

Dear **Aston Consultants**,

We are writing to you to request a consultancy service in developing our international operations strategy. Given your company's expertise in this area, we would like to have your assistance in making an investment decision.

May I suggest that you first get acquainted with our history through our website:

<https://www.elcorteingles.com/>

The current challenges and trends in our marketplace require our strategy to be flexible and for the company to adapt quickly to them.

We have our headquarters in Madrid. We are the biggest department store group in Europe and third worldwide. Our primary source of sales is from department stores, followed by internet sales. We are still a family business, with most stock being held by relatives of our deceased businessmen Ramon Areces Rodriguez and César Rodríguez González (1882-1966), and the Ramon Areces foundation. El Corte Inglés is Spain's and Portugal's only remaining department store chain.

Our stores tend to be very large in size and offer a wide range of products: stores may sell music, movies, portable and household electronics, furniture, hardware, books, clothes, groceries, gourmet food, cars and real estate.

Our first attempts at international expansion took place in 1981 with the acquisition of the Harris Company, a chain of mid-sized department stores in the United States. The venture was unsuccessful, and we had to make a deal with Gottschalks, in which Gottschalks took over management of the Harris Company's stores and gave El Corte Inglés 16% of Harris Company stock. This later turned out to be a total loss when Gottschalks declared bankruptcy in the aftermath of the 2007-2008 financial crisis.

El Corte Inglés is now starting to reconsider a global expansion. We therefore ask for your help in designing our international operations strategy. Thus, please write a report that answers the following questions:

- (i) Where should we open a new foreign operation and why?
- (ii) Which should be the scope and role of our operations in the new foreign location?
- (iii) What would the mode of entry be and why?
- (iv) What are your recommendations for two other strategic areas of operations?

Your recommendation is vital for us to supplement our experience in managing global operations. Please list potential locations and provide a clear country analysis that instructs your location decision. Our team has expressed interest in Colombia, Philippines, and Morocco.

Your report should carefully justify your recommendations with appropriate evidence from the sources of your research. We need a clear indication of the best location for us to have a foreign facility and type of international operations in alignment with our current products, vision, and traditions. Please do explain the business implications of your choices and how they relate to the overall international operations strategy, including TWO other areas of your choice (Supply Chain, Design, Technology, Sustainable Operations Strategy, or Ethics).

We trust your contribution will have an impact on our decision, reducing the business risks and bringing best advantages to our future clients. We look forward to receiving your report on this, which we anticipate will be no more than **3,000 words**. We will also be interested in seeing a list of the sources of information you have used in your evaluation.

Warmest Regards,

El Corte Inglés

COO
