

vCustomer Expansion Strategy Proposal – Executive Summary

After researching and analyzing vCustomer's current situation and future prospects, we believe that the best course of action for the company is to pursue:

- **A new service facility in Bulgaria**
- **Serving the European end market.**

What Off-shore country?

We examined comparable locations across three broad categories: **financial attractiveness, people skills and availability, and the business environment**. We determined a short list of the five most attractive locations using a total of 28 metrics derived from research conducted by AT Kearney and the World Bank. These countries were Thailand, Malaysia, China, India, and Bulgaria.

Why Bulgaria?

Bulgaria fits with the three core competencies of vCustomer: high quality service, best in class technology, and maintaining a low cost structure.

What end market?

Next, we examined the attractiveness of the three main end markets that are actively involved in seeking outsourcing services. These three end markets are the United States, Western Europe, and Japan. We looked at the main drivers towards company outsourcing, namely **labour savings and efficiency**. We determined that, of the three end markets, Western Europe could reap the most benefits in both categories.

Why Western Europe?

The current trends in the market reflected this research, with Europe consistently increasing their total share of the outsourcing market at the expense of the United States. This identification of the target market was combined with the short list of operation centres to identify Bulgaria as the optimal choice for vCustomer's international expansion.

How?

Using the decision to target the Western European Market from our operations base in Bulgaria we then developed an implementation strategy. This strategy was divided into the functional areas of Marketing, Human Resources and Logistics. Our marketing strategy was developed to fit with vCustomer's current staffing and operations as well as to achieve sufficient revenue and match up with the firm's aggressive ambitions. The human resources plan that will allow vCustomer to maintain their exceptional quality while minimizing costs and employee attrition. Making a move into a new market requires many processes to be performed simultaneously. Our logistics plan illustrates both the feasibility of the plan while our financial projections demonstrate impressive profitability.

Additional Services:

In addition to analyzing your current situation we also made recommendations regarding further **consulting services** we can offer to assist in your expansion strategy. The first are services related to the expansion we have just proposed, namely, how to structure your sales contracts. While Bulgaria is most certainly the best choice for your operations in the near-term, the off-shoring industry changes rapidly, thus, the regional analysis we have presented will have to be repeated on a bi-annual basis.

Conclusion: Our plan to expand your sales in Western Europe and operations into Bulgaria will help vCustomer reach its ambitious targets while maintaining an unbeatable record of client satisfaction.