

**CASE 9.1**  
**CASE 13.1 TAYLOR CANDY COMPANY AND THE CARIBBEAN MARKET**  
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**Instructor Notes**

This is a case study that requires the reader to analyze four main dimensions of the international business environment: geographical, economical, cultural, and political and legal factors.

Taylor Candy Company has been looking for an opportunity to expand its business into the Caribbean market. It looked into the possibility of distributing its candy in this area several years ago, but several factors prevented them from doing so. These factors include the high cost of transportation, poor transportation and distribution infrastructure within the islands, corrupt governments, and uncertain demand. Although these unfavorable conditions have much improved, the reader still needs to screen Caribbean countries by employing the key conditions identified by Taylor. He is concerned about the size of local market demand, cultural acceptance of the company's products, and environmental protection. The reader is advised to look through information on population, average income, and average annual tourism expenditure for Caribbean countries. Taylor's requirements are that a country to be considered must have high tourism revenues, a population of more than 100,000, and an average GNI of at least \$9,000.

While some countries satisfy some of the requirements, the Bahamas is the only one that fulfills all three conditions. When all criteria are met, the market potential is enhanced. A country's infrastructure, as a criterion, should also be considered. However, the case does not provide such information. As a result, the reader should focus on the information that the case study has made available.

Political freedom is another relevant criterion that can be used to screen countries. Based on the Freedom Scores (a lower score indicating a higher degree of political freedom), the countries with scores lower than four (meaning a relatively good level of political freedom) are: the Bahamas, Belize, Grenada, and Trinidad & Tobago. Since the Bahamas is the only country that satisfies the economic requirements (population, income, and tourist expenditures) as well as the political dimension, it is reasonable to argue that the Bahamas is the best Caribbean choice for Taylor.