



Global Marketing Strategies

Marketing Strategies for Going Abroad

What You Will Learn...

- 3 marketing strategies when selling abroad:
 1. Globalization
 2. Adaptation
 3. Customization
- Risks and challenges of each strategy
- Examples of successful strategies
- Failures

Review

- What does PEST stand for?
- **P**olitical, **E**conomic, **S**ocio-cultural, **T**echnology

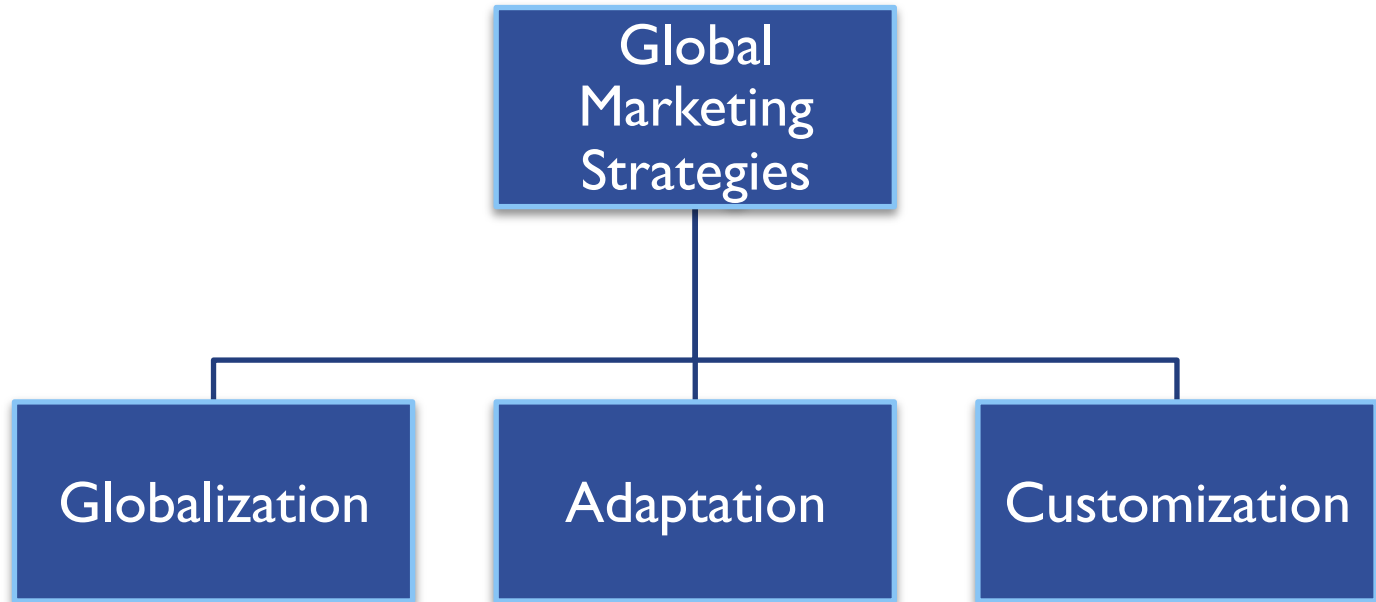
- What is a PEST analysis used for?
- Gain a better understanding of potential opportunities or threats to a company

Global Marketing Strategies

- When selling abroad:
 - Consider the 4 P's
 - Conduct a PEST analysis
 - Explore the 3 global marketing strategies



3 Global Marketing Strategies:



Globalization

- **Globalization:** Selling the same product and using the same promotion methods in all countries
- Mass marketing on a global scale
- Very few products will succeed-Why?

Globalization Benefits & Challenges

- **Benefits:**

- Global brand recognition
- Reduced marketing costs
- Design one logo
- Design one ad campaign

- **Challenges:**

- Difficult to translate words and phrases
- Meanings are perceived wrong

Successful Globalization Examples

- **Coca-Cola:**
 - Offers the same version of their products
 - Runs the same ad campaigns in different countries
- **Microsoft:**
 - Basic applications are the same
 - Offer in different languages
- **Internet search engines**

Adaptation

- **Adaptation:** Make changes to an existing product or promotion to suit the characteristics of a country or region
- Two types of adaptation:
 1. Product Adaptation
 2. Promotion Adaptation

Types of Adaptation

Product Adaptation:

*Change name, brand
or ingredients

*Meets specific needs
or cultural differences

Promotion Adaptation:

*Change advertising
message

*Reflect values,
familiar images,
cultural differences, or
government
regulations

Adaptation Benefits & Challenges

- **Benefits:**
 - Addresses specific cultural tastes and interests
 - Products are more accepted
- **Challenges:**
 - Increase in marketing costs
 - Increase in research and development

Product Adaptation Example

- Unilever's Sunsilk hair products:
 - Called *Seda* (means silk) in Latin America
 - Ingredients are formulated to match hair types and styles in different countries



Promotion Adaptation Example

- McDonalds:
 - Must use adults in its advertising in Sweden
 - Advertising to children is prohibited



Customization

- **Customization:** Creating specifically designed products or promotions for certain countries or regions
- Each geographical area is a unique market segment

Customization Benefits & Challenges

- **Benefits:**

- Reach a specific market with new products and promotions
- Creates excitement and interest

- **Challenges:**

- Increased costs
- Time (research and development)
- Risky

Customization Example

- Coca Cola:
 - Creates drinks solely for the Chinese market
 - Yuan Ye “Original Leaf”
 - Ready-to-drink tea
 - Incorporate herbs used in Chinese medicine



Summary

- Must consider the following before going abroad:
 - 4P's
 - PEST analysis
 - Marketing strategies
- 3 global marketing strategies:
 - Globalization
 - Adaptation
 - Customization

Failures...

- Find your group's poster, read the scenario and write the answer to the question
- You will share momentarily with the class