Global youth culture a cross-border market

Life, Adolescence

Have you ever asked yourself what is it about other companies that make them so successful? The secret is that they learn how to tap their potential. Actually, all of us have the potential of being what we wanted to be, the problem is that we usually ignored it and still drive the road that is not directing us for much better success. This is the challenge in the global market today. Businesses tends to be more challenging because organization are always need to create fresh and useful ideas for their customers or else the business will fall.

The main purpose of this report, to provide a relevant presentation on the cross border market segmentation and the global youthculture. This report also provides some real businesses that made popular by young entrepreneur that proves to be a hit and has generated big attention in the global market. II. Task 1 Cross-border Market Segmentation In thisglobalizationtrend in business, companies are not only expected to run their operation focusing on the local market. Most businesses these days are starting to have its vision in the international standards of business.

The main reason is that these companies must look at the current trend and processes that are happening in the global market in order for them to perform effectively and at the same time anticipate future problems that may be encountered. Two of the most common reasons for international market segmentation aretechnologyand the internationalization of consumers. With the emergence of highly sophisticated database like Customer Relations Management (CRM), consumers have bigger chances in finding opportunities about the global market.

Ten years ago, marketing study may be more on the actual way of looking at the popularity rating of the product in such area, through eitherinterviewor survey. For the competing companies as well as for the consumers, it is easy to find out where and what company has greater market share and also most popular. But, this has still needs to be supported by the usual marketing studies as mentioned earlier. Decision makers in the organization usually have two main decisions that need to be addressed. First, what country needs to be considered for business and the other is the type of segmentation that will be needed?

From these two decisions, the company may identify what country has the highest potential for business. Applying multi-local scale of segment may enhance market performance. (Craft, S, 2004). Global Youth Culture These days, the importance of lifestyle in market segmentation has been a big factor for business. With younger consumers starting to change the global market through their creative ideas and unstable preferences, it has been the main basis for business development and marketing trend globally. Consumers' behavior continuous to change and this is currently identified as an important aspect for any businesses.

In this market segmentation concept, studying the psychographic concept is important, and this includes: social class, lifestyle andpersonalityof consumers. Lifestyle research is also useful when conducting study on demographics on the products and services. This will then be segregated by characteristics: age group, income group andeducationgroup. This kind ofphilosophywas the one adopted by Robert Keith and John McKitterick, Marketing Executive of Pillsbury and President of GE respectively. This has

proven that even before that marketing activity such as expanding its activities through customer focused is highly necessary.

But in this current cross border market segmentation trend, this kind of marketing segmentation may also face some difficulties or problems, such as conflict between short-term and long-term organizationalgoals, over-emphasis on short-term goals since sudden demand from the market will simply drive the business in performing to its customers and not looking at the long-term success, lastly is being pre-conceived with its values and priorities, since there should also be continuously study to be conducted in order for the progress to take effect for the market.

The answer to these need to be anticipated issues is to develop a mature market and this is through applying consumer behavior: (1) first identify consumers wants and needs, (2) re-aligning it to company objectives, by looking at their strength in performing the business, lastly (3) Provide an integrated strategy, the organization must look into how it can work effectively with other processes and other firms or institution, like compliance, policy, guidelines, etc. (Michman, R, 1991). Cross-border marketing segmentation may also involved trust and performance.

Trust mainly consists of the following: (1) Achieving it through effective bilateral relationship by exchanging information by partners and continuously finding effective ways on how to achieve better performance; (2) Is to provide control mechanism, which will help partners in identifying problems before it exist. Other than trust, performance is also an important component for cross-border relationship; this is because it helps partners in

their operations, most specially if the company is already established and well-known to the market. (Aulakh, P.

, Kotabe, M. & Sahay, A, 1996). Some of the key players to these changes in youth culture were mainly brought out by the culture of the industry. From cinema, to fashion, type ofadvertisement, news and even the internet has been the main source of youth's culture. United States is one nation that is greatly influence a lot in the commercial culture; youth are usually adopting latest trend instantly. This was proven in the 1998 report as the US has consumed 38. 2 billion dollars cultural goods, while far next to the US, Hong Kong, Canada and Australia has 14.

4, 6 and 3. 1 billion USD respectively. In studying global youth culture, it is also important to study how youth culture progress both in the developed and developing countries. In the developed countries, it is obviously that they have a very dominating culture and aggressive as well. Western youth culture usually would invest on something just to be known in their community like in school or with their friends. They always prefer to be in style, because it adds popularity.

There are others that would prefer to enhance this idea by not only being stylish but also stand-out in class. For the developing countries it is different as to those economically and politically rich countries of the south. That is also why majority of the youth are in the developing countries, 60% of those are in Asia and 23% are in Africa, Latin America and the Caribbean. In the developing country, youth culture are much focus on how they can sustain their studies, families are usually focus on the most important aspects of their lives, which are, food, shelter and education.

The following are the main factors to be considered in understanding global youth culture: 1. Understanding Culture 2. Understanding Identity 3. Diversity, Multiculturalism, and Hybridity 4. On the Outside – The Marginalization of the Cultural Differences 5. On the Inside – The Challenge of Consumer Culture for the youth. (Heaven, C. & Turbidy, M, 2002). Moreover, it is also true that not only global youth culture creates big changes in the global market; youth has also been influential in the development of some popular businesses of today.

Business that has provided high growth rates and opportunities such as: car customization, admission consulting, mobile technology, security and privacy, specialty coffee shops, healthcare and wellness, and the most common and always gaining popularity for youth, home entertainment. These businesses are either has provided big business opportunity for the youth but also has been very popular for them and it has been a big boost in the global economy as these emerging businesses continues to soar in the market.

(Johnson, J. 2006). Using appropriate segmentation variables, in what ways can the ' global youth' be defined? Based from the standard study of market segmentation, youth can be defined as more on the segment that focuses more on the style, behavior, social class, and personality type. These lists of psychographic segmentation variables are exactly how global youth can be defined. Global youth is a perfect example of a market that has been a driver to change and improvement for the global market.

It has given the global economy a more competitiveenvironmentas style and quality has been the trademark for this kind of market. Global youth has also

contributed to change in improving customer behavior by always finding better product for their needs. (Market segmentation – bases of segmentation, n. d.). What are the problems of researching and defining it? Same as in the general issues of the majority, which is market for loyalties and how can customers be loyal to the brand they prefer for a long period of time.

This is obviously much a higher concern for the youth. Having to introduce a product in the global market is really tough for the youth, western and eastern countries have a different needs and capacity when it comes to gadgets, but you can see that there are eastern countries and quite very surprising they would have the capacity to buy even the mush expensive brand unlike for some western countries which is easy sometimes to presume it is not that high demand. In other words the market is unstable and the problem withloyaltyis not usually being applied by youth.

Instead mostly prefer of changing preferences from time to time unless features keeps on improving. (Prince, M, 1994). What opportunities does this group present to marketers in terms of products and marketing strategies? Still with regards to opportunities, digital products will still be the most popular products for the youth. With the convenience that it provides for this kind of market, like laptops, mobile phones, and portable organizers and other more advance mobile devices.

It will still be the product to look forward into. Well, of course products that are also connected to these popular products will also be popular, like information services as well as multimedia games and leisure. This also includes latest array of learning and technological standards which will

improve the living process. Convenience and fast access to information will still be the main key of these opportunities. (Green, J, 1998).

Discuss the limitations of trying to market to such a large segment? Culture will still be the main issue that will hinder or provide certain limitation in penetrating the global youth market. Like in particular, Asian and American culture in terms of market preferences, there are some that may be in common, but still there are much more difference between these two markets and for some companies isolating the issues and challenges for each is necessary and providing a more through study is needed.

Limitations may also bring out by political, economic and even local policies within each region that will hinder the performance of business and how it can strengthen its market. (Lee, J. & Zhou, M, 2004). III. Task 2 Identify a company that is trying to satisfy the global youth market by its product offering and analyze, using marketing models and terminology, how they do this One of the most popular company that exactly do whatever it takes to satisfy the youth is Sketchers, the company from the beginning has been devoted and always look closely on the youth market.

From the styles and brands it created and carefully developed, they make sure that it is all for the liking and satisfaction of their global and picky youth market. With the company's continuous its tradition in targeting not only the young market but also adult and children market, where adults are usually enticed to buy the product and sometimes not for style or brand, but more on giving them a more youthful look, has been the main reason also why Sketcher has become a popular brand.

For the young men and women market or simply the youth, with the wide variety of brands and styles to choose from, it gives buyers a way of choosing what best product that does not only fit but also gives style and character which may depend on the buyer's preference and this is exactly what youth wants, to have a wide choice of style that may fit their character and sometimes mood as well. Building up a personality and character that will help to improve their self esteem and confidence is what also the product has to offer.

Like take for instance some of its innovativeness in designing its product like they have provided styles and brands that can be used not only for school, formal, rugged and even sporty or sometimes for outdoors, they have products in each of these groups with styles to choose from. But what amazed most buyers is that it also provides shoes for work and other purposes that will still fit for young and hippy youths. And again with wide variety of styles to choose from, like slip resistant, light occupation, steel toe, and electrical hazard.

This innovative idea still remains to focus on the importance of style and not just for its main purpose. And what adds more to its popularity is that it is always in the media when it comes to youth oriented programs and even in movies. Being supportive to sports and other important services and functions that mainly for the youth has created and increase their popularity and that on the other hand have given the company success.

This is important because, in order of making the business be acceptable and continue to provide loyalty for your target market or customers, it is important that you are there always with them and gives special attention

and support to what they prioritize. In the standard marketing study, this is a required initiatives and actions to make and that is studying your market segment and develops products that are not only useful but also environmentally friendly and also puts attention to the community.

Actually, there are a lot of companies that are also doing this kind of approach but consistencies and continuous finding new and innovative ideas stops. That is also the main reason most specially for the global youth that they do not stick for a certain brand and just stick with those very few brands that they know will follow their needs and will always be in the learning and development stage as years goes on.

What makes it a very global company and practice globalization effectively is that, it is also very careful in attracting different territorial markets, where the company also makes products that may be a fit for that area or country. But there are still some flagship brands that are distributed, like in the case of boots, these is obviously be popular to countries with winter weather and not in most Asian and African countries where definitely does not have that kind of whether.

This has created a value for the buyers also because it can only see products that are all applicable and best suited to their preference; it will just find what may be best fit for them and their character as well as their personality. (Sketchers, n. d.).

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