International marketing

Business, Marketing

Effectively managing international businesses across many countries is certainly proving to be one of the major challenges in the global market today. Only the best of global companies truly profit, as international markets are places where companies with success and mediocre statuses are divided. But to succeed, a structural arrangement needs to be put in place. There are a variety of deferent marketing strategies out there. For multinational companies, the challenge remains as to which marketing strategy they see fit to bring them to global success. There are two main strategies that companies commonly use.

The first one is the marketing mix strategy, which is where the original products are sold and modified to accommodate specific cultures. For success in this strategy, companies must determine and adapt to the differences in values, customs, languages and currencies. TLS will mean that some certain products will only slut certain countries according to their customization. The marketing mix strategy uses the company's flexibility towards the product to its advantage. For example, a marketing product mix A should only be specifically marketed in region A, while a product mix B will be sold in region B.

This means that each product is customized to be sold in a specific market. This lowers the risk of international products being rejected by locals. Before marketing, scouting should also be done to see the conditions of the potential market size, degree and type of competition, price, promotional differences, and product differences. A marketing mix contains a set of complicated variables, Including the four As. It involves designing and planning a blend between the right products, the eight price, the right place, and the right promotion to maximize the success rate in multiple different regions.

An example of a successful implementation of the marketing mix strategy is McDonald's operation In India. It is common knowledge that the food Industry in India Is a very difficult Industry. Because of Its wide variety of consumers, It Is difficult to try to target a certain class of consumers. Limitations that arise for the food industries in India are the great population of vegetarians, low- income consumers, non-beef eaters, and also non-pork eaters. Despite all these imitations, with the marketing mix strategy, McDonald's over the past few years have successfully establish themselves as one of the largest fast food companies in India.

Some customizations that they have done are redesigning their menus by adding popular Indian cuisines such as curry sauces and vegetarian food. Others Include McDonald's had also written an analysis of how they are able to implement marketing mix strategy on the global stage. It is written in the company's individual analysis that when opening in a new region, they would determine the following factors: which reduce would be well received, what prices customers are willing to pay, what source of media is used the most, and which restaurants are most frequently visited.

Their aim is to create the right marketing mix that would be able to win the customers loyalty and keep on attracting new ones. The marketing mix strategy is certainly a strategy that involves adaptation to the region from the company to maximize profit, but with a certain cost of course. This process poses a financial risk for the company, as scouting the region, designing modified products, implementing rumination activities, and setting up new suppliers are often very risky and costly, especially in foreign markets.

Interestingly, KEF has tried to duplicate McDonald's success in India by starting their own global campaign back in 2004. They failed, however, because of failure in customizing properly. The taste of their chicken was said to still be foreign for Indian taste buds. Problems also followed as rumors spread that KEF uses an illegal amount of MUGS and pork oil in their cooking. Protests soon followed, as activist groups rallied outside of the restaurants. KEF soon minimized in that region, and there is currently only one KEF store remaining in India.

Another well-known strategy that is commonly used by multinationals is standardization. Standardization is a marketing strategy in which all products are undifferentiated throughout all markets. One can say that it is the opposite of marketing mix, as its goal is to make all products identical in order to create cost efficiencies. In marketing mix, the goal is to modify the product and adapt it too a foreign region. Standardization on the other hand, aims to offer a product that is instant throughout the markets.

Marketing mix may look the better option in black and white, but it is important to take in account that standardization has the ability to compete with low costs over a large output. With the suppliers and the prices remaining constant, a company could take advantage of economies of scale. Therefore, the major modifications would be only in transportation and distributors, while promotions and the product itself can remain unchanged.

This saves a considerable amount of money, but also creates the risk of unprofitable sales if the reduce does not suit the new market.

An example of successful standardization is Coca-Cola. Anywhere in the world, all Coca-Cola sodas are standardized, with its trademark red and white cans, to its Coca-Cola zero products, they are all the same. In the sass, Coca-Cola was a huge success in the U. S and 8 other countries. Presently, Coca-Cola is enjoyed in over 200 countries worldwide. With standardization, Coca-Cola has been able to sell a product that is constant throughout their global markets, making immense profits at low production costs. This is ideally what all business want to experience.

However this is not always the case with standardization, as standardized products are in some cases rejected by the locals. Going back to the example of KEF in India, the chicken there was created using the original recipe that westerners deemed great, but unfortunately, the local Indians did not reach the same conclusion about the taste. It turned out to be unsuccessful and disliked. To simplify, standardization is a marketing tactic that can International marketing is a very complex and unpredictable process.