

International marketing activities



**ASSIGN
BUSTER**

International marketing activities are interlinked with a firm's corporate goals, objectives and strategy. The overall aims, objectives and strategy of a firm has a great impact on international marketing decisions e. g, whether to enter new uncertain markets and how maximum would be risk that the firm is ready to take or the level of control required over international operations.

There is no denying in fact that a person's self reference criterion (SRC) and an associated ethnocentrism are a two primary obstacles to success in international marketing self reference criteria is defined as an unconscious reference to one's own cultural values, experiences and knowledge as a basis for decisions. Ethnocentrism is closely connected to self reference criteria . It can be defined as the nations that one's own culture or company knows best how to do things. Ethnocentrism has been seen particularly a problem in the American managers at the beginning of the 21st century just because of America's dominance in the world economy during the late 1990's.

Ethnocentrism exists in the firm's where the managers from affluent countries work with managers and markets which are less affluent.

Understanding and dealing with the self reference criteria are two of the most important facets in international marketing. Even though self reference criteria and ethnocentrism provides the ability to firm to understand better a foreign markets in its true light. It is essential for eastern and western marketers to have a knowledge of their cross cultures because if any one from these is not aware, they may evaluate a marketing mix on their respective market experiences (their SRC) without knowing and fully appreciating the cultural differences attaining adaptation . Appropriateness

of a domestically designed marketing for a international markets is also of vital importance because its evaluation can be badly effected by SRC.

FOR EXAMPLE: (ESSO)

ESSO, that is the brand name of gasoline was a successful name in the united states and apparently it would be considered less harmful enough for other foreign countries but if we see in Japan, the name phonetically means “ stalled car” which is strange and is considered as undesirable image of petrol.

For marketers to be successful in foreign markets, it is necessary for them to take time and they must know about culture, norms, tastes, traits and behavior of other markets (countries) and also to look beyond their own self reference criteria because this advantage will give them an golden opportunity to make their products or activities successful in cross-cultural or foreign markets. One of the best example of this is given below,

FOR EXAMPLE: (Mc vitie’s)

A British chocolate biscuits (Mc vitie’s) manufacturer (cookies in American English) used the same approach and got the positive result. The company wanted to introduced the chocolate biscuits (Mc vitie’s) in Japan . So, the company ignored its self reference criteria and introduced the biscuits in different attractive packaging to accommodate the Japanese market, inspite of its real packaging . Thus, in Japan Mc vitie’s were wrapped individually and packed in presentation card board boxes and they were sold in price three times higher than in UK. The cookies are used as special gifts in Japan.

FOR EXAMPLE: (UNILEVER)

Being an international company Unilever used the same approach in Brazil to introduce its soap which was cheaper enough for Brazilians to buy and more convenient to use. Unilever repackaged and reformulated its detergent for Brazilians, one of the main reasons was the lack of washing machines among poorer Brazilians; also they washed their clothes in rivers, and the powder was packaged in plastic bags instead of paper which gets soggy immediately. Another reason is that the people of Brazil are price-conscious and they buy in small quantities. For their convenience and affordability the soap was packaged in small, low-price packages.

FOR EXAMPLE: (McDonald)

McDonald being internationally famous modifies its traditional Big Mac in India, where it is named as the Maharaja Mac. The burger features two mutton patties. The reason to modify its meals was a beef. Cow is considered sacred in India and Indians do not eat beef.

Individual person's reference criteria can prevent that marketer from being aware of cross-cultural differences but also from recognizing the importance of those differences, hence the result is failure. There should be clear awareness among the marketers that not every activity within a marketing program is different from one country to another country and most probably are more similar than differences. The apparent similarities together with one's self-reference criteria often become the cause of international marketing problems. Such a problem can be seen when the "Vicks" was introduced in Germany. The pharmaceutical companies in Europe introduced their products throughout the whole Europe simultaneously instead of

country by country. The reason is that the pharmaceutical companies are familiar with the fact that there are deep-rooted national differences in how people think about health, diseases and their cure. It is the normal practice in United Kingdom and Holland that people prefer tablets when taking medicine, in Germany the injections are preferred. Same is the case with the causes of illness, Germans are more conscious and Obsessive about the heart and circulations and that's why the Germans are the Europe's largest consumers of heart medicines. In UK, the doctors prefer to look for external agents and then they prescribe antibiotics while on other hand the people in central European countries first give preference to herbal treatments and hot and cold baths considering the antibiotics only as remedies of last resort.

(source, Abstracted from Lynn Payer, *Medicine & Culture* New York Henry Holt 1988, P. 265)

CROSS CULTURAL ANALYSIS:

It can be defined as a type of analysis of across countries in which the data could be aggregated for each country and these aggregate statistics analyzed is called cross cultural analysis.

(Naresh K. Malhotra, David F. Birks, *MARKETING RESEARCH, THIRD EUROPEAN EDITION*)

In order to have a success and to avoid errors in business decisions the knowledgeable marketer will conduct a cross-cultural analysis and will design a frame that will enable him to isolate the self reference criteria influences and issues related to ethnocentrism. The following steps should be taken into account for such an analysis.

<https://assignbuster.com/international-marketing-activities/>

1. Define the business problem or goal in home country cultural traits, habits and norms.
2. Define the business problem or goal in foreign country cultural traits, habits or norms through consultation with natives of the target country also make no value judgement
3. Isolate the SRC influence in th problem and examine it carefully to see how it complicated the problem.
4. Redefine the problem without the influence of SRC and solve for the optimum business goal situation.

The cross-cultural analysis approach requires an understanding of the culture of not only the foreign markets but also ones own national culture.

CULTURE:

Culture is always a collective phenomenon, because it is at least partially shared with people who live or lived within the same environment, which is where it was learned. It is the collective programming of the mind which distinguishes the members of one group or category of people from another

“ Culture is the sum of the values rituals, symbols, beliefs and thought processes that are learned, shared by the group of people and transmitted from generation to generation”

According to Professor Geert Hofstede, culture is defined as the software of mind as it provides a guide for humans on how to think and behave: it is a problem solving tool. For a group of individuals or societies the culture works like a medium to deal properly in a system with problems and matters that relates them. Cultural difference has a great impact on the marketers

especially for those who enter for first time to foreign markets. More deep knowledge will help the marketers to notice cultural differences in new markets and to get solutions for changes that occur in future.

ELEMENTS OF CULTURE:

There are four major significant elements of culture which are as followed.

1. Language
2. Institutions
3. Material productions
4. Symbolic productions

Language has played a prominent role in the history of every country and culture of those different countries. Linguist and anthropologist Benjamin Lee Whorf who is a chemical engineer working for a fire insurance company has spent a time on tracing the origins and grammar of American Indian language also he is a author of seminal and controversial hypothesis or whorf-sapir hypothesis. Whorf defends the idea that language that we learn in the respective community where we are born and raised, shapes and structure our world view and our social behavior.

Institutional elements are a main bone of the cultural process. The institutions may be the family as well as political institutions or it can be any kind of social organization within which the individual has to work in accordance with rules in exchange for various rewards.

In most cultures the first social institutions varies e. g, church, mosque, shirne or temple. As far as the international marketing is concerned the religion has a great impact on culture, so marketers with little or no

understanding of cross-cultural religions should take time and think beyond the aspects of their national cultures. The Islamic religion is a good example of the need for a basic understanding of all major religions.

The material production range from physical productions as well intellectual productions, artistry and service, these include tools, machines, factories, paper, books, instruments and media of communication, food clothing, ornaments etc. Media is one of the social institutions that most effectively influence the values and norms of any culture

Symbolic and sacred elements are the basis for the description of the relations between the physical and the metaphysical world. Productions of culture can not be described only by their physical attributes, as they always comprise of some certain symbolic or sacred dimension.

There is no denying in fact that the duties and the roles of the status positions found within a society are badly affected by the dictates of social institutions.

FOR EXAMPLE:

The election of low caste Hindus in India which were once called an “untouchable” as the president made international news because it was such a departure from traditional Hindu culture. Similarly, brushing against an untouchable or even staring or looking at one was considered enough to humiliate or insult a Hindu of high status. Since it’s been a long time that the caste system had been outlawed but it is still a part of the Hindu culture.

CULTURE VALUES:

The seminal work by Geert Hofstede has contributed a lot in relation to cultural values. After studying more than 90. 000 people in 66 countries he concluded that cultures of the nations studied differed in four primary dimensions, also the wide variety of business and consumer behavior patterns are associated with three of four dimensions. Those four dimensions are as followed.

1. Power distance Index (PDI)
2. Uncertainty avoidance Index (UAI)
3. Individualism/ collective Index (IDV)
4. Masculinity/Femininity Index (MAS)

Individualism or collective index focuses on self orientation

Power distance index focuses on authority orientation

Uncertainty avoidance index focuses on risk orientation

Masculinity or femininity index focuses on assertiveness and achieveness.

CULTURAL KNOWLEDGE :

Cultural knowledge are of two types

1. Factual knowledge
2. Interpretive Knowledge

The factual knowledge is obvious and must be learned . Different traits, colors and tastes local to a culture are some important facts that a marketer can study in details

The interpretive knowledge can be defined as the knowledge or an ability to understand and to admire fully the characteristics, values of different cultural traits and patterns . Apart from other things the marketers should have a spirit of appreciation of how cultures change and accept or reject new ideas.