International business individual report

**Purpose**

The main purpose of the study is to assess the expansion of Spotify to either Venezuela or Ukraine. The study will evaluate the target market that the organization will enter in the foreign market considering its current level of international competitiveness. The selected target market will be the one that is the most advantageous to the operations of the business. The international strategy that is most appropriate for the organization and assessment of whether adopting a wholly owned subsidiary through FDI would be the most appropriate or any other alternative mode of international entry that will be the most appropriate.

**Company background**

Spotify is a leading digital music service provider that provides individuals with access to millions of songs. It provides DRM protected music to the customers. Customers can access its general music freely but enhanced streaming are subscription only. It thus makes use of the freemium model in its operations. It was started in 2008 and provides the customers with access to over 40 million tracks. It pays the artists a portion of their pay based on the total number of songs that are streamed. It distributes 70% of the revenues to the right holders who then remunerate the artists depending on the agreements in the contract. The company’s US headquarters are based in California.

**Assumptions**

The assumption is that Venezuela and Ukraine are viable investment destinations. There is also the assumption that the organization has adequate resources to invest in these countries. There is also the assumption that there is adequate demand for the services that the organization offers in these markets

**Limitations**

Access to internet for download of the music offered by the organization is not guaranteed in this market. The entry of the organization to these countries is subject to the instabilities that are occurring in the region.

**Outline of the report**

The study presents recommendations on the target market that the organization should enter, the international strategy it should adopt as well as the mode of entry. A conclusion is also presented at the end of the study. A\* sources, newspapers and other sources of data has been utilized in the study.

**Recommendations/body of the study**