

International marketing environment assignment

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An agreement on tariffs and trade was initiated, and a constitution was created in order for the United Nations to administer this new charter and the International Monetary Funds (MIF) and World Bank were created. Unfortunately, the TIT did not survive, as many countries were afraid of its bureaucratic power and size. However, in 1995 the World Trade Organization was created and is still in existence today. The WTO had its beginning in general agreements on tariffs and trade (GATT) that took place during the inception of the TIT, and is the successor organization.

The WTO is the only global organization which deals with rules of international trade between nations and their goal is to help producers of goods and services, exporters, and importers conduct their business ("World Trade Organization," 2012). The impact of government on international marketing efforts is far-reaching. Things like trading tariffs, regulations, embargos and sanctions can have a negative impact if a company is not well-versed on international laws and restrictions that may affect their ability to do business, whether it is the importing or exporting of goods, or manufacturing and/or distributing a product across our borders.

Describe the economic and cultural elements of the international marketing environment and explain how these factors affect marketing operations.

Economic structure of a country includes the average income of its population, which affects a consumer's purchasing power and ability to buy, a major concern for an international marketer. The number of people in a particular market can also determine demand for a particular product or brand. Also the average age of consumers in the present and projected in

the future can determine future needs Of a particular market with regards to a specific product.

World markets can be divided into four tiers of consumers, based on measures of income and range from low-income to mostly high- income families. A successful marketer will also need to analyze a target markets consumption patters as depending on the income and economic data, a marketer will tailor marketing efforts and distribution channels. In addition, countries infrastructure is important in determining whether a marketer will be able be able to do business with a country.

Factors such as transportations, energy and communications will need to be evaluated in order to determine if business will be profitable. The economy also has an impact on social development which is also an important factor in determining the demand for certain products and or services. For example, in countries like Zanzibar, one of the poorest nations in the world, most people do not have access to the internet, which would make it difficult for a firm whose marketing is mainly conducted online to reach the intended audience.

The text defines Culture as an integral system of learned behavior patterns that are distinguishing characteristics of the members of NY given society. It stands to reason then, that a person's environment, surroundings, customs and traditions and geographic locations have an impact on and are the building blocks of a culture. The elements Of culture are language, religion, values and attitudes, manners and customs, material elements, aesthetics, education and social institutions (Cincinnati & Romaine, 201 0, up. 6). Each

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of these elements have an impact on the international marketer in that they are essential in determining what countries it would be est. to do business with, which countries will reject a product, how to market, what things to keep in mind when developing marketing campaigns and language barriers to keep in mind. For example, in language, things like trilingual homonyms may turn innocent words into an insult in a different country depending on the context in which it is used.

Similarly, non-verbal cues in an ad may be offensive to one group, and neutral to another. Religion is also a major factor in developing marketing strategies abroad and must be ken very seriously as this can affect things like the time of day to advertise, the role-of women in society which affects the types of products to market, the clothing and behavior of a culture and many other very important determining factors to keep in mind.

Summarize the major political and financial risks associated with international marketing. Marketers also need to keep in mind and be aware of the political environment of a county they intend to do business with as this varies greatly even by region. No marketer can afford to ignore political implications f doing business abroad as this may lead to failure at the very least, and in some cases, expensive sanctions and fines that can lead to a company going out of business.

While most marketers prefer to conduct business in a country with a safe and friendly political environment, such places are not easy to find. Political Risk is defined in the text as the risk of loss when investing in a given country caused by changes in a countries political structure or policies such

as tax laws, tariffs, and expropriation of assets or restriction of repatriation of profits (Cincinnati & Romaine, 2010, up. 34).

A major political risk is also involves conflict and or political change where a firms assets or safety of employees may be at risk. International terrorism, ethical issues, bribery and corruption of and by government officials as well corporate governance are all aspects of political environment that a marketer must be intricately knowledgeable in order to be successful and minimize risk. Explain the strategic marketing planning process, strategies for entering foreign markets, and considerations for subsequent market expansion.

The global strategic planning process can be broken down into four stages as follows: Assessment and Adjustment of core strategy: The planning process must start out with a clear understanding for which strategy is to be developed by determining the needs or wants to be met, targeted end-user. Planning should be on a global level and not country by country in order to avoid spotty world-wide market performance. Also, Market-analysis to determine the demand and performance of a products as well as internal organizational analysis to determine the resources that will be required to et those demands.

Formulation of Global Strategy: In this stage, a competitive strategy is formulated, taking into consideration market competitors and countries to be penetrated. The marketing manager has three choices to make in this stage with regards to strategy, and those are focus, cost leadership and differentiation. In a focus strategy, the marketer determines whether it will

be a low-cost or differentiation strategy. In a cost- leadership strategy, a marketer focuses on offering an identical product of a competitor at a lower price.

Lastly, in a differentiation strategy, the marketer focuses on key differences between a competitor such as quality and or uniqueness. Development of Global Marketing Program: In this stage, marketing decisions are made in four major areas -?? Degree of standardization in the product offering, the marketing program, location and extent of value-adding activities and competitive moves to be made. Within these four major areas are the main focuses in developing a marketing strategy which are determining product offering and marketing approach.