# Specification topic: Global marketing

## Case Study: RJDesigns

RJDesigns is a mid-range furniture, furnishings and homeware retailer founded by Rachel Jamieson in 2000. The business has expanded rapidly and has a total of 120 outlets across the UK.

Two years ago, Rachel made the decision to expand her business further by opening up outlets in a number of European countries and RJDesigns now has 15 outlets in 4 major European cities including France and Spain. Rachel believed that these European cities/consumers were identical to that within the UK and she therefore decided to adopt an ethnocentric approach to marketing.

To date, the response in these countries has been mixed, with some stores achieving real success and some struggling to breakeven. Despite this, Rachel wants to continue with the businesses strategy of market development by expanding into other countries.

At the start of this year Rachel made a trip to India in order to identify potential sites for an Indian expansion. Rachel had seen that IKEA had established a successful brand in India, selling products that are similar to that of RJDesigns. India is an attractive proposition, largely down to its population of 1.25 billion people. The middle class is around 267 million people and this is forecast to double by 2025. GDP is forecast to grow by around 7% next year and Indian consumers are warming to western brands; as a result of this she feels that there is a real opportunity.

Rachel wants the new outlets in India to sell exactly the same product offering as it does in the UK and Europe as she believes that the company’s products have a global appeal.

**Exam-style questions**

1. Assess the value of adopting an ethnocentric marketing approach when opening new outlets in different countries (10 marks)
2. Assess the benefits to RJDesigns of expanding into India (12 marks)