Evolution of international marketing management in companies essay

Business, Company



A company's international marketing management strategies evolve over time as it increases its involvement in international markets. Changes or transitions in international marketing management occur in three different stages – foreign entry, local marketing, and global management. The following report focuses on the evolution in six different companies – United Cereal, Samsung, Kikkoman, Natura, BMW, and MontGras – after their increased involvement in the international market.

Foreign Entry

Kikkoman's strategy to penetrate the foreign market is through branding. The company sought to transform Kikkoman as an American brand. To do so, the Kikkoman introduced its product as an "all-purpose seasoning" to appeal to a foreign market that used to be cautious when it comes to Japanese products after World War II. By introducing Kikkoman as an "all-purpose seasoning" and branding the company as an American brand, the company was able to take the first steps to internationalization. Kikkoman evolved based on the company's need to rebrand and establish its products as a necessity in both Japanese and American markets.

BMW focused on building its brand as a means to reintroduce the company to the international market. The company wanted to increase its sales volume and to establish long term interest in the company. For this reason, BMW established and built dealerships in various countries around the world. BMW's reach gradually increased over time. By establishing BMW's reliability and quality of delivery of services, the company was able to establish its brand in the international market.

MontGras sought partnership with distributors in the US – World Wine

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Importers and Cabo Imports – as a strategy to enter the foreign market. The company aims to introduce its brand in the US through local imports and distribution. Although MontGras' partnership with American companies is still in its early stages, the company was able to penetrate the UK market through partnerships with local importers and distributors. MontGras' entry to the foreign market was prompted by oversaturation of the local market in Chile.

Local Marketing

United Cereal based its products on the diverse tastes of European consumers. The company's national subsidiaries in European countries are headed by country managers who are in charge of customizing products, adjusting manufacturing operations, and adapting advertising and promotional strategies that appeal to local markets. United Cereal evolved by customizing products and advertising or promotional strategies that appeal to local markets.

Kikkoman used direct consumer marketing to target consumers. The company sought to add value to the company's products by introducing its soy sauce as an important ingredient to cook good food. Kikkoman also created products for the American market including its line of teriyaki sauce. Kikkoman did the same for its Japanese market. The company focused on implementing strategies to spur creativity and innovation that would fuel the production of new products depending on the needs of the American and Japanese markets. Kikkoman's marketing and promotional strategies were also dependent on the target audience.

Natura used to standardize its products when it introduced its market in Latin America. The company, however, did not anticipate factors that affect the response towards its products in Mexico. Natura then had to evolve by customizing its products and distribution schemes to match needs and demands of the local market. Furthermore, Natura adjusted its strategies and practices based on factors in the local market such as lack of infrastructure and the efficiency of networking as an advertising and promotional strategy. Natura also customized its advertising and promotional strategies in France. Since the company could access the local market through online services, Natura launched an Internet system to increase its sales and allow consumers in France to purchase items online.

Global Management

One of Samsung's goals was to increase the brand's value as a means to establish a distinguished global presence. Samsung established brand equity by focusing on one single message that not only differentiates the brand from other global brands but also attaches value to the company's products. Furthermore, Samsung also created a diversified product portfolio to appeal to various market segments. Although the company sought to standardize its products globally, the company primarily focused on socio-economic segments to sell premium products to upper class and provide mid-price and low-end products to the middle and lower classes.

Samsung also centralized its global marketing management operations by developing the Global Marketing Operations unit. The department is in charge of developing brand equity by sending a clear and singular message

that communicates the essence of Samsung as a brand in a way that would appeal to international markets.

The success of Natura's online sales prompted the company to extend its services worldwide. Part of Natura's global management strategy is the company's expansion of its reach to the global population through online sales.

Following the implementation of the new EU Block Exemption Regulations (BER), BMW had to make adjustments so that the company may establish its control over its wholesale operations. BMW's partnership with local dealerships became dependent on performance of dealerships. BMW wanted to maintain ties with dealerships that were profitable. Moreover, BMW reiterated that dealerships must comply with the company's quality standards of services. In this way, the company would be able to maintain its hold, influence, and relationship with its local market. By standardizing quality of services in terms of support, services, and sales network, BMW was able to take establish its global management practices. BMW's long-term growth strategies and goals also contributed to brand's global management practices.