

Introduction to Global Marketing

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Key concepts, benefits, challenges, and steps for entering international markets

1. What Is Global Marketing?

Aspect	Definition
Scope	Planning, pricing, promotion, and distribution of products/services across multiple countries.
Goal	Create a consistent brand experience while adapting to local market conditions.
Difference from International Marketing	<i>International</i> often treats each foreign market separately; <i>global</i> seeks integrated strategies that leverage economies of scale and a unified brand image.

2. Why Companies Go Global

Motivation	Typical Benefits
Market Expansion	Access to larger customer bases, higher sales volume.
Diversification	Reduces dependence on a single domestic economy.
Economies of Scale	Lower unit costs through larger production runs.
Access to Resources	Raw materials, talent, technology, or favorable regulatory environments.
Competitive Advantage	Early entry can establish brand leadership; following competitors may be necessary to maintain market share.

3. Core Elements of a Global Marketing Strategy

1. Market Research & Segmentation

- Use secondary data (trade reports, World Bank, UNCTAD) and primary data (surveys, focus groups).

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- Segment by **geography, culture, income level, consumer behavior, or product usage**.

2. Targeting & Positioning

- Decide between **standardized** (same positioning everywhere) vs. **localized** (adjusted to local values).
- Craft a **global value proposition** that can be tweaked for cultural relevance.

3. Product Strategy

- **Standardization**: identical product features, packaging, branding.
- **Adaptation**: modify specifications, flavors, sizes, labeling to meet local regulations or preferences.
- **Hybrid**: core product stays the same, but ancillary elements change.

4. Pricing Strategy

- Consider **cost?plus, competition?based, and value?based** pricing.
- Adjust for exchange rates, tariffs, taxes, and purchasing power parity (PPP).

5. Distribution (Place) Strategy

- Choose **direct** (own subsidiaries, e?commerce) vs. **indirect** (agents, distributors, joint ventures).
- Align logistics with local infrastructure and customs procedures.

6. Promotion & Communication

- Decide on **global advertising** (same message worldwide) vs. **local advertising** (tailored messages).
- Leverage **digital channels** (social media, search, influencer marketing) that transcend borders, but respect local platform popularity and regulations.

4. Standardization vs. Adaptation Debate

Factor	Standardization (Pros)	Adaptation (Pros)
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Cost	Lower production, marketing, and R&D costs.	Higher relevance ? potentially higher sales.
Brand Consistency	Uniform brand image, easier global recognition.	Flexibility to align with cultural nuances.
Speed to Market	Faster rollout of campaigns and products.	Slower due to local testing and modifications.
Regulatory Compliance	May not meet local legal requirements.	Ensures compliance with local laws (e.g., labeling, safety).

Typical approach: “**Glocal**” – a global framework with local adaptations where needed.

5. Major Challenges in Global Marketing

Challenge	Description	Mitigation Strategies
Cultural Differences	Language, values, buying habits	