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# International marketing

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Tapping into global markets



# Syllabus

- 1. The nature of international and global marketing
- 2. Theories of international trade and marketing
- 3. The international and global environment
- 4. Culture and interantional marketing
- 5. International market selection and segmentation
- 6. International marketing research
- 7. Market entry strategies – introduction
- 8. Modes of entry strategies
- 9. International product and service marketing management
- 10. International Pricing
- 11. International Placement
- 12. International marketing communication
- 13. Organization of international marketing activities
  
- **Literature:** ALBAUM, G., DUERR, E., STRANDSKOV, J. International Marketing and export management. Harlow: Prentice Hall, 2005.
- HOLLENSSEN, S. Global marketing. Harlow: Prentice Hall, 2007.
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- One seminar work in a group of two and presentation it during the lectures. Each presentation should last 30 minutes.
  - Final exam test contains 20 questions.
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What is your favourite brand?

Is it your national brand or is it from abroad?

If from abroad why do you buy it?

- International marketing – 20th of 20th

<http://www.referenceforbusiness.com/encyclopedia/Int-Jun/International-Marketing.html>

- Business nowadays:

- ❖ MASS markets
- ❖ transport
- ❖ telecommunication (ICT)
- ❖ nongovernmental organizations
- ❖ governments
- ❖ Removal of trade barriers
- ❖ Global customer
- ❖ Relationship management/network organisation
- ❖ Global village
- ❖ Global cost drivers ....



**GLOBALIZATION**

↔ backward or two-way influences ↔

# What are the phases of marketing abroad?

Phases of IMKT involvement:

no direct foreign marketing

infrequent foreign marketing

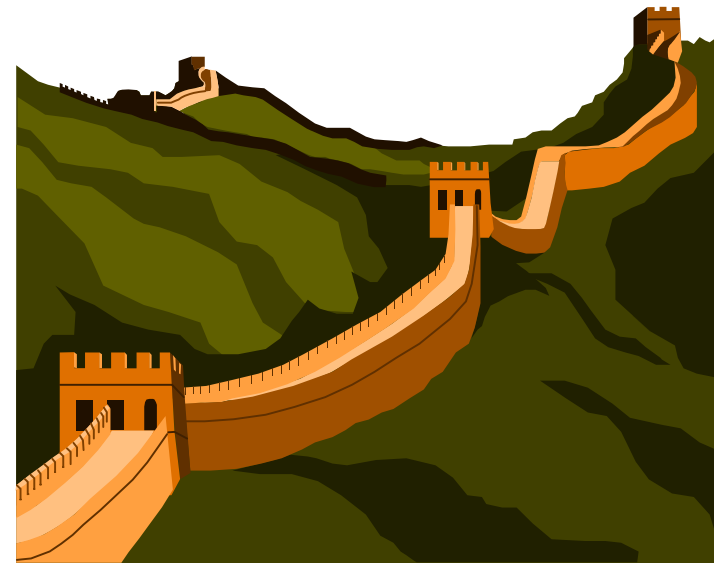
regular foreign marketing – export

**international marketing**

global marketing (Theodor Levitt)

transnational, crosscultural, multidomestic...

**Global firm**= A firm that operates in more than one country and captures R&D, production, logistical, marketing, and financial advantages in its costs and reputation that are not available to purely domestic competitors.

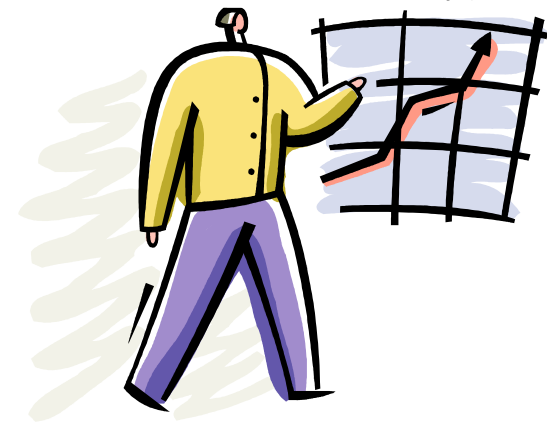
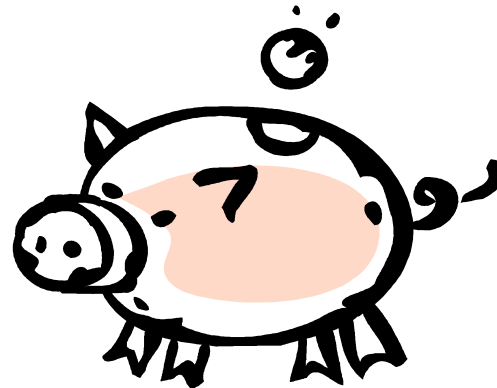


# IMKT orientations

- Domestic market extension orientation (Ethnocentric)
- Multidomestic market orientation (Polycentric)
- Global market orientation (Regioncentric or Geocentric)

## Why market(s) abroad?

- Small or saturated domestic market
- Opportunity for expansion/sales growth/profit/
- Resources
- Leverage (i.e. advantages of operating in numerous markets simultaneously)
  - experience transfers
  - systems transfers
  - scale economies
  - resource utilisation
  - time and effort



■ Why not?

# Why not?



- Market differences - diversity
- History
- Management myopia as a barrier
- Organisational culture as a barrier
- Barriers
- Resources
- ??? What else



# Major motives for starting export

## Proactive motives

- Profit and growth goals
- Managerial urge
- Technology competence/unique product
- Opportunities/information
- Economies of scale
- Tax benefit

## Reactive motives

- Competitive pressure
- Domestic market
- Overproduction
- Proximity to international customers



# International approach (strategy)

- **global approach** treats the world as a single market
- **multinational (+ international) approach** treats the world as a portfolio of national opportunities
- **glocal approach** standardizes certain core elements and localizes other elements

(Kotler, P., 2007)



# What is international marketing? II

**The process by which individuals and organizations:**

- **Identify needs and wants of customers in different international markets;**
- **Provide products, services and ideas competitively to satisfy needs and wants of different customer groups concerning issues different from domestic market;**
- **Communicate information about the products and services with the proper adaptation to different customer perception rising from other country effect; and**
- **Deliver the products and services internationally using one or a combination of foreign entry modes.**

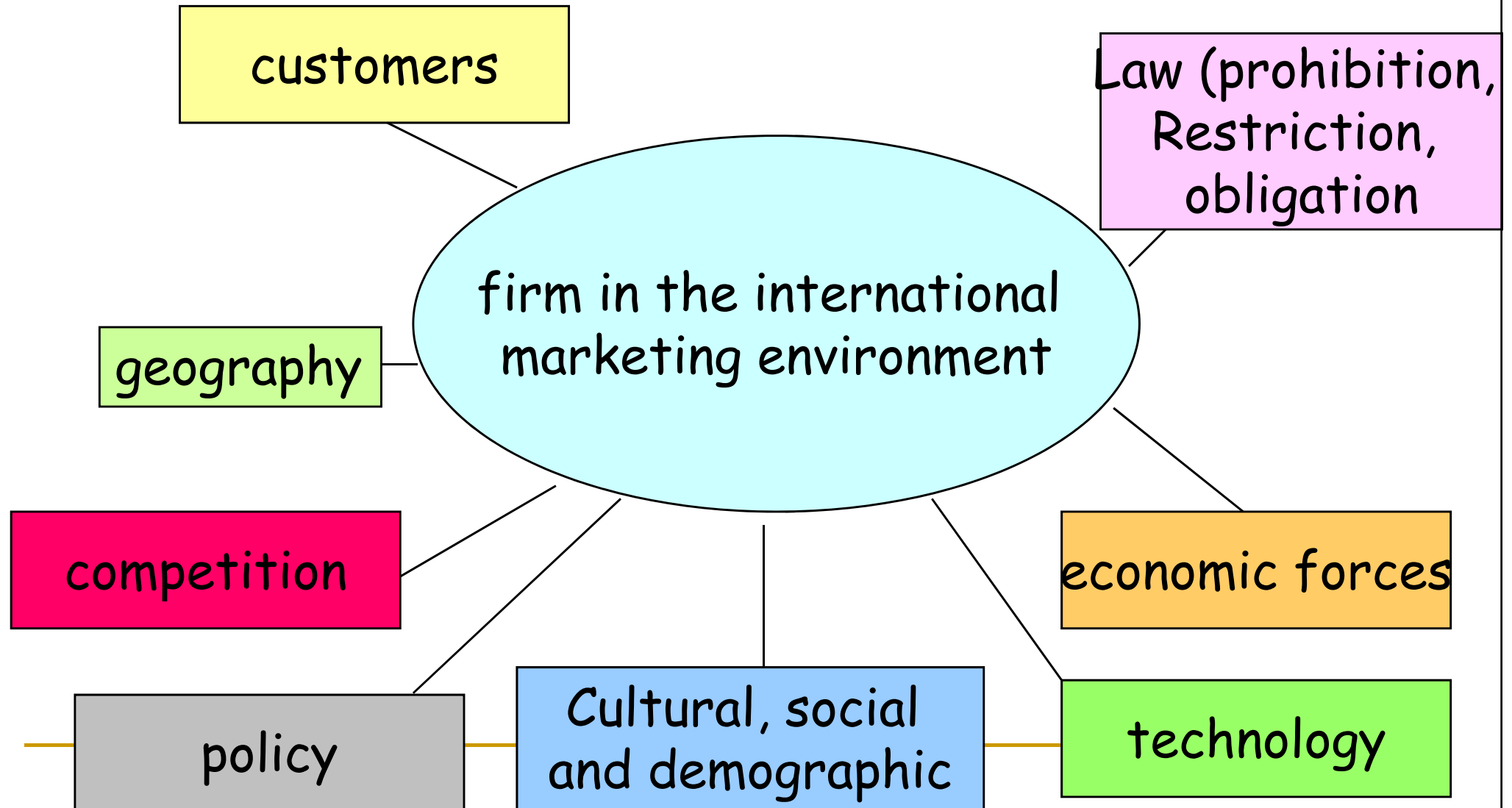
**- Wilson, J., 2006 [Bradley (2002)]  
adapted**

# What is same and what different?

- ✓ Principles
- ✓ Concepts
- ✓ Methods
- ✓ Techniques
- Tools
- Conditions
- Competition
- Customers
- Marketing practices



# The international marketing environment



# Differences between International and Domestic Marketing

- Culture: behaviour, habits, routine....  
business + customers
- Data: access, reliability
- Politics: interests, orientation
- Stakeholders: business + nonbusiness  
(primary + secondary)
- Economies: unemployment, inflation, parity,  
purchasing power, wealth...
- Control: possibility to control and co-ordinate and/or  
cooperate



# IMKT mix differences



- **Product**      *Suitability, adaptability, competitors*
  - **Place**      *Distribution channels and methods*
  - **Promotion**      *Symbol, identity, familiarity, attitude*
  - **Price**      *Customs duties, Taxes, Agent's commission, Freight*
  - **Physical Evidence**      *Descriptions of contents, expression style*
  - **PROCESS**      *Payment terms, shipping methods, commissioning, training*
  - **People**      *Knowledge, skills, willingness*
  - **Packaging**      *Suitability, climate conditions, freight damage, fits*
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# Major Decisions in International Marketing

Deciding whether to go

Deciding which markets to enter

Deciding how to enter

Deciding on the  
marketing program

Deciding on the  
marketing organization



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# International marketing management

- Exporting
- Importing
- Management of international operations

