**Part 1: Globalization and Information Research**

Growth strategy of a company refers to its action plan to expand operations and increase market share (Stevens, Loudon, & Wrenn, 2012). Four high level growth strategies include market penetration, market development, product development, and diversification. Netflix has executed its growth through market development. Market development involves with entering into a new market with existing product(s) expand operations and increase market share through. Within 7 years (From 2010 to 2017), Netflix entered into 190 countries of the world. Netflix’s success can be attributed to two important strategic moves including a three-stage expansion process and adopting localization. Regarding first strategic move - three-stage expansion process, in first stage, Netflix tried to capture selected markets (instead of all markets) based on market potential and prospects. In second stage, Netflix used the lessons learned in first phase to operate in a wide variety of markets. In third stage, Netflix used everything learned from earlier two stages to manage operations around the world. Second strategic move of Netflix was to working with and responding to market demand quickly with partnership. It worked with a belief that “great storytelling transcends borders” and adopted local partners with win-win situation for all countries.

Netflix invested huge amount of money in Big Data and Analytics the second phase of three-stage expansion process. This investment was important as in this stage the company was using its earlier experiences in wide markets. In this stage, Netflix begun to learn about internationalization and partnering with local stakeholders. It required to access and process huge information regarding consumers, suppliers, partners, broadband internet, and others. Big data and analytics rely on advanced analytic techniques to process large and diverse data sets and make these informative to support business decision making. Investment in Big data and analytics was required to obtain crystal clear insights on market.

Netflix derived many information and insights from Big Data and Analytics. The company had access to information on market share and growth, demand varying factors, consumers preferences and needs, competitors’ strengths and weaknesses, suppliers’ statistics, technology users, social media users, product qualities, and others through Big Data and Analytics.

Netflix’s rapid growth was pushed by exponential globalization besides its two-market winning strategic moves. Exponential globalization is a term used to indicate an orchestrated cycle of expansion of borderless market to an increasing number of countries. Exponential globalization triggered fast international market expansion of Netflix.

[Richard Brooks](https://www.k-international.com/blog/author/richardbrooks/) in his article discussed about three notable business failure of international companies. According to article, McDonalds, the largest coffeeshop of USA, entered into Bolivian market in 2002 (Brooks, 2016). It failed to expand business in Bolivia successfully. Key reasons of this failure were lack of localization and failure to understand local price war (Brooks, 2016).

The business world has noticed failure of many locally successful companies in their expansion efforts. International business expansion is a risky process. Even companies having past experience with international businesses fail to execute their business expansion plan successfully. Some possible causes of failure in international business expansion including – (i) lack of understanding on local market environment, (ii) lack of localization or customization of products as per local needs, (iii) failure to liaison with local regulatory bodies, (iv) failure to design customers-centric marketing mix (product, price, place, and promotion).

**Part 2: Hypothesis Testing**

Quality of call center operations is measured by average Time in Queue (TiQ) and Service Time (ST). Lower TiQ and ST will accelerate customer service and make customers more satisfied. A company undertakes many programs to decrease TiQ and ST in call center operations. Hypothesis testing helps us to evaluate the efficiency of existing system and compare the outcomes of existing and new system.

Average TiQ isn’t lower than the industry standard of 2.5 minutes. In hypothesis testing we failed to reject the null hypothesis that TiQ of the company is equal or lower than industry average (Appendix 01). Given that company’s average TiQ isn’t lower than the industry standard of 2.5 minutes, more resources should be allocated to improve average TiQ.

Average ST with new service protocol PE is lower than with the existing service protocol PT. In hypothesis testing, we can reject the null hypothesis that average ST of PE is equal or higher than that of PT (Appendix 02). New protocol has lowered the service time (ST). Thus, it can be claimed that new protocol served its purpose.

# **References**

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**Appendices**

*Appendix 01: Hypothesis Testing to Determine Whether Average TiQ is Lower than Industry Standard of 2.5 Minutes*

|  |  |
| --- | --- |
| **t-Test: One-Sample** |  |
|  |  |
|  | *Queue Time* |
| Mean | 147.9223417 |
| Variance | 19036.06928 |
| Observations | 1674 |
| Hypothesized Mean | 150 |
| df | 1673 |
| t Stat | -0.616117029 |
| P(T<=t) one-tail | 0.26895055 |
| t Critical one-tail | 1.645764935 |
| P(T<=t) two-tail | 0.5379011 |
| t Critical two-tail | 1.961382968 |

|  |
| --- |
| Hypotheses:  HO: μ ≥ 2.50  HA: μ < 2.50 |
| Rejection Region:  Level of Significance = 0.05  Reject HO if t < -1.65 |
| Test Statistics:  t = - 0.616 |
| Decision/Conclusion:  t = -0.616 isn’t in the rejection region. Thus, we fail to reject HO. |

*Appendix 02: Hypothesis Testing to Determine Whether Average ST with Service Protocol PE is Lower than with the PT Protocol*

|  |  |  |  |
| --- | --- | --- | --- |
| **t-Test: Two-Sample Assuming Unequal Variances** | | | |
|  |  | |  |
|  | *PE* | | *PT* |
| Mean | 149.2801876 | 212.1632156 | |
| Variance | 34556.46483 | | 36320.89772 |
| Observations | 853 | | 821 |
| Hypothesized Mean Difference | 0 | |  |
| df | 1665 | |  |
| t Stat | -6.830613733 | |  |
| P(T<=t) one-tail | 0.000000000 | |  |
| t Critical one-tail | 1.645769316 | |  |
| P(T<=t) two-tail | 0.000000000 | |  |
| t Critical two-tail | 1.961389791 | |  |

|  |
| --- |
| Hypotheses:  HO: μPE ≥ μPT  HA: μPE < μPT |
| Rejection Region:  Level of Significance = 0.05  Reject HO if t < -1.65 |
| Test Statistics:  t = - 6.830 |
| Decision/Conclusion:  t = - 6.830 isn’t in the rejection region. Thus, we can reject HO. |