: 2020).
- iii. Establishing a new center solely for servicing Robert Bosch Power Tools.
- iv. Increasing the number of Robert Bosch Power Tool dealers across the country.

### 1.3.7 Key Company Stakeholders

- I. End-users including; Artisans, Craftsmen and large Construction Agencies.
- ii. Robert Bosch Power Tools Dealers. (Retail & distribution).
- iii. Robert Bosch Power Tools Service Team.
- iv: Robert Bosch GmbH - Germany.

## 1.4 Company SWOT Analysis

SWOT Analysis provides a strategic way through which strengths, weaknesses, opportunities and weaknesses can be identified within a particular organization (). Narrowing down to Robert Bosch Power Tools Ghana, the analysis indicates the state of the company and gives a better introspection on the dynamics within the company. These findings were gathered through interviews with relevant employee personnel of the company.

### 1.4.1 Strengths

- i. **Strong dealer community:** Robert Bosch Power Tools Ghana has an efficient dealer system in the country. This has been achieved by maintaining strong relationships with Ghanaian dealers through the provision of supplies, product promotion and training. Robert Bosch Power Tool dealers operate within more than a hundred sales outlets in Ghana. These sales outlets have created a well-built distribution chain that ensures Power Tools reach a large number of customers per demand.
- ii. **Skilled labor force:** the company makes continuous efforts to invest extensively in training its workers /employees. This includes training workers on the usage and maintenance of Robert Bosch

Power Tools. This has resulted in efficient assistance to Robert Bosch dealers in Ghana. Furthermore, training of other employees across different departments ensures the company attains high sales. Citing an example, the company has a group of trained salesforces; Bosch Rangers, who are responsible for driving sales within different sales outlets in Ghana.

iii. **Large product portfolio & outstanding quality:** the company has a wide range of power tool products from distinct categories as seen in Table 1. The company offers unique product offerings that are sometimes not provided by competitors in Ghana. Additionally, their blue Power Tools are designed for excellence and last longer. This is majorly due to the extensive research, user testing and adaptability that Bosch power Tools undergo within factories.

iv. **Strong financial position:** Robert Bosch Power Tools Ghana is a subsidiary of the larger Robert Bosch GmbH in Germany. This affords the company to have access to financial support should they not meet required financial returns. Their large asset base across Ghana also provides the company with financial solvency (i.e.: the ability of Robert Bosch Power Tools Ghana to meet long-term debts and financial obligations).

#### 1.4.2 Weaknesses

i. **Entry into a new market niche:** Robert Bosch Power Tools Ghana has not been able to do much in terms of entering into specific niche markets. An example of this is the housing and construction industry. Product offerings by Robert Bosch are generally open to categories of end-users; artisans, craftsmen and construction companies nationwide through its sales outlets. More often, there are no tailored product offerings extended to specific industries in Ghana.

ii. Frequent recalling of Power Tools: Due to the constant improvement of Power Tools by Robert Bosch worldwide, the Ghanaian company tends to recall its product more often. This calls for the need to have constant training on the market with Bosch Power Tool dealers that can help assist its customers. This contributes to the high cost of training.

iii. A Limited number of service stations: the company currently has two service stations in Tema and Achimota. Notwithstanding, the company operates within other regions in Ghana. This setback gives limited access to customer service and can potentially build up customer frustrations when they want to service their Power Tools.

iv. A Limited number of warehouses: Robert Bosch Power Tools Ghana does not manufacture its Power Tools in Ghana. Due to this, the company imports its Power Tool catalogues through stationed warehouses outside Ghana based on customer demand. This hinders the capacity of the company to have fully stocked catalogues of Power Tools which has the potential to increase sales significantly.

#### 1.4.3 Opportunities

I. Growing Ghanaian e-commerce space: Ghanaian e-commerce is growing. Over the past year and due to the Global Pandemic (i.e.: COVID-19), Ghanaians have shifted from physical to online purchasing. There has also been an increase in Small and Medium Enterprises (SMEs's) digitalization that accounts for this. Robert Bosch Power Tools Ghana can take advantage of such an opportunity to create a strong e-commerce brand for ideal groups of its market segments. Such a move will strategically complement physical sales that can increase returns for the company.



ii. New market niche; the Ghanaian country is regarded as a developing country and one which has a lot of emerging markets within its economy. These emerging markets are largely linked to a new market niche that companies can take advantage of. New market niches such as the low -cost and affordable housing space can be highly linked to Robert Bosch Power Tools Ghana. The company can provide products to fit the growing demand of these markets.

iii. Technological Development: in a world full of technological upheavals, Robert Bosch Power Tools Ghana can capitalize by leveraging technology that automates operations. This will ensure efficient supply chain management and marketing operations. For example, the company can invest in high customer data collection that helps them improve sales and marketing efforts.

iv. Access to Land: the systems of land ownership in Ghana when followed diligently affords individuals, organizations and companies to own them. This is an ideal opportunity for the company to establish and build more service stations and warehouses within the country. This will inadvertently increase the stock capacity of the company serving larger markets.

#### 1.4.4 Threats

I. Threats of new entrants: the emergence of competitors within the Ghanaian Power Tools market is on a constant surge. In an exploratory oversight in Power Tools Sales outlets in Accra; competitors like Total are establishing more outlets This brings about high competition. More so alarming, this can reduce the market share for Robert Bosch Power Tools Ghana.

ii. The influx of fake Bosch Power Tools.: the Ghanaian Power Tools market has seen the emergence of illegitimate Robert Bosch Power Tool which are inscribed “bocsh” instead of

“bosch”. This puts the brand of the company at risk. Artisan and craftsmen who cannot distinguish such products will attribute shortcomings of the fake Power Tool to the real Robert Bosch Power Tools brand.

ii. Cultural Attitude: Ghanaians have the attitude of going in for products that seem cheaper. Due to the quality nature of Robert BOSCH products, such products may come off at a higher price as compared to that of cheaper products. There ought to be intensive education by the company to its current and potential customers, on the quality of Robert Bosch Power Tools. This is a definite way of minimizing the cultural attitude of Ghanaians going in for cheap Power Tools.

iii. Economic Fluctuations: Ghana as a country is characterized by economic fluctuations should there be any change in global trends. These economic fluctuations in case of a global economic downturn can affect the daily lives of people. Great examples of this are the Global Pandemic. When this happens sales of the company can decline steadily. Hence, the company ought to be flexible in its operations to accommodate shocks posed by unforeseen occurrences.

### 1.5 Industry Analysis - Housing & Construction Industry

This industry analysis is focused on the Housing & Construction Industry - Ghana. The analysis engages the use of Porter's five forces to give an overview of the competitiveness and attractiveness of the industry. This form of analysis was engaged to help unearth findings that the company can use to adjust its strategy for profitability.

#### 1.5.1 Porter's Five Forces

i. The threat of New Entry: the rate of new entry within the housing & construction industry makes it very high. This is because there is a growing demand for the market. Hence there is a low level of barrier to entry. New companies such as Robert Bosch who would like to make an entry in such markets need to be abreast with the necessary capital estimation and make a series of trials to have a fair overview of the reality on the ground.

ii. Competitive Rivalry: there is a moderate competitive rivalry within the market. This is majorly due to the high switching cost by customers among real estate agents and contractors. Also, a limited number of competitors in the industry accounts for high switching costs. Even though there is a high cost of entry into the market, there is moderate competition amongst agencies in the housing and construction industry.

iii. Supplier Power: Due to the averagely low number of contractors and housing agencies, this makes supplier power very high. Suppliers normally do not have to succumb to the demands of buyers. The large housing deficit in Ghana is also an indication of the low supplier to demand ratio within the housing and construction industry.

iv. Buyer Power: The ratio of buyers to suppliers is assumed to be in favor of the suppliers. Hence, since they're a lot of buyers and a limited number of suppliers, contractors do have supplier power over the buyers within the industry.

v. The Threat of Substitutes: The threat of substitution is very low within the housing and construction industry. This majorly due to limited suppliers and high switching cost within the industry. Similarly, high entry costs within the market prevent the occurrence of many suppliers.

### 1.6 Conclusion

All the information gathered in chapter one gives a fair overview of the current position of the company and this will prove relevant in pursuing the project with the company's short-term organization goals. Key points raised in the SWOT Analysis gives room for coming up with interventions to take advantage of the company's strength in the project. Subsequently, the dynamics of the housing & Construction industry gives preliminary insights into the industry. This will be relevant for key investment decisions that the company would take should it be feasible for them to make an entry into the market.

## CHAPTER 2: PROJECT NEED ANALYSIS

### 2.1 Chapter Overview

This chapter gives insights into the need this project intends to solve. It goes ahead to give a descriptive overview of the various research methodologies, tools, sample population and assessment criteria that were engaged during the data collection process. The chapter also utilizes analytical tools such as bar charts and pie charts to shed more light on the findings from data collection. All these findings ascertain the feasibility of a new market entry for Robert Bosch Power Tools Ghana in the housing & construction industry

### 2.2 Scope of Needs Assessment

Needs assessment helps organizations and companies to improve upon the current state of a particular aspect of their business. They validate and unearth various findings that can bring improved products and areas of operations within a company. The needs assessment of this project was positioned to reveal gaps within the Housing and Construction industry. More so importantly, its targeted user experience challenges by Artisans and Craftsmen. These respondents were targeted to help the company position a better product in its new market entry.

#### 2.2.1 Problem Statement

Robert Bosch Power Tools is a leading Power Tool provider in Ghana. The company is a subsidiary of the global Robert Bosch GmbH in Germany and established its presence officially in Ghana during 2016. The company has the strategy of increasing its market share where it provides Power Tools engineered of high quality. Hence, they want to find low-risk ways to enter into the Housing & Construction industry but lack the industry knowledge to enter into such a

foreign market. Additionally, the company wants adequate information that goes beyond normal sales to inform market entry decisions and develop tailored products for the market.

### 2.2.2 Research objectives

- i. Identify various market gaps in Power Tool accessibility within the Housing & Construction Industry - Ghana.
- ii. Assess key end-user (artisans & craftsmen) experience with Robert Bosch Power Tools.
- iii. Assess new market entry feasibility for Robert Bosch Power Tools Ghana in the Housing & Construction Industry.

### 2.2.3 Research Respondents/Participant

The respondents involved in the need's assessment included:

I. Contractors - Housing & Construction Industry: contractors within the Ghanaian context are regarded as individuals or persons who engage in building management. They more often than not oversee the day to day running of building construction sites. This class of respondents have in-depth experience within the housing & construction sector in Ghana. They were engaged to help identify gaps in the housing & construction industry that Robert Bosch Power Tools can take advantage of.

ii. Artisans & Craftsmen: these are classified as end-users of Robert Bosch Power Tools. Artisans and Craftsmen engage Power Tools for carpentry, plumbing, electrical & mechanical works amongst others. This class of research participants were engaged to provide an assessment on end-user experience with Robert Bosch Power Tools. Specifically, the pros and cons of their journey with Robert Bosch Power Tools.

#### 2.2.4 Research Criteria

Needs analysis for this project were based on criteria to help fulfil research objectives. These criteria included:

- I. Market Gaps: this criterion focused on Contractors. They were useful to the needs assessment process as they gave insights into the challenges faced within the housing construction industry. Findings based on this criterion in subsequent chapters helps the company to adapt its offerings to suit the current needs of the industry.
- ii. Bosch End-User Experience: products need constant improvement based on user feedback. This criterion was beneficial in assessing issues of customer service, quality and durability from the viewpoints of Bosch Power Tool customers.

#### 2.3 Research Methodology

The needs assessment stage of the project engaged Qualitative research. Qualitative research methodologies normally focus on collecting and analyzing non-numerical data. This research method helps not only understand concepts, opinions but experiences of respondents within particular research. (Husbands S, Jowett S, Barton P & Joanna Coast, 2017).

Qualitative research was advantageous to the project as it created a more synergistic utilization of data on market gaps in the housing & construction industry and relevant Bosch End-user experience. More so importantly, it focused not only on “what,” respondents think but also on why respondents think so. This afforded research participants to give explanations to back their assertions that helped inform general and future processes for Robert Bosch Power Tools in its market entry and product development.



The needs assessment engaged qualitative research by targeting two sets of research participants. Contractors in the housing & Construction Industry and Artisans /Craftsmen (Bosch Power Tool End-users). Contractors were engaged to help unearth general challenges in the industry, areas of high expenditure and the level of Robert Brand visibility within the housing & construction industry to help ascertain the feasibility of market entry. Artisans/Craftsmen on the other hand were assessed on factors that drive their purchase of Bosch Power Tools, customer service accessibility, challenges with Bosch Power Tools and durability of Bosch Power Tools. These findings were also decisive in recommending areas of improvement for the company going forward.

### 2.3.1 Sample Population

The needs assessment stage of the project had a total sample population of eighty (80) research participants. This consisted of twenty (20) contractors within the Housing & Construction industry and sixty (60) Artisans/Craftsmen (Bosch End-Users).

### 2.3.2 Sampling Technique

Convenience Sampling was used for the project need analysis. Convenience Sampling is a type of non-probability sampling that involves drawing the sample of the population from a population that is closest to hand. This sampling technique was very important to the project as it helped collect data quickly to help come up with an efficient market entry decision for Robert Bosch Power Tool. All twenty contractors and sixty Bosch End-users were sampled using the convenience sampling technique.

## 2.4 Research Tools

The research tools engaged for the project included; semi-structured interviews for Contractors in the Housing & Construction Industry while questionnaires were engaged for Artisans/Craftsmen.

### 2.4.1 Semi-Structured Interviews

Semi-structured interviews were engaged for contractors in the housing & construction industry. The nature of the interview questions was open-ended and afforded interviewees to further elaborate on the reasons posed. This research instrument was used to ascertain the general challenges, areas of high expenditure and brand visibility of Robert Bosch Power Tools during the house construction process.

### 2.4.2 Questionnaires

A questionnaire is regarded as a research instrument comprising a series of questions to gather data and relevant information from respondents. Questionnaires were engaged for all sixty sampled Artisans/Craftsmen. Due to such a large number of Bosch end-users, questionnaires were an ideal way to gather relevant data within a short period. BOSCH Power Tools were asked a series of user experience questions. This was undertaken to make advanced recommendations in the new market entry strategy for Robert Bosch Power Tools Ghana

## 2.5 Analyses of Data

Content and narrative analysis are also used to better understand findings. Content and narrative Analysis was used to identify themes from interviews conducted. This mode of analyses helps capture the various experiences. The analyses also of data use bar graphs, pie charts and other diagrams to help understand findings from Artisans.

## 2.6. Findings - Housing & Construction Industry

### 2.6.1 General Challenges

An overarching sentiment by all contractors was the issue of high cost within the production process. This specifically includes payment of laborer's and foremen, hiring of Tools for workers, cost of utilities (electricity, fuel, water) and the pressure by building owners to reduce operation cost. Other challenges that were enumerated included; land disputes during building and restrictive measures by authorities such as the Accra Metropolitan Assembly (AMA) to produce permits. This in turn halts or impedes progress on a particular building. Furthermore, some contractors stressed the issue of lack of transparency by workers which led to bloating of allocated budget for every project. All contractors bemoaned that the Global Pandemic (i.e.: COVID -19 had taken a toll on the industry but is gradually picking up. This is due to the lockdown restrictions that characterized the nation months back. Also, a likely contributing factor is the general economic downturns that characterize every economy due to the global pandemic; an interviewee stressed. (Anonymous Interviewee, 2021).

Narrowing down to an area of interest for this project: availability of building Tools on-site, contractors re-emphasized that there were no structured mechanism or system to provide building technology or Power Tools for its workers. Such tools are mostly brought in by the construction workers. Similarly, for large building technology materials, they are hired for works on construction sites. Contractors admonished that if they had easily accessible & affordable building technology it would reduce the overall high cost associated with the construction process.

### 2.6.2 Areas of High Cost

Participants within the interview process also elaborated extensively on areas of high cost during the house construction process. These specific areas included: increasing the cost of raw materials and land and the high cost of hiring or purchasing equipment. Tools/Equipment for work were hired daily by contractors in anticipation of the completion of specific work to be done. Some contractors also stressed; there was the unavailability of equipment for work and as such had to compromise with what they had. Erratic Power Supply and the increment of fuel prices were also mentioned by some respondents as areas of high cost. Furthermore, the cost of attaining development permits for work

Table 2: Frequency Table - Areas of High Cost

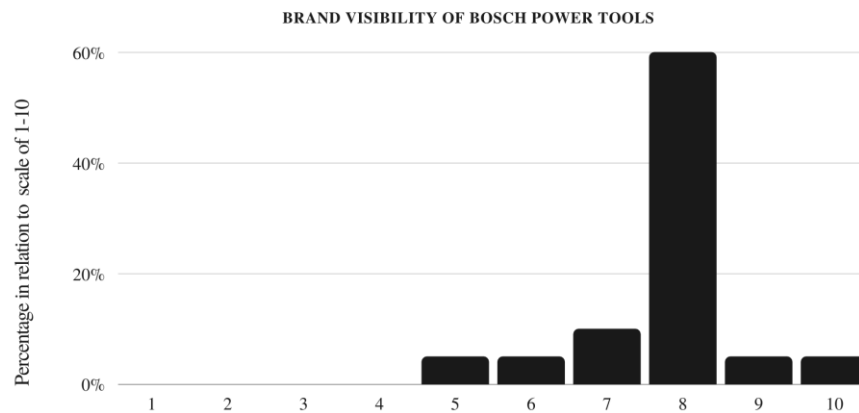
Area of high cost	Frequency	Rank
Increasing Cost of Raw Materials & Land	16	1st
High Cost of Hiring & Purchasing Equipment	15	2nd
Cost of Utility Service (Electricity & Fuel)	15	2nd
Cost of Legal Regularities (Attaining Development Permits)	10	3rd

Participants were then asked to rank some key major areas of high cost. Based on this, 16 participants representing 80% of the total samples believe the cost of raw materials is a major area of high cost. This was followed by 15 participants representing 75% of the total sample size. This percentage agreed that the high cost of hiring equipment (building technology) and utility service

was a major problem. Last but not least, the cost associated with legal regularities for obtaining work permits was ranked by 10 contractors. These findings substantiate the need for offering a wholesome or differentiated mechanism for contractors within the housing & construction industry. Such mechanisms should reduce the overall cost of housing and particularly the cost of equipment for the construction process.

### 2.6.3 Brand Visibility - Robert Bosch Power Tools

Interviewees were asked about the level of brand visibility within the housing & construction industry. This was executed by asking all respondents to rank its visibility on a scale of 1-10. Out of the twenty contractors, an overwhelming 60% of all interviewee admonished that Robert BOSCH can be scaled on an 8 out of 10. This is because such tools are widely used by artisans and some construction workers.



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Figure 1: Brand visibility of Robert Bosch Power Tools

#### 2.6.4 Recommendation by contractors.

All interviewees were allowed to give recommendations as to how all the problems they have enumerated can be reduced. This included the reduction of cost utilities such as water, electricity and fuel. Such interviewees concurred that interventions to these problems may solely be the duty of government agencies. In terms of the high cost of equipment, interviewees recommended companies providing such equipment should reduce their cost, as well as increase the accessibility of such equipment. The bureaucratic tendencies in gaining work and development permits were highly spoken against. Hence, interviewees recommended if that could be reduced.

#### 2.6.5 Market Gaps

Interviewees concurred the emergence of the global pandemic has reduced job activities as well as increased cost in building materials. It was evident from conversations the prevalence of certain market gaps. These market gaps include no systematic product offering from companies providing Power Tools to Contractors. This gives room for Robert Bosch Power Tools to enter and create a tailored product offering that can suppress the financial burden on the contractors. Subsequently, in offering such a product it is important for product differentiation to take place that can better suit the current needs and of contractors and artisans. This includes but not limited to increasing the availability of this equipment and making them affordable for contractors within the housing & construction industry. Findings from the Brand visibility and durability of Bosch Power Tools indicate a high rate of acceptance of Robert Bosch Power Tools. More so importantly, the company will be the first to offer tailored products specifically for the market. This indicates a potential larger market for Robert Bosch Power Tools which is in line with the company's short-term goals.

## 2.7. Findings -Artisan & Craftsmen

All sampled Artisans/Craftsmen were assessed based on the following:

- I. Factors that influence their purchase of BOSCH Power Tools.
- ii. Challenges associated with the usage of BOSCH Power Tools.
- iii. Customer Service Availability.

### 2.7.1 Demographics

The total number of sixty (60) Artisans/Craftsmen were identified to have come from twelve distinct locations within the Greater Accra Region of Ghana. These locations included Dome, Dansoman, Accra Timber Market, Kwabenya, Lapaz, Achimota, Tema, Dansonman, Akweteman, Taifa and Odorkor. These locations were specifically targeted based on the presence of BOSCH Sales Outlets and the predominance of Artisans, Construction workers and mechanics



Figure 2: Demographics - Artisans /Craftsmen.

Out of the sixty sampled Artisans/Craftsmen, data collection findings indicate 25% of End-users sampled were artisans operating within Achimota. This represents fifteen out of the sixty sample

sizes. This is largely centered on the Robert Bosch Power Tools Sales Outlet located at Melcom Achimota Branch. Others included the Accra Timber Market representing 15% amounting to 9 Artisans out of the total sample size. Other percentage representations were Dome - 8% , Dansoman 12%, Kwabenya 5%, Lapaz 10%, Tema 7%, Tesano 2%, Darkuman 1%, Akwete Man 3% , Taifa and 10% and Odorkor 2%.

### 2.7.2 Factors Influencing Purchase

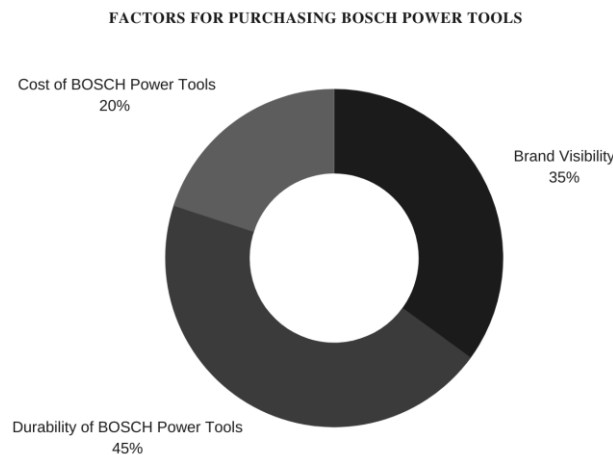


Figure 3: Factors for purchase.

Based on the data collated from BOSCH End-Users, an overwhelming majority of the respondents indicated that the durability and brand visibility of Robert Bosch Power Tools are factors accounting for their patronage. This is represented below in figure 3; 45% of total respondents representing twenty-seven (27) Artisans agreed to durability. 35% representing 21 of respondents agreed on brand visibility and 20% admonished that cost influenced them to purchase Robert Bosch Power Tools. Analysing critically the components above :



i. Durability: the findings substantiate the earlier SWOT Analysis conducted in the chapter. These assertions made by Artisans infer the possibility of a wide range of acceptance and patronage in the housing and construction industry. Durability was defined by respondents as the length of usage of Power Tools without disposal. In its new market entry, the company needs to capitalise on quality as part of its marketing strategy.

ii Brand visibility: an adequate percentage of artisans, also indicated that brand visibility on the market urges them to patronize Robert Bosch Power Tools. Brand visibility similarly was defined by Artisans per the availability of Bosch sales outlets. Inferences from these findings solidify the strategy of sales outlets as an ideal distribution channel for the company. Such options can be explored in distribution systems for the housing & construction industry.

### 2.7.3 User-experience challenges.

i. Accessibility of Service Stations: this equated to 75% artisans representing 45 of the total sample sizes. According to such Artisans, the availability of servicing stations to assist them with resolving their faulty Power Tools was a problem. This identifies a gap that necessitates the need to bring such servicing closer to its End-Users. These findings also validate the weaknesses elucidated in chapter one of the project. Specifically, the limited number of service stations. The company is likely to face such setbacks in its new market entry. Hence it is ideal to create systems that strengthen the company's servicing capacity.

ii. Usage complexity; usage complexity had such a meagre percentage outturn because most respondents emphasized that they are experienced artisans. This meant that they could navigate

their way with newer versions of Bosch Power Tools Catalogues. Notwithstanding it is efficient for the company to stick to its training sessions.

### 2.7.3 Competitor Assessment.

The questionnaire also sorts to understand the view of respondents by assessing Robert Bosch Power Tools with competitors in the industry. These competitors included Total and DeWalt Power Tools. Out of the total number of respondents, an overwhelming 80% representing forty-eight (48) of artisans agreed that Robert Bosch Power Tools was much better than competitors on the market. The criteria engaged for this assessment was durability and pricing.

i: Durability; Artisans concurred that the durability of Bosch Power Tools is high as compared to competitors such as Total. Artisans were also afforded longer warranties in the case of a faulty issue beyond the control of services.

ii. Pricing; competitors admonished the high pricing of Robert Bosch and its competitors. Hence it is ideal for Robert Bosch Power Tools Ghana to revisit its pricing methods in its new market entry.

### 2.7.4 Customer Service

Artisans were also asked about the servicing of Robert Bosch Power Tools when they encountered faulty issues. 60% of end-users representing 36 Artisans said they never contacted Bosch Power Tools for servicing when they encountered faulty issues. Additional reasons given were that they do not know whether BOSCH has servicing stations that can help them out with their faulty issues. This was buttressed by an artisan who has had decades of experience with the Bosch Power Tools. Respondents recommended that the company needs to come with a

mechanism that can inform its end-users where they can service their Power Tools. 35 % representing 21 out of 60 Artisans, agreed that customer service was helpful. Such respondents echoed that they access customer service from Sales Outlets 5% of the remaining respondents said customer service was not helpful.

## 2.8 Market Entry Decision

Per the data collected, we can assert that the ability and brand visibility of Robert Bosch Power Tools is very strong within Ghana. This is evident from the statistical data presented thus far. Hence due to the goodwill, the company has already garnered, a new market entry within the housing & construction industry is highly possible. This is because the Housing & Construction industry comprises artisans engaged in the needs assessment process. Furthermore, there is a need for the company to ensure that its customers' service is closer to individual artisans.

## 2.9 Conclusion

The chapter has given in elaborate proportions, the various market gaps in the Housing & Construction industry. These gaps that have been identified within the Housing & Construction Industry will prove important in the solution and implementation tool going to be proposed. Based on the findings from the End-User experience, these findings are going to be inculcated in the new product offering to ensure target markets have little problems accessing and servicing power Tools

## CHAPTER 3: LITERATURE REVIEW & MASTERY OF SUBJECT AREA

### 3.1 Chapter Overview

This chapter seeks to use available secondary literary data & information to understand certain key findings that were prevalent in the need's assessment conducted. Furthermore, the chapter elaborates on various ideal methods of entry that have been tried and tested by Internationalization firms similar to Robert Bosch Power Tools. These methods are directly linked to the current findings within the housing & construction industry. Last but not least, the chapter looks at certain key areas such as efficient financing methods and product development methodologies.

### 3.2 New Market Entry

It has become evident thus far, that an entry within the housing & construction industry is likely attainable by BOSCH Ghana Power Tools within the housing & construction industry in Ghana. Hence, taking such steps requires the organization to substantively adapt key methodologies that have been proven and tested. New Market Entry hovers around the direct planning, decision making, distribution and delivery process of products of a particular company to a distinct or new market. Newmarket entry has always been of the utmost importance for multinational firms. However, little emphasis is made on the decision process which ensures effective planning and delivery process of products within the new market entry (Ahi, Baronchelli, Kuivalainen & Piantoni, 2017) This decision has post entry implications. It is therefore advisable for internationalization firms like Bosch Power Tools to focus on key factors such as market entry decisions, searching for information and determining what is relevant in the new market entry. It

is also advisable for organizations to have some sort of experiential knowledge on knowing what is relevant and irrelevant in the industry.

A keyway to approach this is the hiring of associate managers who have experience in the field of building technology. This move will give Robert BOSCH Power Tools the leverage on relevant activities crucial for continuous operational success within the chosen markets.

### 3.2.1 The Decision-Making Process

Robert Bosch Power Tools have to make key decisions that will ensure success within the Housing & Construction Industry. Managers' decisions are less rational at the early stage of market entry (Ahi et. al, 2017). This is because decisions are not made systematically due to little information and exposure. Hence it is ideal for several decision market entry nodes to be taken into consideration. These include firm-specific variables such as firms international experience, size, associate, partners and firm or industry-specific variables such as competitive entry, competition and industry dynamisms (Powel S, 2013). The company has international experience in Ghana due to its number of years of operations in the country. Consequently, due to its large nature, the company has resources at its disposal to forge into the market. In professional service and product organizations, the ratio of associates to partners is referred to as the firm's leverage (Hitt et al., 2006). Based on an initial SWOT Analysis conducted and taking into cognizance Bosch Power Tool Sales outlets, the company has higher leverage that can help the organization enter into the housing & construction industry.

In terms of key cautions that Bosch Power Tools have to take into consideration; the level of competitive entry within the Housing & Construction Industry remains high as earlier indicated. Due to the entry of competitive firms within the housing & construction industry (i.e.: Real Estate

Agencies), it is expected that an entry of Bosch Power Tools Ghana will bring about more entry and competition from Power tool providers. Also, the emergence of the Global Pandemic (i.e.: COVID-19) is expected to take a toll on the economy of several countries, making the industry unpredictable. When firms are facing such challenges, they need to take on exploratory orientations to build capabilities and capture orientations (Ahi et. al, 2017). Robert Bosch Power Tools Ghana need to assess if they have the capacity and luxury to undertake such a course. This will help the company keep up with the dynamics of the new market. The project recommends the Hierarchical Model for the entry of Robert Bosch Power Tools Ghana.

### 3.2.2 The Hierarchical Model

The Hierarchical Model is a framework or tool that is implored in a new market entry strategy. The model proposes several entries marked nodes such as export, contractual agreements, joined ventures and owned subsidiaries (Davies T, 2006). These are broadened under two major categories; Non-Equity and Equity Modes of Entry. This is seen in the figure below. The model is ideal for Robert Bosch since it is highly linked to the management of resources, risk exposure and profit return within new markets for internationalized firms. (Davies T, 2006). A market entry in the Housing & Construction Industry by the company can be classified as one which comprises Non-equity modes. Non-equity nodes are market entry strategies for an international organization to enter within a specific market entry without having to invest so much in additional facilities or resource commitment. (Pan Y. & Tse K., 2000). This is largely centered on the premise; Robert Bosch does not house a manufacturing plant in Ghana for the production of its Power Tools. The company dwells on exportation from its major plants across the world.

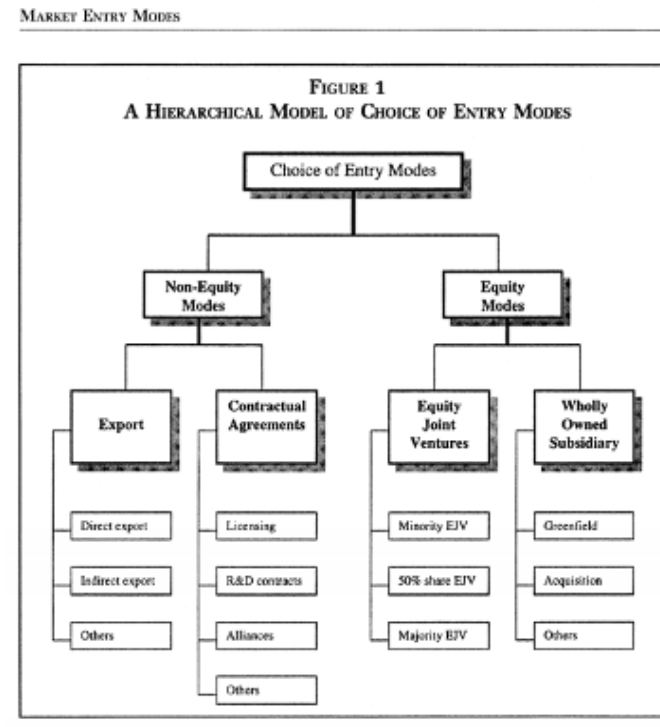


Figure 4: Retrieved from the Journal of International Business Studies, 2021

i. Exportation; Robert Bosch Power Tools has enough Sales Outlet to ensure the direct exportation of Power Tools from its regional warehouses suited for the Housing & Construction Industry in Ghana. This makes it easier for Robert Bosch Power Tools in investing since it requires comparatively lower resource commitments. This poses some level of advantages to Robert BOSCH. This includes a higher profit ratio by eliminating the necessary intermediaries.

ii. Contractual Agreement; In entering the market of Housing & Construction, Robert Bosch Power Tools can opt for alliances by going into contractual agreements with housing contractors with its Power Tools. Due to the uncertainty of the market as earlier established, Robert Bosch can enter the market through alliances, and wait for the appropriate time to expand investment. In this case, should the uncertainty within the market increase, Robert Bosch Power Tools can explore the option of abandoning the investment without incurring high costs. (Ahi et.al,2017).



### 3.3 New Product Development

Robert Bosch Power Tools need to tailor their range or catalogues of Power Tools for the Housing & Technology Industry. Respondents from the data collection concurred majorly to the poor availability of customer service when their Power Tools were faulty. Based on this, the project recommends the usage of demand shaping strategy for its product offerings as they enter the housing & construction industry. This is to afford Robert Bosch Power Tools to tailor their product offerings to the needs of the housing & construction industry that can ensure profitability. Subsequently, the project recommends the SERVQUAL Model to help improve its customer service.

#### 3.3.1 Demand Shaping Strategy

Demand Shaping strategy is categorically defined as an operational supply chain management strategy where a company's pricing is tailored for a particular market to entice customers to procure them (Cooper R.,2016). An efficient demand shaping strategy would ensure Robert Bosch Power Tools can meet a specified amount of demand within the Housing & Construction Industry to avoid surpluses. To achieve such efficiency, the company is advised to make a comparison with its supply-demand data viz a viz supply-demand response within the Housing & Construction Industry. It is however also important to note that the success of the new product and market entry for Robert Bosch Power Tools in the housing & construction industry will largely depend on other success drivers such as innovation and knowledge management of demand and supply. (Cooper R.,2016).

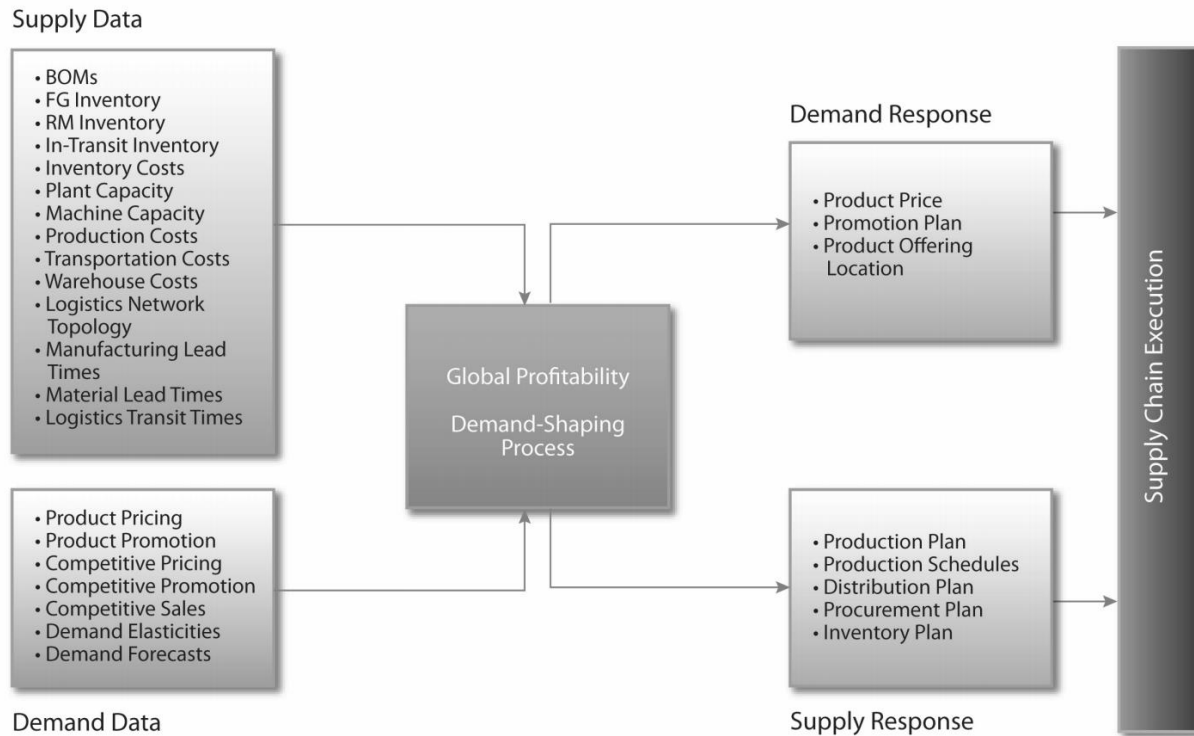


Figure 5: Retrieved from the SAS Institute Co-operation, 2021

### 3.3.2 The SERVQUAL Model

The long-term success of Robert BOSCH in its new market entry would depend on the assistance given to its customers or alliances when they need problems to be resolved. The company needs to bring its customer service closer to the target market. In doing so, they would be addressing the concern of access and availability widely emphasized by respondents in the need's assessment process. The SERVQUAL model is recommended to the company to address this issue.

The SERVQUAL model is a model that is widely used in improving Service Quality. Service Quality enables firms to differentiate themselves from its competitors (Ladhari, 2008, p.172) The SERVQUAL model takes into cognizance ten key aspects that Robert BOSCH can take advantage of reliability, responsiveness, competence, access, courtesy, communication, credibility, security,

understanding the customer, and tangibles to efficiently assess the customer satisfaction gap (Vardhan, J. 2017 ).In terms of reliability, Robert Bosch Power Tools should ensure that its customer service is on time whenever its customers within the Housing & Construction industry need them. Also, the company ought to reduce the level of back and forth during its customer's service (Responsiveness).In solving the issue of accessibility, the tangible aspect of the SERVQUAL Model can be implored. The company can implement the establishment of more service stations. This should be coupled with mass communication so that target market groups are fully informed about how they can reach such service stations.

Personals that are hired by Robert Bosch Power Tools in the new market entry need to be trained on empathy so that they can give individualized attention to customers. All these combined would efficiently bridge the customer service gap identified by Artisan/Craftsmen. The SERVQUAL model is also highly criticized for its major focus on service delivery and not the outcome (Vardhan, J. 2017). Hence, in implementing this model, Robert Bosch Power Tools needs to conduct a periodic assessment within the Housing & Construction Industry that can measure the efficiency of its customer service. This can be done through the rolling out of questionnaires but not limited to. The solution and implementation chapter of this project is going to give an in-depth strategic trajectory that Robert Bosch Power Tools can use in its new market entry.

### 3.4 Efficient Financing Methods

A new market entry within the housing & construction industry requires the company to make adequate financial projections within the housing & construction industry. (i.e.: An efficient cost estimation) . This company can opt for this through two options. These are the bottom-up and top-down approach to estimating costs. However, the project recommends the Bottom-down approach

### 3.4.1 Top-Down Approach

This method can be applied by benchmarking the overall cost of the project to similar projects that have been undertaken by the larger companies within similar emerging markets. However, like any other model, it has demerits. Hence, there is a high tendency for inaccuracy. Also, the emergence of the Global pandemic might have far-reaching discrepancy tendencies. Concluding this method is relatively efficient as compared to the bottom-up approach;

### 3.4.2 Bottom-Down Approach

The bottom-up approach which is ideal in this scenario focuses on the estimation or approximation of the various budgetary components for this new market entry. An overall value is estimated based on the individual components. This method of cost estimation is more ideal as it tends to be more accurate compared to the former (i.e.: top-down approach).

## 3.5 Product Pricing Techniques

Robert Bosch Power Tools also has to adopt efficient pricing methods for the customers. In terms of pricing, the company needs to assess the impact of the new market entry on its current profitability portfolio. This can be achieved through the analysis of the entire monetary value the entry will bring to the company. Contractors within the housing & construction industry are looking for ways to reduce cost. The pricing strategy that the project recommends is the market penetration pricing technique.

### 3.5.1 Market Penetration Pricing

This pricing technique ensures that companies can offer moderate to low prices by emphasizing quality. This subsequently generates high demand for the company yielding profit. The technique

is achieved by setting a relatively low price for the new product to attain deeper market penetration in the current period and provide, as well as, a greater market share in subsequent periods(Peng, D.2014) It also fits best with an industry that has high economies of scale. Hence, this is an ideal technique for Robert Bosch Power Tools to undertake a market penetration Pricing method.

### 3.6 Conclusion

The chapter has given in elaborate proportions, several techniques that are tried and tested that can bridge the gaps identified from the need's assessment process. These included the hierarchical

model, ways of estimating market entry costs, market penetration pricing and the SERVQUAL Model. The project recommends these models to the company for its market entry to help improve on findings from the need's assessment stage.

## CHAPTER 4: SOLUTION &IMPLEMENTATION

### 4.1 Chapter Overview

This chapter seeks to provide an ideal solution based on the needs assessments findings for Robert Bosch Power Tools. This solution is encapsulated in a new market entry strategy and product development for Robert Bosch Power Tools. An implementation plan for the solution is also elucidated giving room for a strategic approach for a new market entry.

### 4.1 Proposed Tool & Solution

#### 4.1.1 Bosch Osidan: Onsite Demand Power Tool Catalogues

The proposed implementation tool for Robert Bosch Power Tools Ghana is titled: Bosch Osidan: Onsite Demand Power Tool Catalogues for the Housing & Construction Industry. The solution seeks to afford Contractors within the Housing & Construction Industry easily, with affordable and accessible means of accessing Power Tools on site.

#### 4.1.2 Rationale

The rationale behind Bosch Osidan is based on the findings gathered from the data collection of contractors in the housing and construction industry. Most contractors concurred that they need an adequate mode through which they can reduce the cost involved within the housing and construction sector. Inclusive of this is the need to reduce the cost of accessing building technology within the industry.

#### 4.1.2 Product Insights

Bosch Osidan serves two main purposes which are:

- I. Accessibility for Power Tools on site for contractors.
- ii. Affordable means of accessing Power Tools for Housing contractors in Ghana.

Bosch Osidan seeks to provide a range of Bosch Power Tool Catalogues for Contractors and Artisans on-site through an hourly paid basis. The power tools are going to be mobilized within a Bosch Osidan Mobile Van allocated to a particular site. Contractors can pre-book based on an hourly charge rate for their artisans and workers to have access to these Power Tools on construction sites based on time booked. The mobile van is conceptualized to fit within the climatic condition, powered by solar such that faulty tools are serviced on-site. More so importantly the van will have trained service personnel who will help address faulty Power Tools.

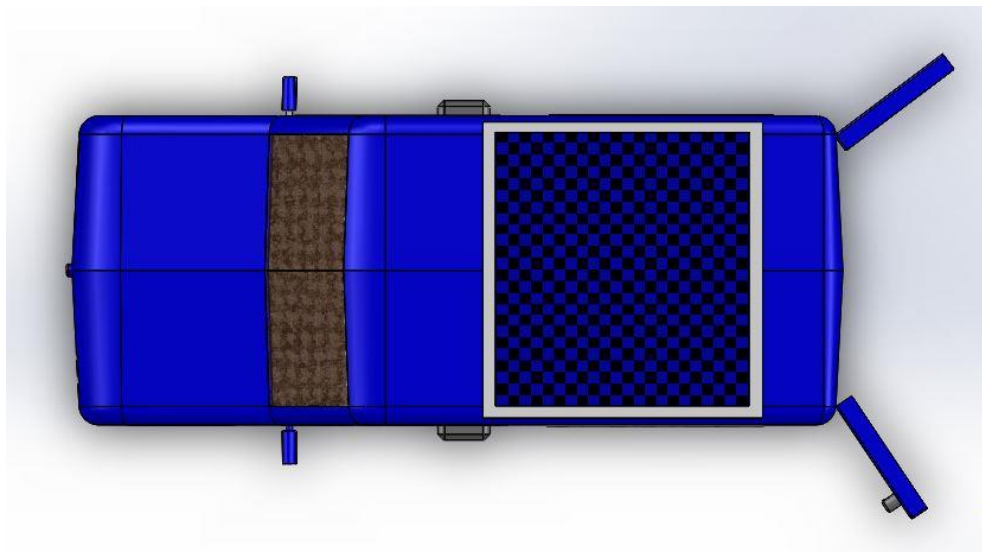


Figure 6: Top solar power view - Bosch osidan Mobile Van.



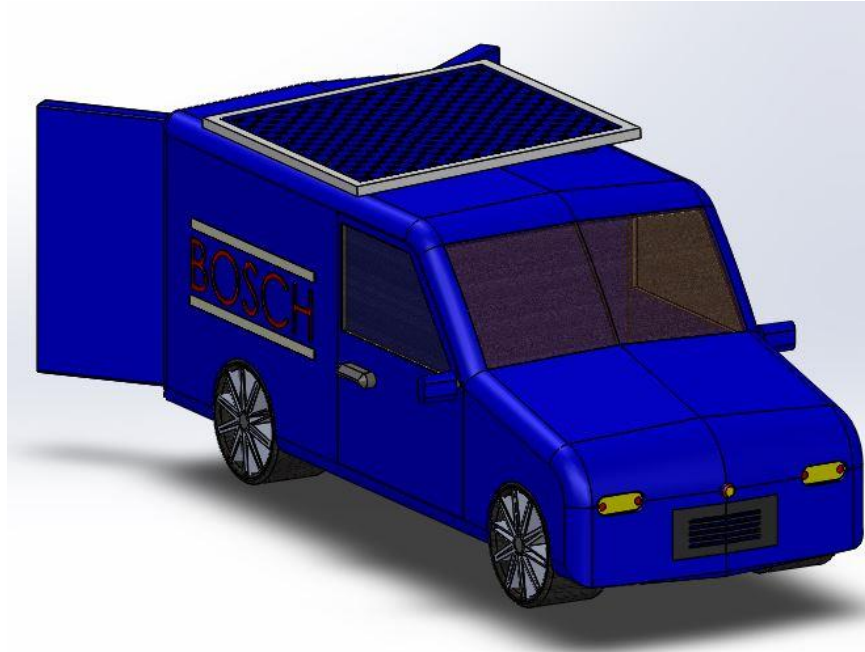


Figure 7: Side view - Bosch Osidan Mobile Van.

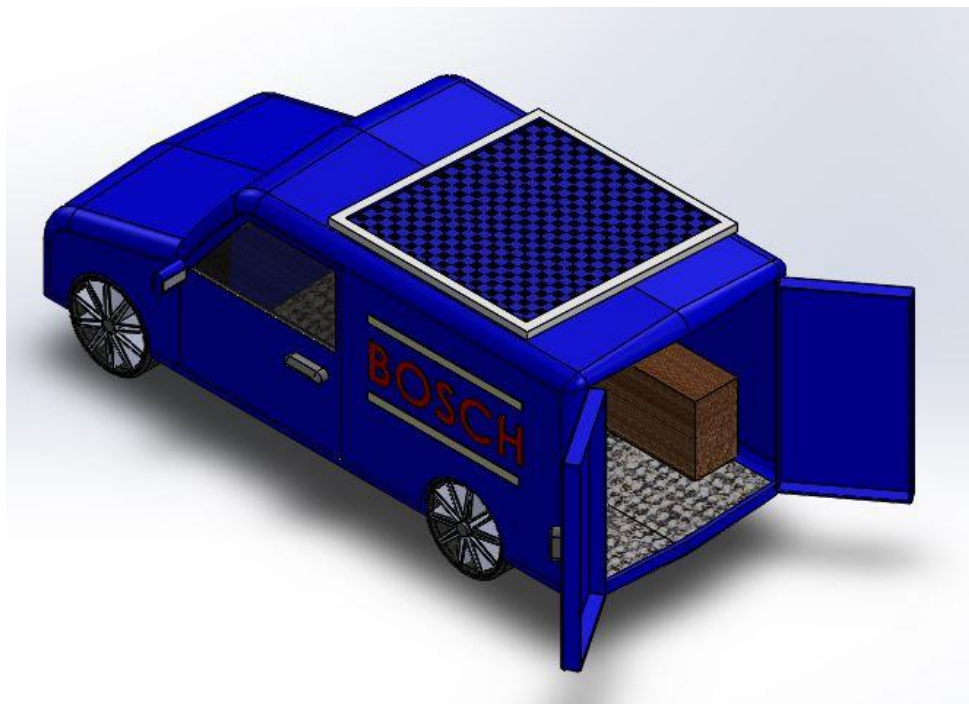
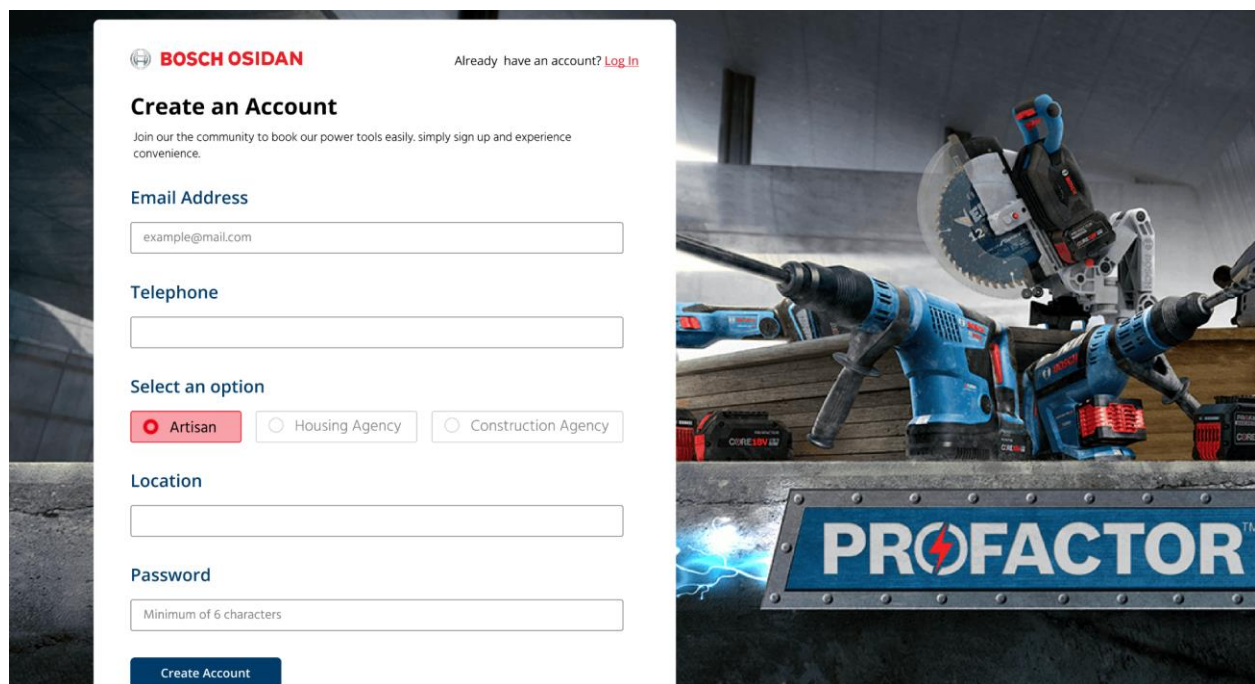


Figure 8: Back view - Bosch Osidan Mobile Van.

#### 4.1.3 Booking Bosch Osidan

The Bosch Osidan Module will also provide a website platform through which contractors within the housing and construction industry. These platforms will ensure that such contractors can have flexible payment rates for hiring Bosch Power Tools. These flexible payments give customers the option to own catalogues of Bosch Power Tools within a maximum period of one year. This is based on the catalogues of Power Tools such contractors desire. Below are the steps involved:

Step 1: Contractors and housing agencies can register via a website after signing contractual agreements with Robert Bosch Power Tools.



The image shows a mobile registration form for Bosch Osidan. The form is white with a blue header bar containing the Bosch Osidan logo and a link to log in. The main heading is 'Create an Account' with a subtext: 'Join our the community to book our power tools easily, simply sign up and experience convenience.' The form fields include: 'Email Address' (with a placeholder 'example@mail.com'), 'Telephone', 'Select an option' (with radio buttons for 'Artisan', 'Housing Agency', and 'Construction Agency'), 'Location', and 'Password' (with a note 'Minimum of 6 characters'). A blue 'Create Account' button is at the bottom. The background of the form is a dark image of various Bosch power tools, including a circular saw, a drill, and a sander, with a 'PROFACTOR' logo at the bottom.

Figure 9: Register - Bosch Osidan Mobile

Step 2: After registering, such contractors and housing agencies can log in.

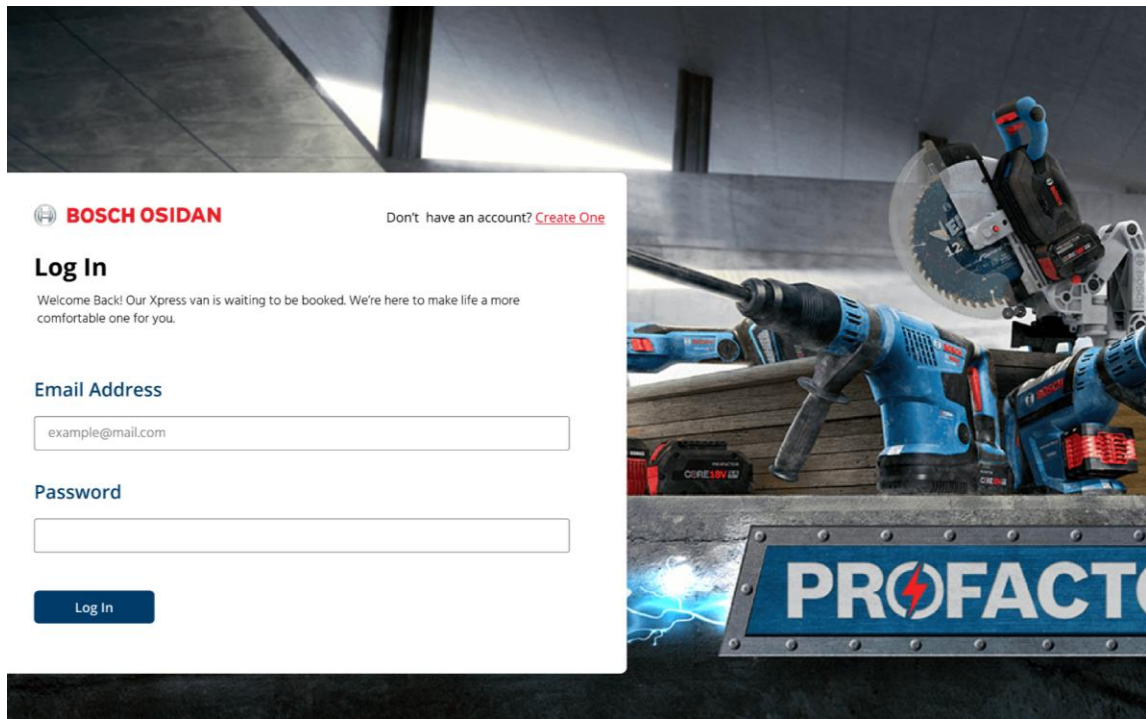


Figure 10: Login - Bosch Osidan

Step 3: Contractors and housing agencies can interact with the website as seen in figure eleven and twelve.

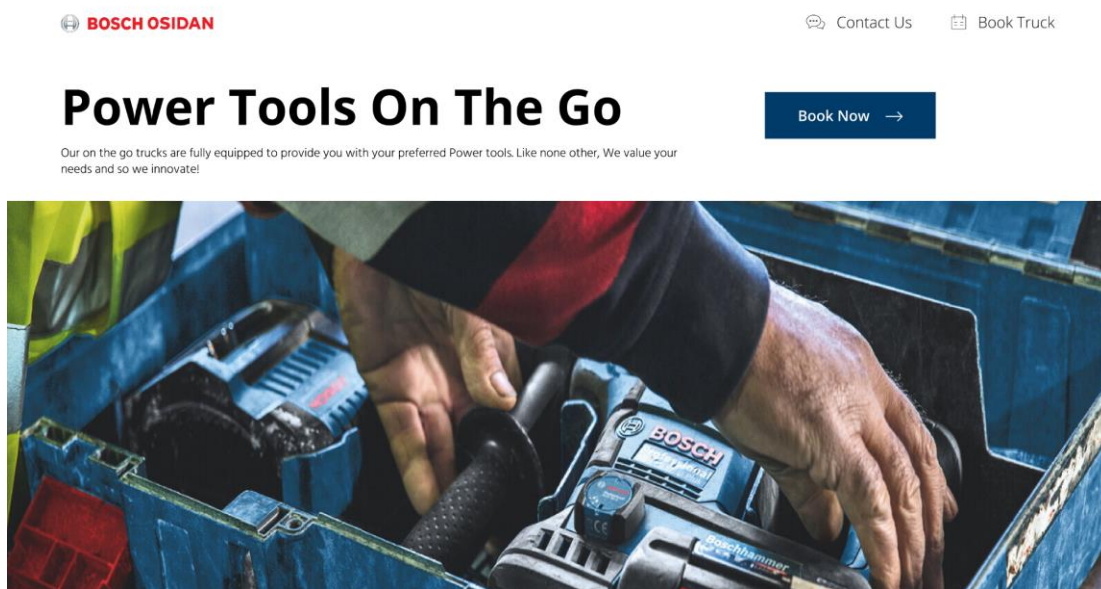


Figure 11: Homepage - Bosch Osidan




## A service that Lasts A Lifetime.


Bosch Osidan brings you a power tools on the go service which takes convenience to the next level. Our solar powered trucks provide a power tools delivery and servicing service. Watch our video to learn more.



Figure 12: Homepage - Bosch Osidan

Step 4: Contractors and housing agencies are now able to book trucks by providing specific locations while selecting Power Tool catalogues they need.

[Contact Us](#)[Book Truck](#)



### Book A Power Truck

Our Power trucks are available for rental in all regions in Ghana.

Booking Date	Number of Hours
<input type="text" value="20 / 07 / 2021"/>	<input type="text" value="02 hrs"/>
Name	Telephone
<input type="text" value="Ishmael Aboagye"/>	<input type="text"/>
Region	Street Address
<input type="text"/>	<input type="text"/>
Email Address (Optional)	Digital Address (Optional)
<input type="text"/>	<input type="text"/>

☐ Yes, I want to receive a confirmatory Email

[Proceed →](#)

Figure 12: Book A Power Truck - Bosch Osidan

Table 3: Product portfolio; Bosch Osidan.

<p><u>Professional Power Tools &amp; Accessories:</u></p> <p>Cordless drills/drivers, Cordless impact drills/drivers, Batteries &amp; chargers, Cordless solo tools, Magnetic drill &amp; stand, Rotary hammers SDS-Plus, Stirrers, Rotary hammers SDS-Max, Demolition hammers SDS-Max, Breakers, Diamond drill, Impact wrench, Angle grinders 670 W - 1700 W, Concrete grinder, Wall chaser, Vacuum cleaners, Large angle grinder, Polisher straight grinding, Metal cut-off saw, Jigsaws, Drywall screwdriver, Circular saws, Plunge saws, Angle grinders 670 W - 1700 W, Wall chaser, Polisher, Straight grinding, Metal cut-off saw, Orbital sanders, Random Orbit sanders, Belt sander, Router, Cordless multi-cutter, Planers, Mitre saws, Table saw, Sliding mitre saw, Combination saw, Heat guns, Blower.</p>

#### 4.2 Proposed Market Entry Strategy

Chapter three of the project gave an overview of the various techniques that Robert Bosch Power Tools can implore in its entry within the housing & construction industry. In this Chapter, the project goes ahead to assert such recommendations made. It is ideal for Robert Bosch Power Tools to enter into the Housing & Construction Industry through direct exportation. Since the company does not have a manufacturing plant within Ghana, this is an appropriate market entry mode. This will ensure limited resource commitment in the execution of the project. Consequently, for an entry within a highly uncertain market, Robert Bosch Power Tools need to form Contractual

Agreements with a selected number of Contractors within the Housing & Construction Industry. The contractors need to be geographically located within areas of low-cost housing in Accra and Ghana. Such contractual agreements should be in the form of Alliances or Licensing.

#### 4.2.1 Strategic Alliance Approach

The strategic alliance approach is an agreement amongst two or more companies( independent) to cooperate in the manufacturing, development, or sale of products and services, or other business objectives(CFI,2021). The strategic Alliance Approach will afford Robert Bosch Power Tools to form a joint venture. A joint venture is established when two parent companies establish a child company. This can happen if the Robert Bosch Power Tools and the larger Robert Bosch company form a company (i.e. Bosch osidan) to roll out its new product specifically within the housing & construction industry.

#### 4.2.2 Licensing

Licensing, on the other hand, can be a more ideal approach taking into cognizance the time frame for the implementation of the Project. (i.e.: should it be continued by the company) Under this method of market expansion by international Firms, companies can license other companies to undertake sales and operations on behalf of the larger company. Hence Robert Bosch Power Tools can license a selected group of Sales Companies to Ghana solely for the Housing & Construction Industry.

#### 4.3 Marketing Mix

Since Robert BOSCH adopts the techniques of exportation, an exportation marketing mix must be designed as part of the new market entry strategy within the Housing & Construction Agency.

An exportation market mix gives ideal ways for international firms to market products in an environment other than that of the parent company.

#### 4.3.1 Price Support

The price support section under the exportation marketing mix for Robert Bosch heavily centers on the establishment of a price scheme for the market. The previous chapter elucidated the Market Penetration Pricing method as an ideal method for the market. The Market Penetration pricing method seeks to leverage the quality of Robert Bosch Power Tools by offering moderate prices that can increase its demand. Also, the company can offer discounts to its first few numbers of partnered contractors for their new product offering.

#### 4.3.2 Promotion & Selling Support

Promotion & Selling support focuses largely on how best Robert Bosch can make known to the relevant target markets its new product offering. They can make use of advertisements and promotions. Direct Mails can also be sent to contractors already in their database. Sales Agents or Forces like the Bosch Rangers (Sales group at Bosch) can also undertake mass publicity with potential customers for the Bosch Osidan products.

#### 4.3.3 Inventory Support

The success of Robert Bosch within its new market entry largely depends on its inventory support. This ought to be executed in line with the demand shaping strategy stated in the previous chapter. Areas such as inventory management, distributions, part supply and warehousing need to be positioned to meet the size of demand. This is to avoid the occurrence of surpluses and deficits. The company ought to have an outright schedule for the procurement, warehousing and

distribution of the products. These procedures can be trial tested before the launch of the product itself.

#### 4.3.4 Distribution Support

Under distribution support, Robert Bosch needs to find prudent ways to ensure efficient means of freight forwarding, raising of capital and order processing to get the required tools to Ghana. This is easily feasible as Robert Bosch has been engaged in such practices already.

#### 4.3.5. Service Support

Service support largely centers on the customer support or service the company has to provide with Bosch Osidan. This aspect is highly crucial and needs to be implemented efficiently. The portable mobile van is expected to have sales personnel on-site that will service any Power Tools should contractors or artisans face challenges. Notwithstanding, customer service with regards to Bosch Osidan extends further. There needs to be twenty-four-hour back personnel that can process any challenges with regards to payments amongst others. This can be executed with live chatbots on the Bosch Osidan Website.

#### 4.3.5. Financial Support

Since the solution deals with affordable payment plans, the company needs to outsource third party financial processing platforms that can process its payments virtually. This is to ensure the security of the products target market. The project recommends largely used and credible payment platforms like; mobile money, visa and MasterCard.



## CHAPTER 5: RECOMMENDATIONS & CONCLUSION

### 5.1 Company Profile

The project started with an overview of the problem space and an internal assessment of the company. An industry analysis was also conducted that gave preliminary insights that were either validated or debunked during the needs assessment stage.

### 5.2 Needs Assessment

The needs assessment stage threw more light on the need to differentiate a product that can reduce the cost burden of contractors within the housing & construction industry. More so importantly improve customer service accessibility. Gaps within the housing & construction industry showed an ideal market entry feasibility for the company

### 5.3 Literature Review

The literature review aspect of the project made use of the hierarchical model, Servqual model, and efficient financing decisions that can help the company in its market entry. These insights helped give an adequate implementation strategy for the company.

### 5.4 . Solution

The project also went ahead to design a new market entry strategy for the company. While doing so a tailored product; Bosch Osidan has been conceptualized for the company to help address the problem of accessibility for Power Tools on-site.

### 5.5 .Recommendations

It is highly recommended that the company continuously engage contractors within the housing & construction industry in the implementation phase. More importantly, trial tests with similar target market groups. This would ensure an efficient market entry. Feedback from the customers ought to be taken periodically to help address the needed concerns by customers. However, like every research and project, there are some limitations. These limitations included the timeframe for the completion of the work. This limited extensive data coverage on price quotas that contractors and the company can agree on. Hence, there is the need for the company to work hand in hand with Contractors in the Housing & Construction Industry as it fully develops the model. Working hand in hand with contractors will help generate an implementation plan tailored to the needs of customers and the company at large.

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