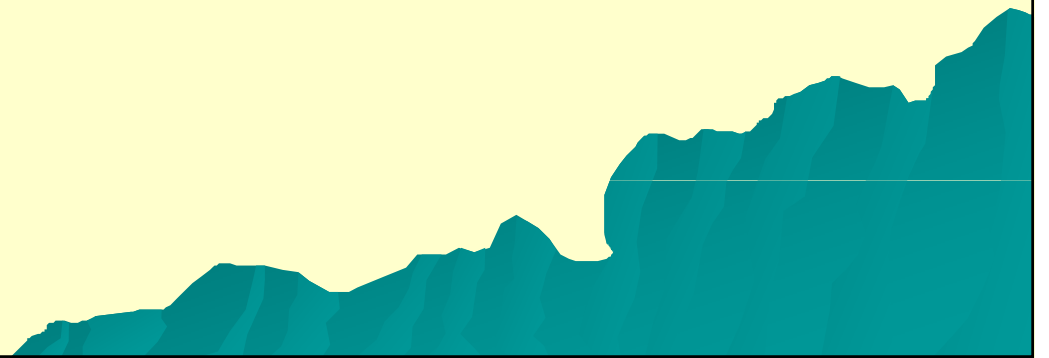


International marketing research





Information needed

Deciding whether to internationalize



Assessment of global market opportunities (demand) for the firm's product
Competitiveness of the firm compared to local and international competitors

Deciding which market to enter



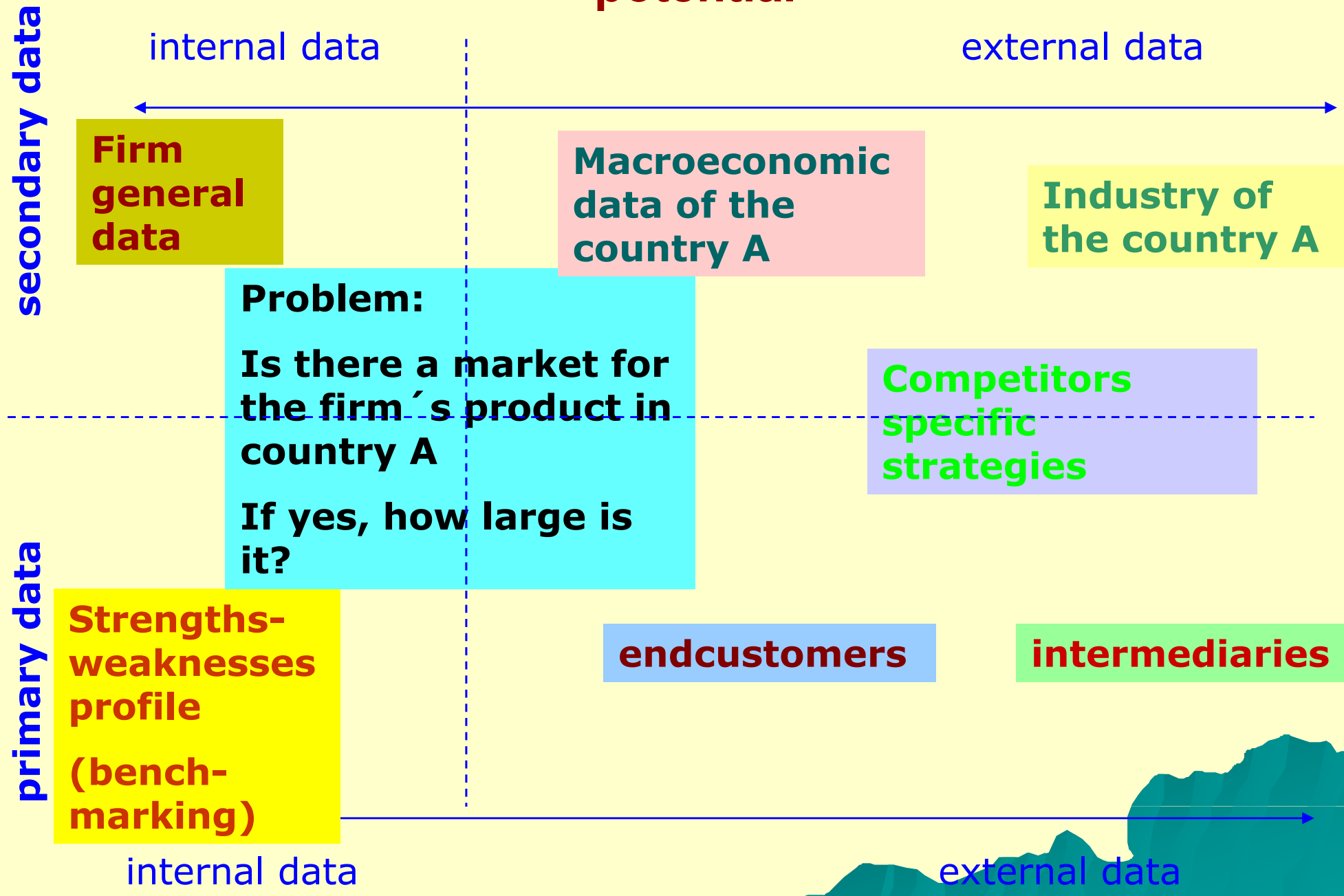
Market potential – ranking of countries
Trade barriers
Political risks
Cultural (psychic) distance

Designing how to enter foreign market



Nature of the product
Size of market/segments
Behaviour of potential intermediaries
Transport costs...

Categorization of the data for assessment of a market potential





Secondary data - research

- ◆ **+ less expensive**
- ◆ **+less time consuming**
- ◆ **+quick**
- ◆ **+important data**
- ◆ **- non-availability of data**
- ◆ **- ?reliability of data(accuracy?)**
- ◆ **- ?data classification (too broad?)**
- ◆ **-?comparability of data (national definitions of statistical phenomena)**
- ◆ http://www.fdi.net/opportunities/infm_resource.cfm?infid=20&srcpg=6&countrynum=1&subjectnum=13 World Bank Group
- ◆ <http://www.imf.org/external/index.htm> International Monetary Fund
- ◆ <http://www.pwc.com/> PriceWaterhouseCoopers
- ◆ <http://www.aseansec.org/> ASEAN
- ◆ <http://www.asiarisk.com/> Political and Economical Risk Consulting Ltd. (PERC)
- ◆ <http://www.wto.org/> World Trade Organization
- ◆ <http://www.fita.org/> The Federation of International Trade Association



Primary data - research

First-hand

Tailor-made to answer specific research question

Specific, relevant and up-to-date data

QUALITATIVE - depth

- ◆ holistic view of the research problem – understanding – reasons and motives
- ◆ Exploratory
- ◆ Small sample size
- ◆ Key informants
- ◆ Subjective, interpretative data analysis
- ◆ Low/no replicability with the same result
- ◆ Special skills of interviewer

◆ QUANTITATIVE -breadth

- ◆ generalize the results – general view
- ◆ Descriptive and/or casual
- ◆ Large sample size
- ◆ Representatives of the population
- ◆ Statistical summary
- ◆ high replicability with the same result
- ◆ Design phase – formulations and questions must be correct – high time consumption
- ◆ Low time consumption during analysis phase

Research design – primary data collection

Research problem/objective (determine the information requirement)

Research approaches

observation surveys experiments



Contact methods

mail/internet telephone personal

Sampling plan

s. unit s. procedure s. size

Contact medium

Design of a
questionnaire

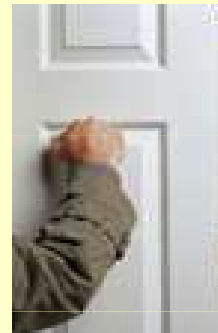
Formulation of
questions





Problems with primary research in international market

- ◆ **Sampling – lack of adequate demographic data and lists + no officially recognized census of population, no accurate maps, incomplete and out-of date telephone directories...**
- ◆ **Non-response (not being available, refusal to respond – privacy?, too personal? Doesn't know?...)**
- ◆ **Language barrier**
- ◆ **Strict privacy laws in Europe**
- ◆ **Gender...**





Equivalence of international MKT research - categories

- ◆ **1. conceptual** - similar meaning of concept?
beauty, sex-appeal, health, wealth, youth, household...
Example: **RISK** construct – social, physical, financial – **BUYING A CAR**
- ◆ **2. functional** – different functions of similar activities/products?
preparing a meal, bicycle, hot-milk based chocolate drinks, fountain pen, wine, beer...
- ◆ **3. translation** – lexical, idiomatic, grammatical-syntactical (word order, sentence construction, experiential)
- ◆ **4. measure equivalence** – perceptual (colours, smells...), metric (scale depth and breadth - terms), calibration (monetary units, basic units...), temporal (dates and time periods)



- ◆ **5. sample** – differences in categories (age, income brackets, professions...., sampling unit (characteristics of respondents)
- ◆ **6. data collection** – respondents co-operation – willingness to answer, context equivalence of data collection, response-style („yes-saying patterns or „nay-saying patterns, item non-response pattern – income, age..., extreme response style- positive, negative?)

