



International Marketing: Conceptual Insights-I MBA-IV Sem

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Local, regional and global markets

▶ Local markets (country)

- Strong cultural links
- Specific market conditions
- Examples :
 - medias (press, radio, TV)
 - cheese
 - airlines : state regulations (ex: Morocco)



▶ Regional, multi-country markets

- Specific products and marketing mix
- Example : cars
 - North America, Europe, Poor African countries



Chevrolet Tahoe

▶ Global markets

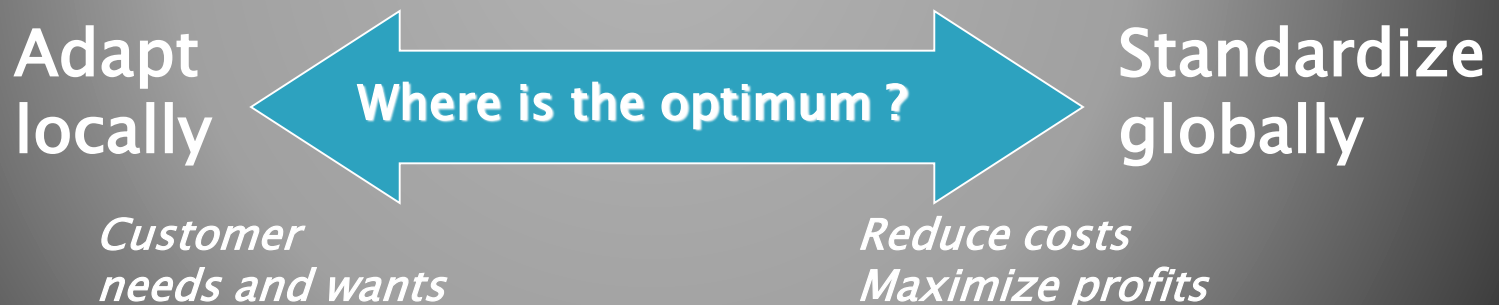
- Rather undifferentiated goods, universal solutions, not culturally related, commodities
 - Example : wheelbarrow
 - Example: vehicle gasoline
- Luxury brands
 - Strong global brand image
 - Marketing mix may be adapted locally



Adapting or standardizing your marketing strategy and/or mix ?

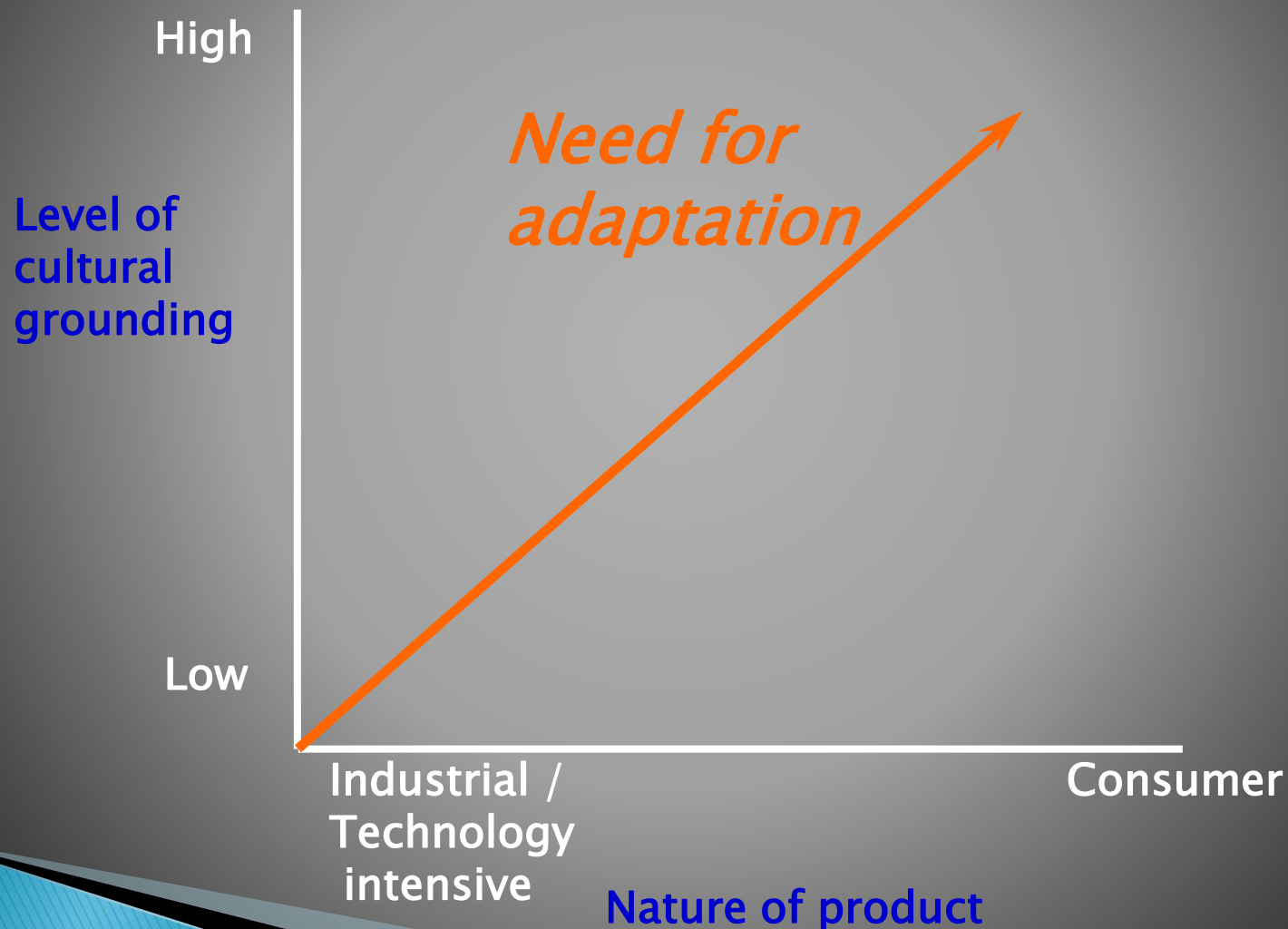


- Markets and consumers needs and wants can be different in each country / region
- But it is not always optimal to localize the marketing strategy and radically change the whole marketing mix for each country
 - For example : developing a new product
- Mainly for cost reasons (economies of scale) and organisational reasons (simplify)



- Consequently, a multinational company has to find out and implement the optimal approach, between global and local, depending on several factors and market screening

Strategic Adaptation to Foreign Markets



Marketing : Globalization versus Adaptation

Factors encouraging *Adaptation to local markets*

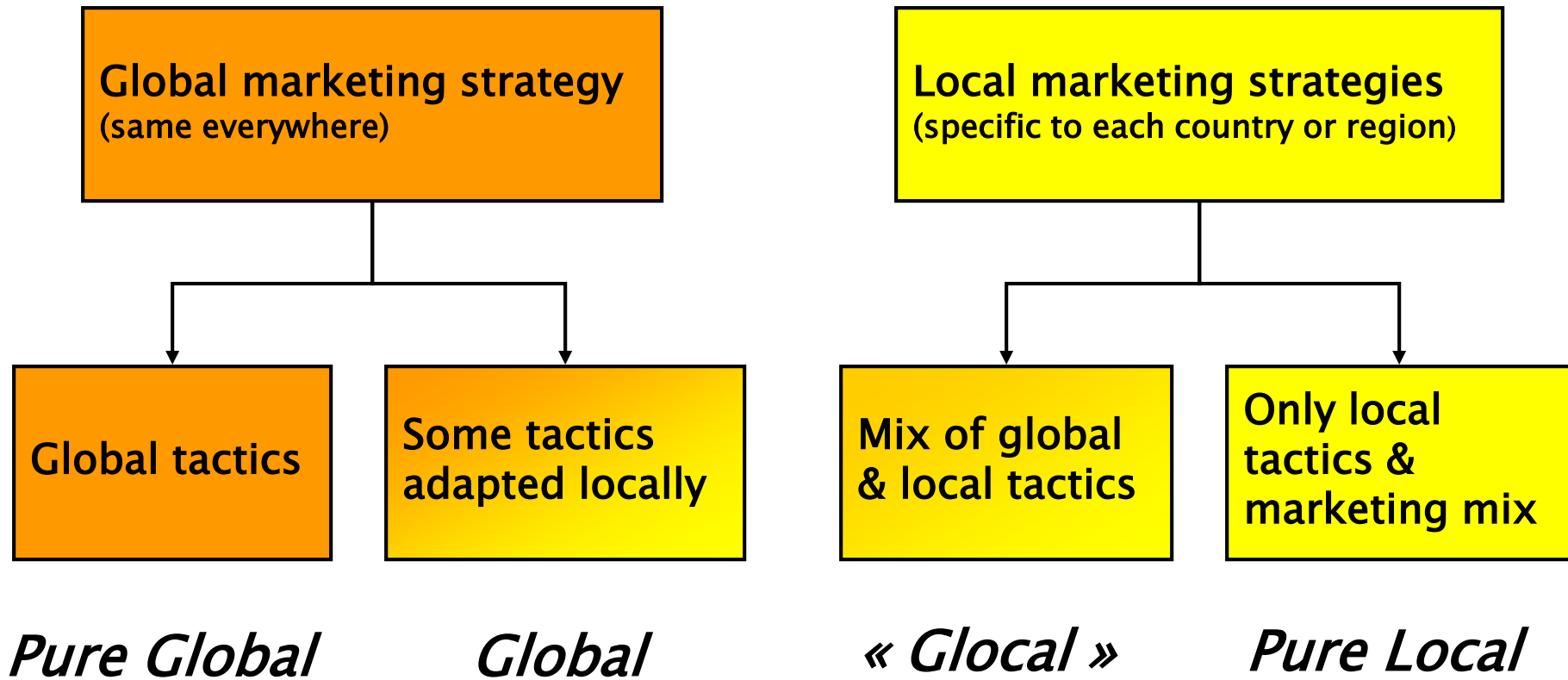
- Different customer needs and wants, behavior patterns
 - cultural background
 - use conditions
- Different economic situation
- Legal, tax, political barriers
- Different competition landscape
- Specific sales/retail channels
- External growth and acquisition of foreign local brands
- Unleash local managers' initiative

Factors encouraging *Globalization*

- It's sometimes possible
 - Lifestyles and consumer behavior are converging (more or less)
- Cost reduction
 - Economies of scale (lower manufacturing & purchasing costs)
 - No product adaptation means less R&D, Marketing, inventories costs
- Simplify management
 - Easier control & coordination
 - Centralized decisions
- Global marketing campaigns
 - Communication etc
 - Possible fast worldwide launch



The 4 Types of International Marketing



Bongrain : cheeses

THANKS

For Any Query

(in relation to this topic)

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