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## EXPLORING LINKS BETWEEN MARKET ENTRY STRATEGY AND PERFORMANCE OF AUTOMOBILE MNCS IN EMERGING MARKETS: A TWO FIRM TWO COUNTRY ANALYSIS

## Abstract:

The market entry strategies of multi-national corporations (MNCs) have espoused a lot of interests among the management scholars. The past works done in this area have heavily focused on the entry mode selection and on the associated costs, risks and benefits etc. However, research on the post entry performance of MNCs linking with choice of entry mode is relatively less. This is primarily due to two reasons: first, there is lack of data on performance of MNC firms operating in foreign markets and secondly, non-availability of a structured framework for analyzing and predicting the entry strategies as well as firm level performance in the post-entry era. This paper attempts to partially bridge this gap by developing an analytical framework for evaluating post entry performance of MNC firms linking it with the choice of entry mode. The framework has been developed through a careful analysis of entry strategies and performance of two global automobile firms, namely Hyundai Motors and General Motors operating in two different emerging markets, viz. India and China. Though this is not a generic framework for assessing performance of firms in any sector or market, but it can serve as a useful strategic tool which can facilitate market entry decisions of the global automobile companies aiming entry into emerging economies.

## **Keywords:**

Market Entry Strategy, Multi-national Corporations, Automobile Companies, Emerging Markets, Framework for Performance Evaluation.