

STRATEGIC PLANNING IN INTERNATIONAL MARKETING

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GLOBALIZATION DRIVER

1. Market Factors

- Triad nations - USA, EU, Japan
 - Economic stability
 - Similar goods
 - Ex high-quality products
 - Highly-educated population
 - Population with good earning

2. Cost Factors

- Try to create products and services to a single style
- Try to use same marketing campaign worldwide, if possible
- Company can extend the market worldwide
- Select the countries with lower cost of production

GLOBALIZATION DRIVER

3.Environmental Factors

- Expansion of cross border business operation
- PEST
 - Politic – trade agreement between countries
 - Economic
 - Social
 - Technology
- Technology Development

4.Competitive Factors

- Companies try to expand their business to increase market share in foreign countries as much as possible
- Competitive market conditions in one country may affect business expansion in another country
- Expand to emerging market
 - Ex Hyundai expands market to Europe

GLOBAL MARKETING STRATEGY

1. Cost reduction

- Reduce cost per unit

Ex advertising, production, and shipping cost

2. Improving quality of product

- R&D, quality assurance & quality control

3. Enhance customer preference

- Customer relation management(CRM)

EX Car industry

4. Increased competitive advantage

- Having market shares in many different countries

Ex Japanese car company

INTERNATIONAL AND GLOBAL EXPANSION STRATEGIES

1. Domestic strategy

- Limited product range

2. Regional expansion strategies

- Expand to neighbor countries in the region

Ex AEC

3. Asset globalization versus market globalization

- Asset globalization
 - foreign investment
- Market globalization
 - export

ASSESSMENT AND ADJUSTING OF CORE STRATEGY

- Product positioning - Strategic business unit
Ex Products related to audio and visual of Sony
- Market/competitive analysis
 - environment
 - competitive market
 - product life cycle
- Internal analysis
 - capital
 - skills
 - staff
 - product
 - technology

FORMULATING GLOBAL MARKETING STRATEGY

1. Choice of competitive strategy – strategic business unit (SBU)

- Cost leadership
 - Advantage in production capacity
 - Disadvantage in R&D
 - lower price, product positioning, target group
- Differentiation
 - Strength in R&D
 - Higher production cost but can produce better product and sell at higher price than competitors
- Focus
 - Focus on one particular market
 - Low cost, different products

FORMULATING GLOBAL MARKETING STRATEGY (continued)

2. Country – market choice

- Selecting region
- Requires support from surrounding countries

Policy of business

- Concentration
 - Target a group of countries
- Diversification
 - market expansion
 - multi regional strategies
 - Ex Toyota invest in Asia market
- Must market
 - Important market for the success of international marketing
 - Ex Carlsberg focus on China market more than USA market
 - Emerging market
 - EX Wal-Mart expand market to Latin America

FORMULATING GLOBAL MARKETING STRATEGY (continued)

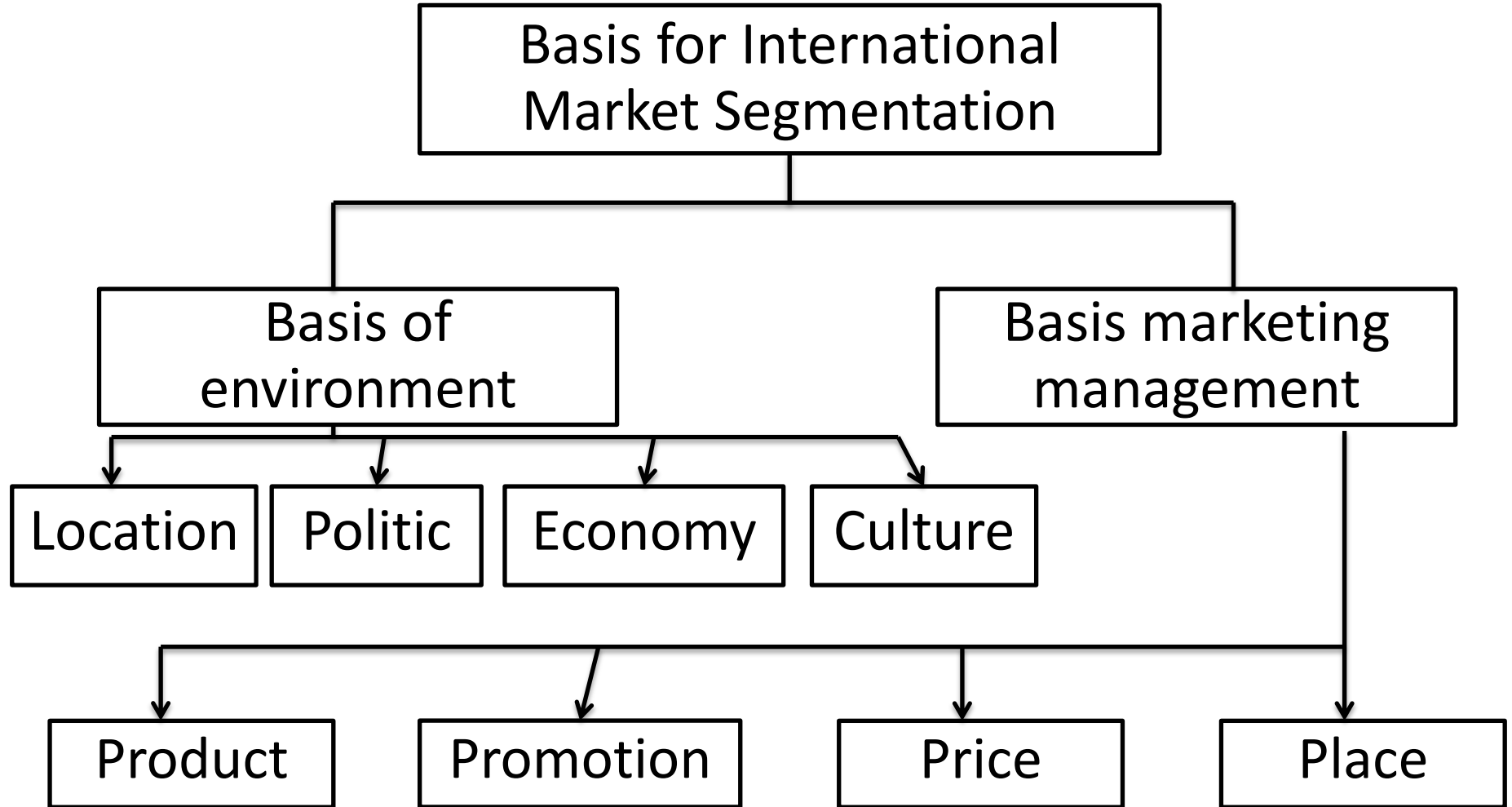
3. Segmentation

- Clear target ground

Ex homogeneity (large target group), Social network, middle class

- Integration

BASIC FACTORS FOR INTERNATIONAL MARKET SEGMENTATION



GLOBAL MARKETING PROGRAM DEVELOPMENT

- Products that contribute to global markets
 - Standardization
 - customize product to suit the consumer need
- Access to global market
 - 4P development
- Choosing factors that contribute to the productivity advantages
 - cost of production
- Synchronize marketing plan for global market competition
 - international marketing plan
 - cross-subsidization of markets

IMPLEMENTING GLOBAL MARKETING

- “look globally, think locally” - Globalization
- Organizational structures
 - Coordination between branches in each county with Head quarter
- Corporate culture
 - Understand the goals and policies of the organization