

I the uncertainty
which can be
overcome by

[Design](#), [Photography](#)



I agree that considering cultural difference is important for international marketing. Culture is the sum of values, rituals, symbols, beliefs and thought process that are learned and shared by a group of people, then transmitted from generation to generation. When a business starts to globalize, the first thing to consider is the cultural difference. A key to gain success in international business is to understand the role of culture. Cultural difference will have a direct impact on every sector being operated. For example, in western culture, brides traditionally wear white dresses at their wedding, but in China, Korea and some other Asian countries white represents death, mourning, and bad luck, and is traditionally worn at funerals.

So business introducing white bridal dresses in those countries definitely would not get business revenues. Having a diverse workforce will help companies to easily study the cultural difference. Diversity is a mix of people within a workforce who are considered to be, in some way, different from those in the prevailing constituency. In a workplace, diversity is an opportunity and a challenge. Different perspectives allow work teams to discuss more options to achieve better results. 1.

Controllable and uncontrollable elements are important when going international. How these elements impact international marketing? Answer: International marketing is the performance of business activities designed to plan, price, promote, and direct the flow of a company's goods and services to consumers or users in more than one nation for a profit. While making business international company needs to look at the marketing decision factors.

Marketing decision factors consists of controllable and uncontrollable elements. Marketers can control the Controllable elements are

ControllableElements: Such elements which are under control of marketing managers arecalled controllable factors. These elements are often known as ‘ marketing mix’. It includes product, price, place, promotion, firm characteristics and research. UncontrollableElements: For International Marketing the uncontrollable elements are furtherdivided into domestic and foreign environments. These are the uncertainty whichcan be overcome by doing evaluation and adapting the change as necessary.

Domestic environment uncontrollable includehome country elements that can have a direct effect on the success of a foreignventure: political and legal forces, economic climate, and competition. · A politicaldecision involving domestic foreign policy can have a direct effect on a firm’sinternational marketing success. For example, the U. S.

government placed a total ban on trade with Libya to condemn Libyan support for terrorist attacks, imposed restrictions on trade with South Africa to protest apartheid, andplaced a total ban on trade with Iraq, whose actions were believed toconstitute a threat to the national security of the United States and itsallies. In each case, the international marketing programs of U. S.

companies, whetherIBM, Exxon, or Hawg Heaven Bait Company, were restricted by these political decisions. The U. S. government has the constitutional right to restrict foreign trade whensuch trade adversely affects

the security or economy of the country or when such trade is in conflict with U.

S. foreign policy. The domestic economic climate is another important home-based uncontrollable variable with far-reaching effects on a company's competitive position in foreign markets. The capacity to invest in plants and facilities, either in domestic or foreign markets, is to a large extent a function of domestic economic vitality. It is generally true that capital tends to flow toward optimum use; however, capital must be generated before it can have mobility. Furthermore, if internal economic conditions deteriorate, restrictions against foreign investment and purchasing may be imposed to strengthen the domestic economy. Competition within the home country can also have a profound effect on the international marketer's task.

For more than a century, Eastman Kodak dominated the U. S. film market and could depend on achieving profit goals that provided capital to invest in foreign markets. Without having to worry about the company's lucrative base, management had the time and resources to devise aggressive international marketing programs. However, the competitive structure changed when Fuji Photo Film became a formidable competitor by lowering film prices in the United States, opening a \$300 million plant, and soon gaining 12 percent of the U. S.

market. Since then, the acceptance of digital photography, with Canon, from Japan, leading the market, has further disrupted Kodak's domestic business. As a result, Kodak has had to direct energy and resources back to the United States.

Competition within its home country affects a company's domestic as well as international plans. Inextricably entwined with the effects of the domestic environment are the constraints imposed by the environment of each foreign country. In addition to uncontrollable domestic elements, a significant source of uncertainty is foreign environment uncontrollable. A business operating in its home country undoubtedly feels comfortable in forecasting the business climate and adjusting business decisions to these elements. The process of evaluating the uncontrollable elements in an international marketing program, however, often involves substantial doses of cultural, political, and economic shock. The more significant elements in the uncontrollable international environment include political/legal forces, economic forces, competitive forces, level of technology, structure of distribution, geography and infrastructure, and cultural forces. A business operating in a number of foreign countries might find polar extremes in political stability, class structure, and economic climate critical elements in business decisions.

The dynamic upheavals in some countries further illustrate the problems of dramatic change in cultural, political, and economic climates over relatively short periods of time. A case in point is China, which has moved from a communist legal system in which all business was done with the state to a transitional period while a commercial legal system develops. In this transitional phase, new laws are passed but left to be interpreted by local authorities, and confusion often prevails about which rules are still in force and which rules are no longer applicable. For example, commercial contracts can be entered into with a Chinese company or individual only if

that company or person is considered a “ legal person.” To be a legal person in China, the company or person must have registered as such with the Chinese government. To complicate matters further, binding negotiations may take place only with “ legal representatives” of the “ legal person.” So if your company enters into negotiations with a Chinese company or person, you must ask for signed legal documents establishing the right to do business. The formalities of the signature must also be considered.

Will a signature on a contract be binding, or is it necessary to place a traditional Chinese seal on the document? Even when all is done properly, the government still might change its mind. Coca-Cola had won approval for its plan to build a new facility to produce product for its increasing Chinese market share. But before construction began, the Chinese parliament objected that Coca-Cola appeared to be too successful in China, so negotiations continued delaying the project. Such are the uncertainties of the uncontrollable political and legal factors of international business. Consider the level of technology and political/ legal forces as illustrations of the uncontrollable nature of the foreign environment. The level of technology is an uncontrollable element that can often be misread because of the vast differences that may exist between developed and developing countries.

A marketer cannot assume that understanding of the concept of preventive maintenance for machinery is the same in other countries as in the United States. Technical expertise may not be available at a level necessary for product support, and the general population may not have an

adequate level of technical knowledge to maintain equipment properly. In such situations, a marketer will have to take extra steps to make sure that the importance of routine maintenance is understood and carried out. Furthermore, if technical support is not readily available, local people will have to be specially trained, or the company will have to provide support. 2.

Explain the six types of non-tariff barriers and how it can benefit the infant companies and international companies. Answer: Tariff barriers: