

marketing⁺

UNIVERSITÄT SIEGEN

Lecture

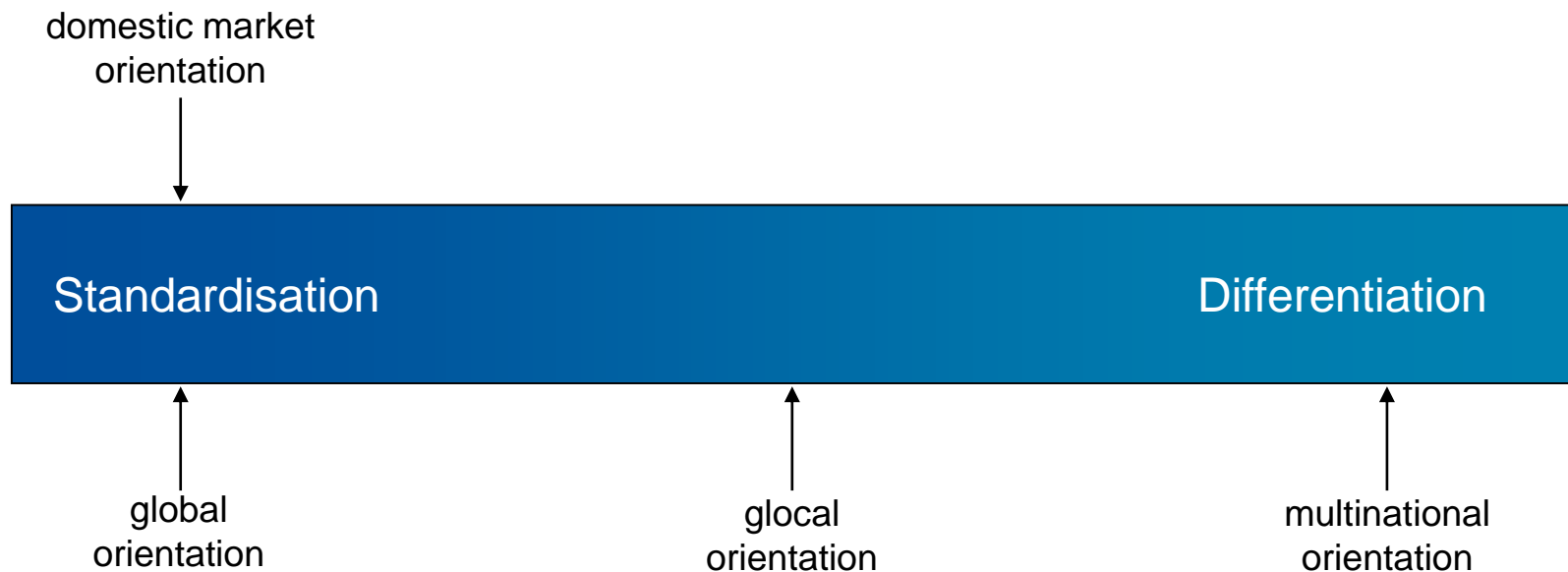
International Marketing

Summer Term 2016

Dr. Gerhard Wagner

INTERNATIONAL MARKETING STRATEGY AND MARKETING-MIX

Standardisation and differentiation of the marketing mix in the context of basic options



International Positioning

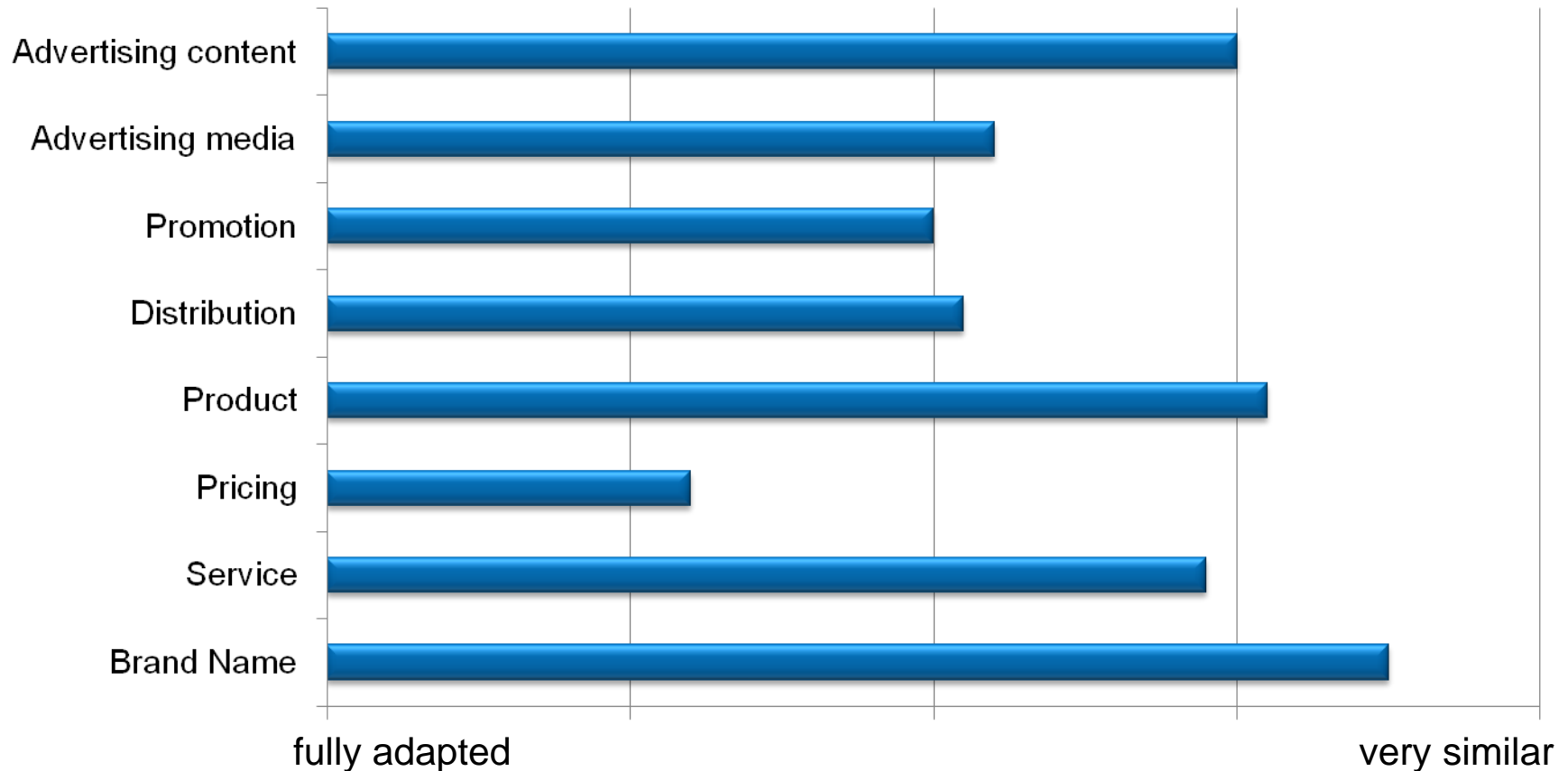
- Establishment of a specific image of the brand(s) of a company for the (international) demanders
- Brands are positioned in relation to the competitor's brands
- Positioning includes the concept or meaning a brand has in the eye of the demanders (actual and potential customers)
 - concerning the suitability of the brand to meet the needs of the demanders
- The result of the positioning is a marked out, distinct positive brand image

Targets and advantages of standardisation and adaption

Standardisation	Adaption („local customizing“)
targets: <ul style="list-style-type: none"> - cost advantages and synergies - harmonising of strategie/market entry - simplification of cross-border-planning/expansion advantages (environment) <ul style="list-style-type: none"> - perception and image advantages (e.g. international brand) advantages (company) <ul style="list-style-type: none"> - economies of scale and critical mass - experience and learning curve effects - establishment of a long-term strategy - specialisation advantages in competition - time advantages when „Going International“ - activity specific competition advantages such as cross border coordination advantages 	targets: <ul style="list-style-type: none"> - turnover and market share maximisation - market penetration and profiling in country specific competition advantages (environment) <ul style="list-style-type: none"> - adaption to the cmpetition conditions in the host country (customer requirements or behaviour, image as home company) - adaption to the political-legal und economic.infrastructural conditions (e.g. supply chain, foreign trade system) - use of the turnover potentials advantages (company) <ul style="list-style-type: none"> - flexible adaption to specific changes of the country markets - building of international knowledge

Source: adapted from Swoboda/Schwarz 2006, S. 181.

(General) Standardization Level for Different Marketing Mix Elements



4Ps of Marketing

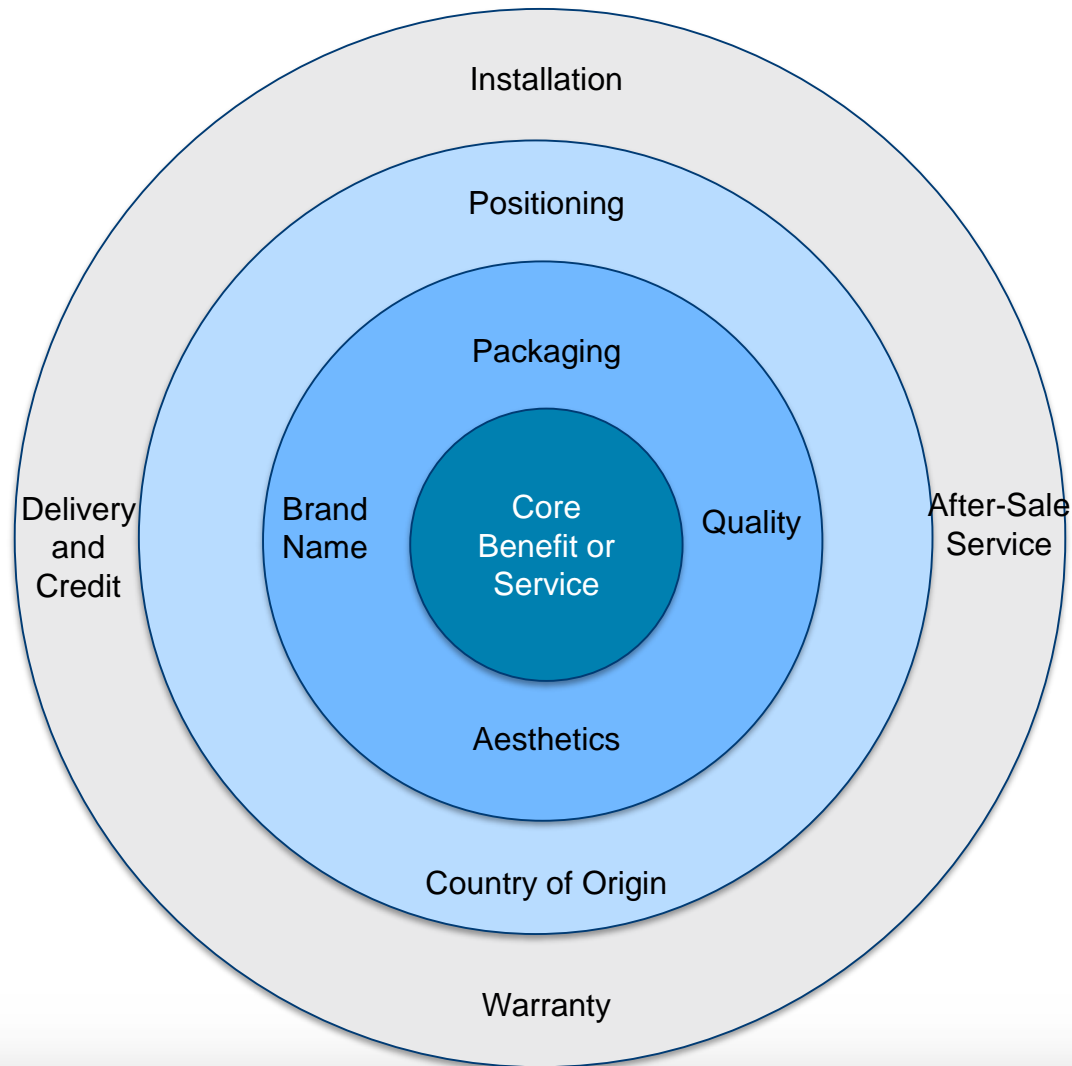
- Product
 - Price
 - Place
 - Promotion
- Adjustments are necessary for international products / companies

INTERNATIONAL PRODUCT POLICY

Product: Definition

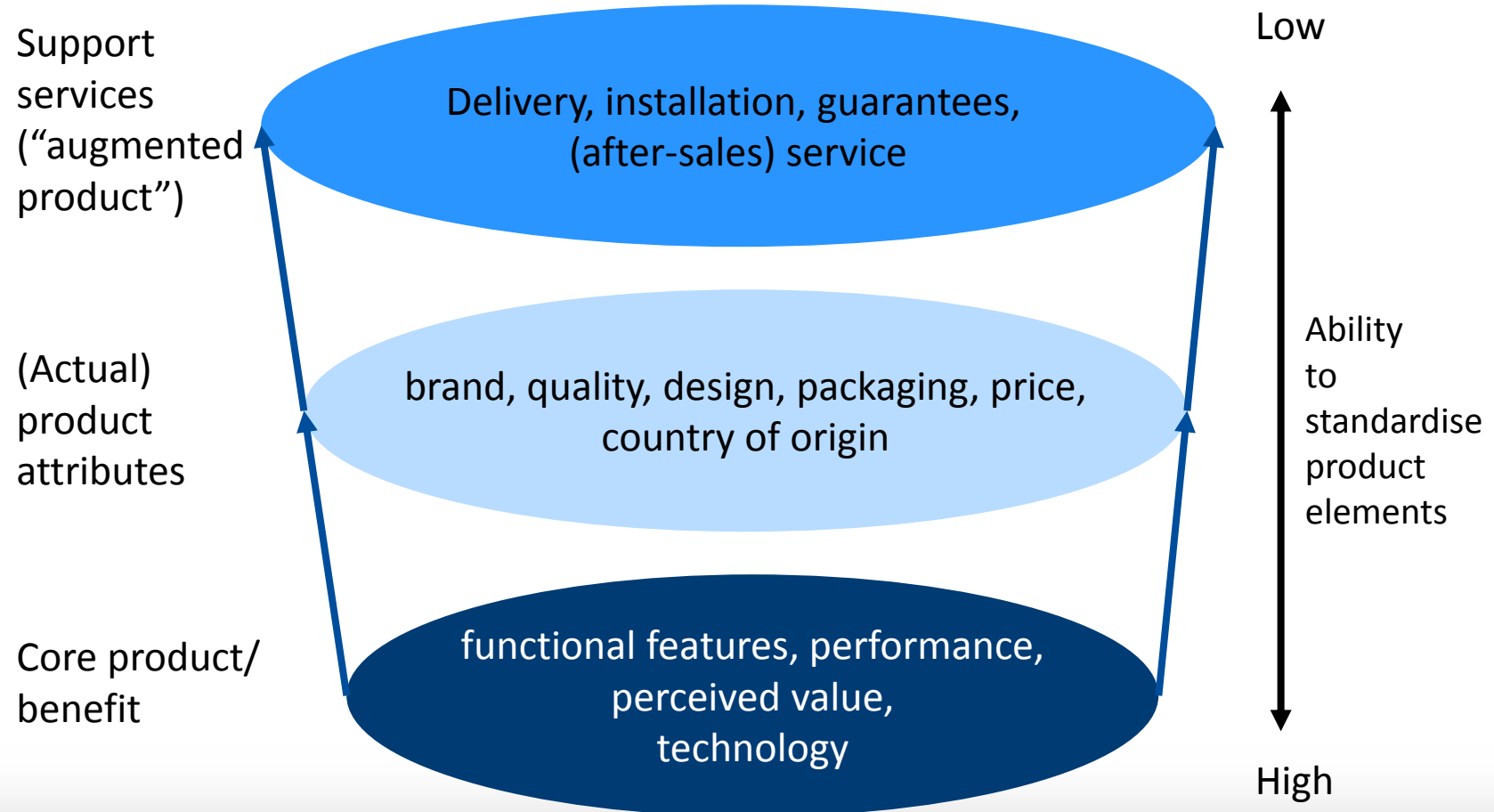
- „A product is **anything that can be offered to a market** for attention, acquisition, use or consumption that might satisfy a want or need. It includes **physical objects, services, persons, places, organisations and ideas.**“ (Kotler et al. 2005)

Elements of a Product



Source: Czinkota, Ronkainen 2013, p.358.

3 product layers



Source: Hollensen 2013.

Products on international B2C-markets (II)



Products on international B2C-markets (II)

Slovakia

P&G

O spoločnosti

Kariéra

Pre médiá

Pre p

obrázky na stiahnutie

Vlasová kozmetika

Pantene
Pro-VHead &
Shoulders

Shamtu



Wash&Go

Telová kozmetika



Old Spice



Secret



Camay

Pracie prášky, aviváže a čistiace prostriedky



Ariel



Bold 2in1



TideTix



Bonux



Lenor



Jar



Mr. Proper

Výrobky dámskej intímnej hygieny



Always



Alldays



Tampax



Unilever

Adding vitality to life.

234,000 friends,
400 global brands,
1 company.
Your world of opportunity.
www.unilever.com.au



Products on international B2B-markets

HILTI



BASF
The Chemical Company



Silo Truck



20' Container



Sacks



Big bags



SKF



HEIDELBERG



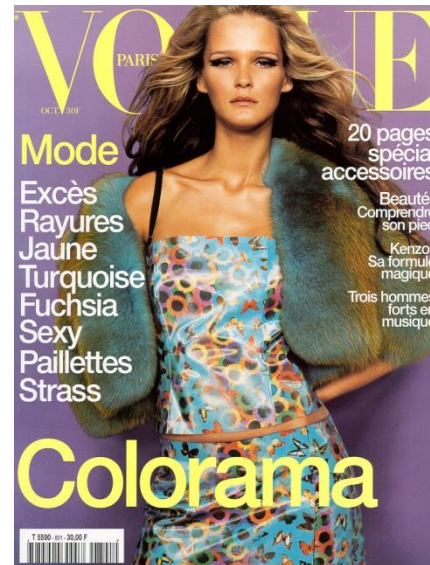
A global product



Fulla – “Barbie” for other cultures



International Expansion of Print-Media



Product Ranges

- Breadth of range
 - no. of product lines
 - product line (product group, product category) as group of connected products with certain similarities
- Depth of range
 - no. of products/product variants per product line



International Product Range Decisions

- Decisions concerning the entirety of offered products and services and concerning the countries, regions or target groups, (in) which these products are to be offered
 - range of products and services
 - number of product lines or products groups or categories
 - depth of product and services
 - number of products in the product line
- Options
 - transfer of product range: unchanged transfer of product range of one country to the other countries
 - shortage of product range: supply of a reduced product range to the foreign countries compared to the home country
 - extension of product range: supply of an extended product range to the foreign countries compared to the home country

Product Policy of McDonald's

Country	Sandwich	Description
France	Croque McDo	A grilled ham and cheese sandwich similar to the traditional croque-monsieur
India	Maharaja Mac	Two grilled chicken patties with smoke-flavored mayonnaise, onions, tomatoes, and cheddar cheese
Japan	Teriyaki burger	A chicken cutlet patty marinated in teriyaki sauce
Middle East	McArabia sandwich	A marinated grilled chicken sandwich in flatbread
New Zealand	Kiwi burger	A hamburger with a fried egg and a slice of pickled beet
Poland	McKielbasa	A kielbasa (Polish sausage) patty topped with ketchup, mustard, and onion
Pakistan	Spicy McChicken	A chicken sandwich with chutney
Thailand	Samurai pork burger	A pork burger flavored with teriyaki sauce
Netherlands	McKroket	A deep fried roll containing beef ragout and potato
Greece	Greek Mac	A pitta bread sandwich with two beef patties and some yogurt
Israel	McShawarma	A Middle-Eastern style sandwich served on flatbread



Source: Kotabe/Helsen 2008.

McDonald's in Cairo



KitKat in Japan



Volkswagen

Germany



Polo



Polo GT



New Cross Polo



Vento



Vento TSI



Vento Magnific



New Jetta



up!



Gol



Novo Fox



Novo CrossFox



Polo



Der neue Golf Alltrack
Ab 30.200,00 € **



Der neue Passat Variant
Ab 27.150,00 € **



Der neue Polo GTI
Ab 22.275,00 € **



Der Golf GTD
Ab 30.275,00 € **



Der neue Golf GTE
Ab 36.900,00 € **



Novo Golf



Novo Fusca



Voyage



Polo Sedan



Novo Jetta



Der Golf GTI
Ab 29.225,00 € **



Der neue Scirocco
Ab 24.325,00 € **



Das Golf Cabriolet
Ab 24.950,00 € **



The Beetle Cabriolet
Ab 22.525,00 € **



Der Eos
Ab 30.375,00 € **



Passat



CC



Saveiro



Amarok



Novo SpaceFox



Der Tiguan
Ab 25.175,00 € **



Der neue Touareg
Ab 53.050,00 € **



Der Touran
Ab 23.250,00 € **



Der Sharan
Ab 31.475,00 € **



Der Caddy
Ab 17.516,80 € **



Novo Space Cross



Passat Variant



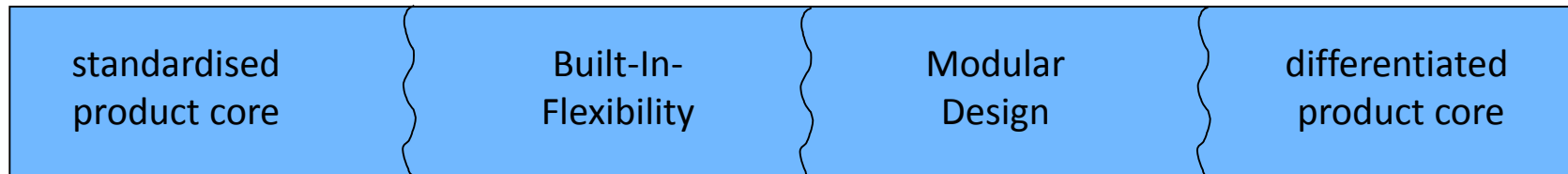
Tiguan



Novo Touareg

Brasil

Continuum of product-political alternatives



Source: Zentes/Swoboda/Schramm-Klein 2010, S. 382

Standardisation vs. Differentiation of Product Policy

- Differentiation
 - differences in the legal frame conditions
 - differences in customer requirements (e.g. differences in income, cultural conditions, ...)
- Mixed Strategy
 - adaption of the elements whose adaption is not “expensive”
 - Modular strategies
 - e.g. plattform approach
 - adaption of product groups, not single products
- Standardisation
 - cost advantages (for product policy the best effect of all marketing mix elements)
 - cost advantages in logistics (e.g. possibility to centralise storage)
 - realisation of a global, uniform image
 - less „disappointed“/uncontent customers (if the find products in different countries)
 - standardised product policy as „precondition“ of a standardisation of the other marketing mix elements

Factors Affecting Product-Adaption Decisions

Regional, Country, or Local Characteristics

Government Regulations
Nontariff Barriers
Customer Characteristics, Expectations, and Preferences
Purchase Patterns
Culture
Economic Status of Potential Users
Stage of Economic Development
Competitive Offerings
Climate and Geography

Products Characteristics

Products Constituents
Brand
Packaging
Physical Form or Appearance (e.g., size, styling, color)
Function, Attributes, Features
Method of Operations or Usage
Durability or Quality
Service
Country of Origin

Company Considerations

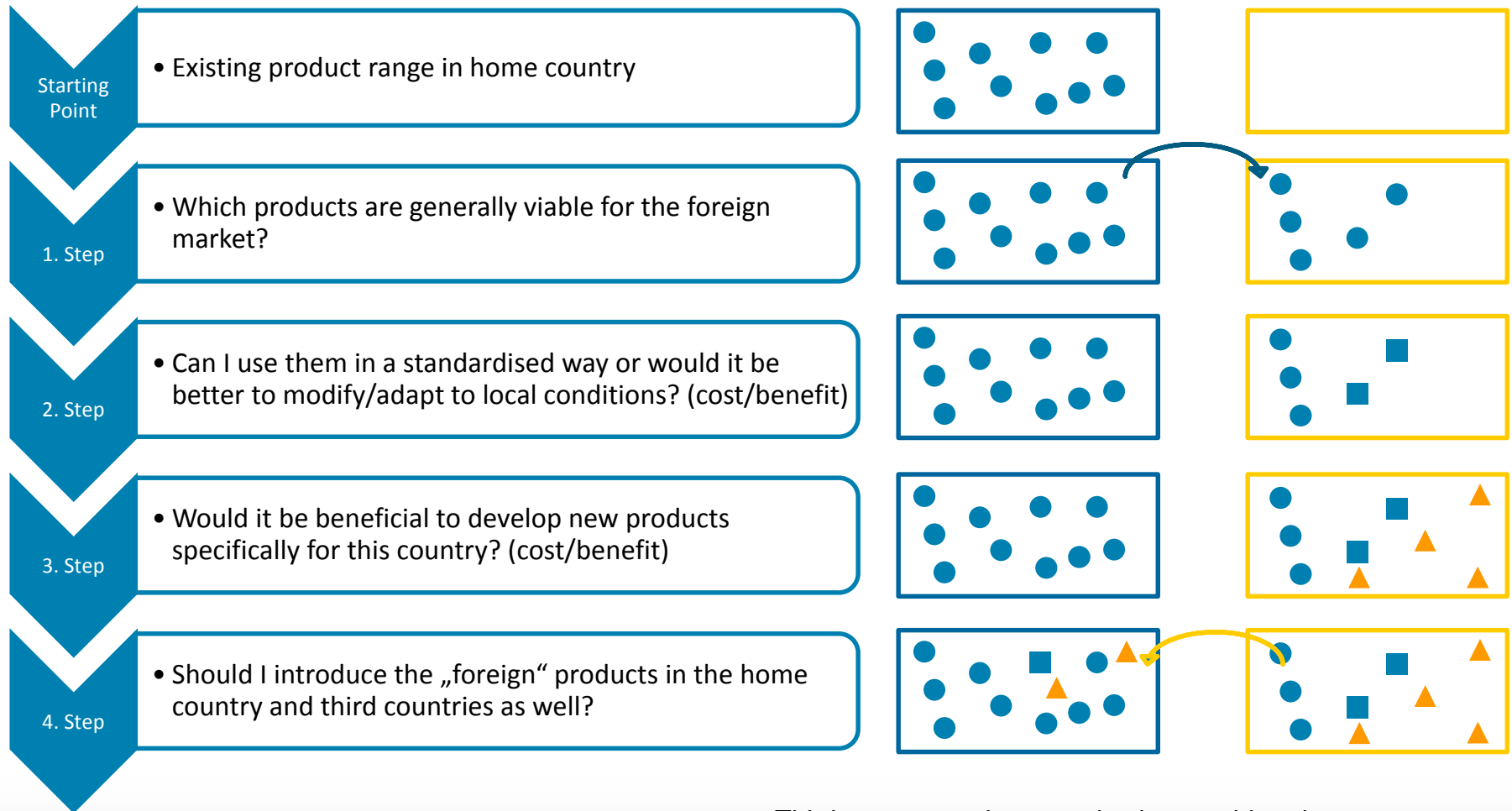
Profitability
Market Opportunity (market potential, Product-market fit)
Cost of Adapting
Policies (e.g., commonality, consistency)
Organization
Resources

Decision
to Alter
Product

```
graph TD; A[Regional, Country, or Local Characteristics] --> D[Decision to Alter Product]; B[Products Characteristics] --> D; C[Company Considerations] --> D;
```

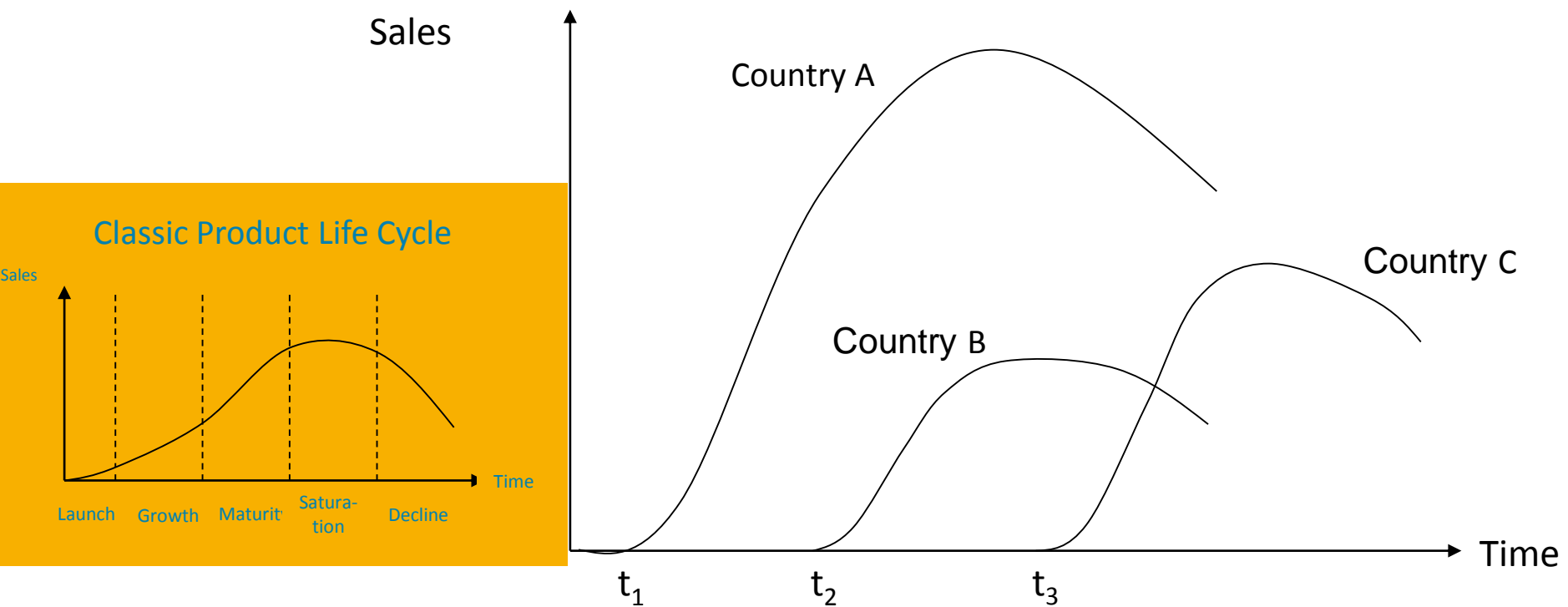
Source: Czinkota, Ronkainen 2013, p.360.

International Product Policy: A Process



Third country markets need to be considered.

Product live cycles and different country markets



Source: Zentes/Swoboda/Schramm-Klein 2010, S. 120.

Product Policy – Course of Actions

