

UNIT 4
INTERNATIONAL MARKETING

What Is International Marketing?

- **International marketing** -
the process of planning and conducting transactions across national borders to create exchanges that satisfy the objectives of individuals and organisations
“satisfaction” and “exchange”
- **Forms** - export-import trade, licensing, joint ventures, wholly owned subsidiaries, turnkey operations, management contracts

Objective of International Marketing

- To develop skills, creating marketing challenges & Opportunities.
- To gain experience in developing marketing strategies.
- To gain verbal, written skills for communication
- To have decision making ability
- To be ethical in practice and urge to learn more on marketing management.



Market entry strategies



GLOBALIZATION OF MARKETS

- Globalization of markets refers to the process of integrating and merging of the distinct world markets into a single market. This process involves the identification of some common norm, value, taste, preference and convenience and slowly enables the cultural shift towards the use of common product or service.

Globalization of Markets

Benefits of Globalization of Markets

- Reduces marketing costs
- Creates new market opportunities
- Local buyers' needs
- Global sustainability

What is global brand in international marketing?

- Global branding refers to **the management of a brand in different regions of the world, intending to increase its strength and recognition in the markets in which it operates.** This strategy may also be called global branding or international branding.
- Global branding involves planning how the brand wants to be perceived worldwide and how it will position itself in each market to generate such perception.

International Pricing

- Setting and changing prices are key strategic marketing decisions
- Prices both set values and communicate in international markets
- An offering's price must reflect the quality and value the consumer perceives in the product
In setting a price in international markets, different tariffs, costs, attitudes, competition, currency fluctuations, and methods of price quotation need to be taken into account.

Pricing Objectives

- The more control a company has over the final selling price of a product, the better it is able to achieve its marketing goals. It is not always possible to control end prices.
- Broader product lines and the larger the number of countries involved, the more complex the process of controlling prices charged to the end user.

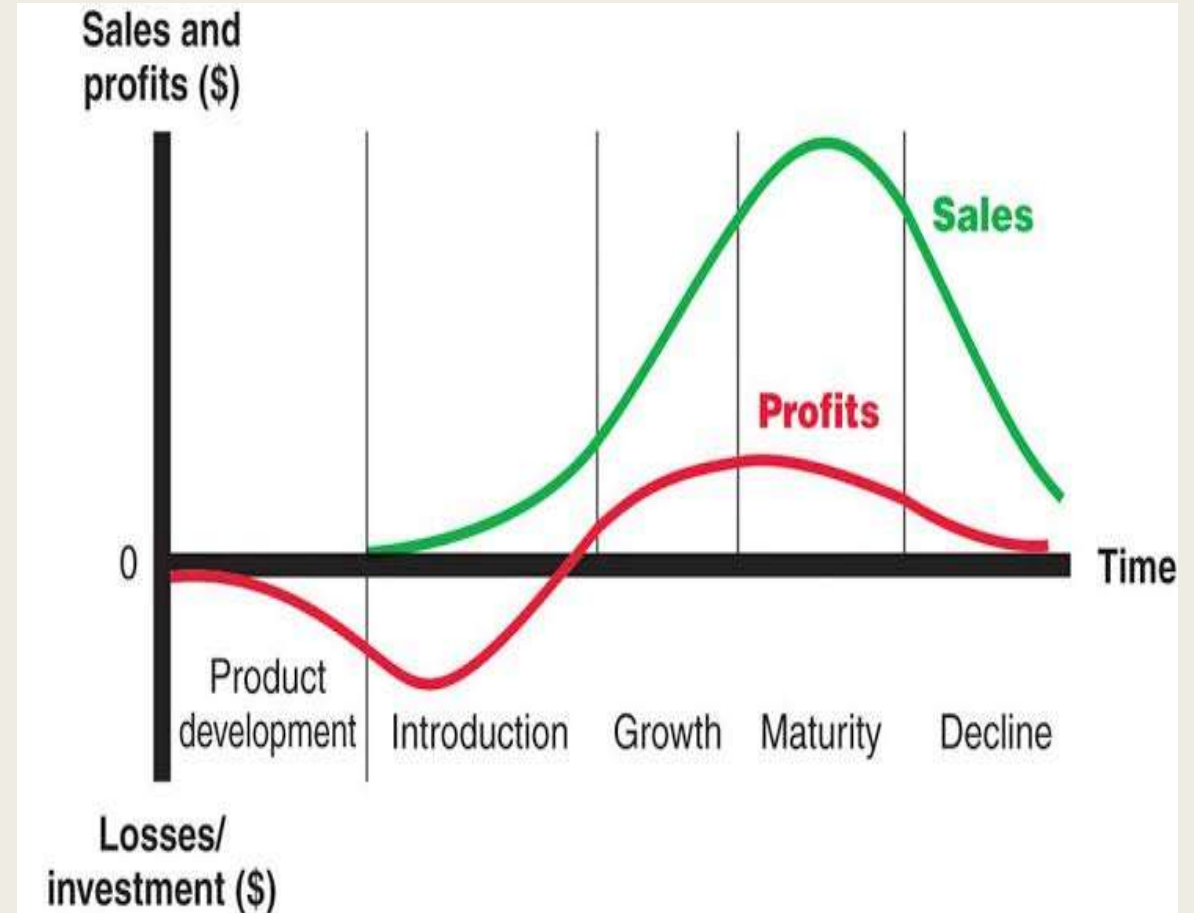


Approaches to International Pricing

- **Full-Cost Pricing:** no unit of a similar product is different from any other unit in terms of cost, which must bear its full share of the total fixed and variable cost.
- **Variable-Cost Pricing:** firms regard foreign sales as bonus sales and assume that any return Over their variable cost makes a contribution to net profit
- **Skimming Pricing:** This is used to reach a segment of the market that is relatively price insensitive and thus willing to pay a premium price for a product
- **Penetration Pricing:** This is used to stimulate market growth and capture market share by deliberately offering products at low prices

Product life cycle

- The **product life cycle** contains four distinct stages: introduction, growth, maturity and decline. Each stage is associated with changes in the product's marketing position. You can use various marketing strategies in each stage to try to prolong the life cycle of your products.



Product life cycle strategies

1. Product introduction strategies

Marketing strategies used in the **introduction stages** include:

- rapid skimming - launching the product at a high price and high promotional level
- slow skimming - launching the product at a high price and low promotional level
- rapid penetration - launching the product at a low price with significant promotion
- slow penetration - launching the product at a low price and minimal promotion

During the introduction stage, you should aim to:

- Establish a clear brand identity
- connect with the right partners to promote your product
- set up consumer tests, or provide samples or trials to key target markets
- price the product or service as high as you believe you can sell it, and to reflect the quality level you are providing

Product growth strategies

- Improving product quality
- adding new product features or support services to grow your market share
- entering new markets segments
- keeping pricing as high as is reasonable to keep demand and profits high
- increasing distribution channels to cope with growing demand
- shifting marketing messages from product awareness to product preference
- skimming product prices if your profits are too low

Product maturity strategies

Common strategies that can help during this stage fall under one of two categories:

- Market modification – this includes entering new market segments, redefining target markets, winning over competitor’s customers, converting non-users
- product modification – for example, adjusting or improving your product’s features, quality, pricing and differentiating it from other products in the marking

Product decline strategies

At this stage, you will have to decide what strategies to take. If you want to save money, you can:

- Reduce your promotional expenditure on the products
- reduce the number of distribution outlets that sell them
- implement price cuts to get the customers to buy the product
- find another use for the product
- maintain the product and wait for competitors to withdraw from the market first
- harvest the product or service before discontinuing it

Market intelligence

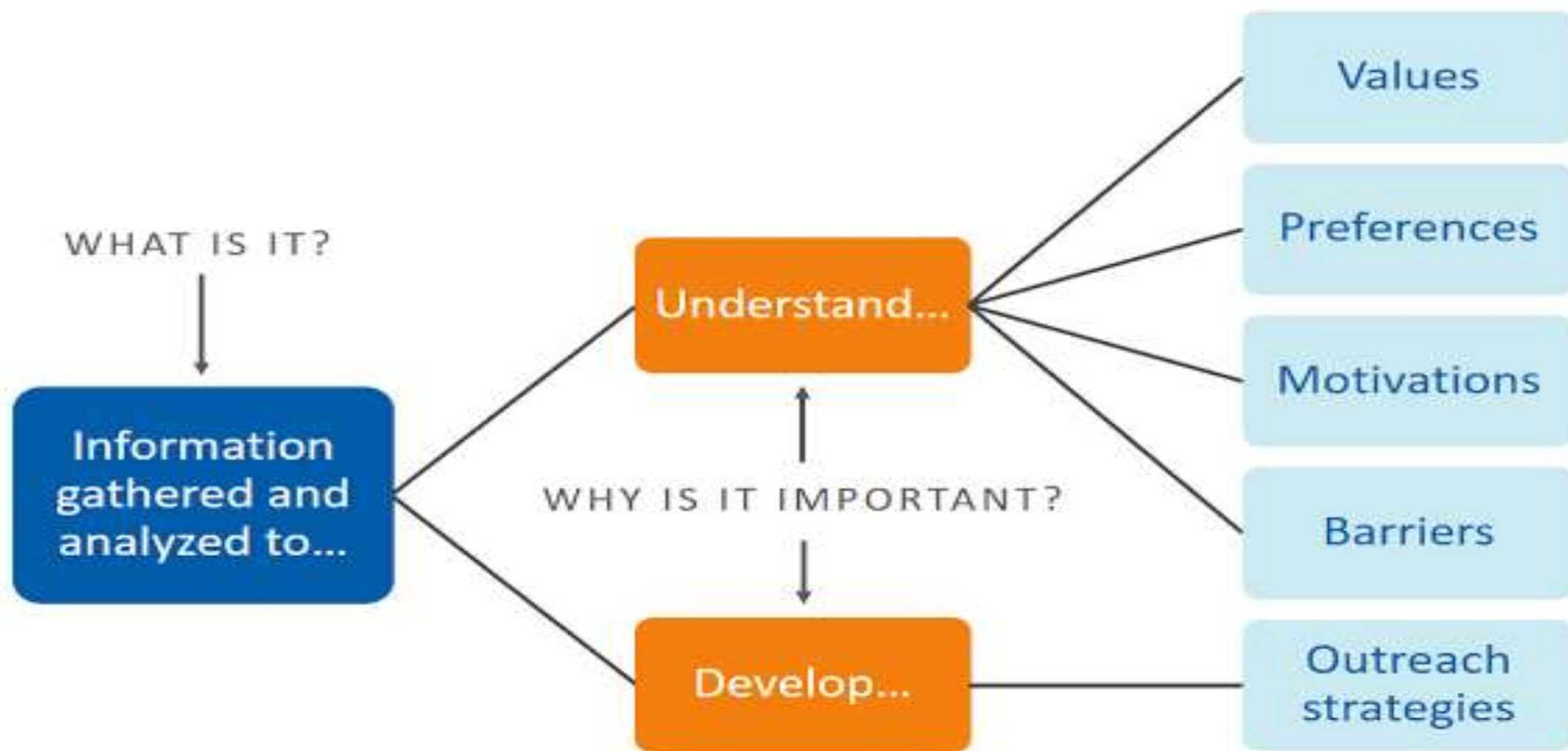
Definition:

Marketing intelligence is the external data collected by a company about a specific market which it wishes to enter, to make decisions. It is the first set of data which the company analyses before making any investment decision.

Why is marketing intelligence important to our business?

Market intelligence enables you to become more customer-centric, gain a better understanding of market demands and consumer views, gather real-time relevant data, increase upselling chances, minimize risks, increase market share, and gain a competitive edge.

Market intelligence



Market Intelligence







International Marketing Systems

- International Marketing Systems is an all-in-one sales, service, and logistics solutions provider for the e-commerce industry. Our team has extensive experience and training dealing with web-based businesses and their customers.

Types of International Marketing Systems

- Manufacturer to Customers
- Manufacturer to Retailers to Customers
- Company to wholesaler to Consumer
- A long, long path