

# International marketing environment

[Business](#), [Marketing](#)



In today's fierce market it is important for corporations to go global. This isn't an easy task as it takes a lot of careful planning and research in order to be successful at an international level. The competition can come from local companies to others looking to also expand into worldwide markets. This is why it is so important for a company to analyze this new market and familiarize themselves with them. This can lead to product changes, marketing changes even product name changes once all is taken into consideration.

The research process can be lengthy and costly but will ultimately lead to the success of a corporation planning to do business abroad. The marketing process is very important for a company's success. It must be implemented and planned accordingly for each market. The marketing process consists of four stages. The first stage is the analysis. In this stage data is collected and analyzed on the target market. The characteristics and behaviors of this group are very important. These characteristics are summarized using the eight O's.

The first of the eight O's is occupants which is the market the company intends to target. Occupants will categorize the target market based on demographics, geography, psychographics and product related variables. These categorizations help the marketers break down large markets into much smaller workable groups. The next of the eight O's is objects. This describes the service or product that will be used to satisfy the target markets needs Occasions is the third of the eight O's. This characterizes the moment and time that these customers consume or purchase the product or service.

The fourth of the O's is objectives. Objectives are the motives that create the need for your product or service. The fifth of the O's is outlets. Outlets are the places or ways a service and product are made available to the target market. This would include stores, websites etc. Organization is the way a buying or acceptance of the idea or service takes place. This will help the marketer understand how the need is created and the purchase is executed (Muhlbacher, Leihls & Dahringer, 2006). The seventh of the eight O's is operations. Operations represent a firms buying of products and services.

This includes analyzing how difficult a company's product or service will be to break through the market. The last of the eight O's is opposition. This is where the competition will be analyzed. Any other company that offers a satisfaction for the same need is considered competition. Once the eight O's have been analyzed a firm will have a better understanding of the needs of their market, how to satisfy these needs and the best way to stay ahead of its competition. A firm that is going global must also plan accordingly to foreign policies regarding imports and exports.

The government has played a large role in international business. Some nations have strict restrictions and other forms of limitations regarding foreign products and services. The government uses forms of import controls in order to stabilize their countries economic state. Tariffs place a tax on imports and raise the price of these imported products. Quota systems are also used by the government. Quota systems are used to reduce the volume of imports accepted by a country (Czinkota & Ronkainen, 2010). These regulations can have a big impact companies looking to break into the foreign markets.

The government can also be even stricter and impact the global market more by boycotting business from certain nations. This is a strict plan where a country refuses to do business with another nation. This can lead to inflation of prices and other major changes to the international trade market. Nations governments have a played a big role in international business. Sometimes their role is in the best interest of their governing nations. Other times the restrictions are purely political hurting both their countries consumers and foreign based companies doing business in those countries.

A company must analyze and incorporate the economic state of the nation they plan on doing business with. The economic state of a nation tells much about it. The physical quality of life is a composite measure of the level of welfare in a country (Czinkota & Ronkainen, 2010). This analysis is important as these relate directly to countries wellbeing and how your product or service will be effective in that respected country. Those nations with poor economic growth and high levels of poverty would not be candidates for an expansion of luxury line of cars.

However this nation might be the perfect setting for a cell phone company as the need for communications is at all-time high for developing nations. A firm that decides to invest in a foreign market is taking a risk. Any company planning on going global must understand that entering a foreign market comes with many risks and challenges. If any of the planning has flaws, a financial loss could be the end result. A company needs to analyze the risk and understand if they can afford the financial loss should their venture be unsuccessful. Success may also take time to occur.