

**DON STATE TECHNICAL UNIVERSITY**

**International Economy and  
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# **Introduction to International Marketing**



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# Global Trade

For quite a long time, global trade has grown faster than world output and the trend is likely to continue in future.

During the past few decades the focus of a Marketing Manager was only on his product and the ways to improve the product to make it better than the competitors.



# Global Trade

**The objective of a firm was only profit making.**

## Consumer oriented

The marketers are supposed to understand the consumers , identify their needs and preferences and satisfy them, now it is consumer oriented and not only product oriented.



# History of International Business

International trade is not new;

- Archeologists have found Stone Age trading objects that were carried over long distances.
- One of the oldest continuous trading routes is the Silk Road.
- This is a series of trails and sea routes that allowed trade between China and Middle East.



# Process of Marketing

- Marketing is conceived as an integral part of two processes:

**Technical process**

**Social process**



The Technical process of a marketing activity includes non human factors i.e. 4p's of marketing

- **Product**
  - **Price**
  - **Place**
- **Promotion**

In this context home marketing and International marketing are considered same.



# Social process

As against this the social process of a marketing activity involves human elements namely the behavior pattern of consumers and the given characteristics of society such as custom, attitudes, values etc. it is here the domestic and international differ the reason for being human behavior is not similar.



# Marketing – a universal discipline

Marketing is a set of concepts, tools, theories, practises and procedures and experience . Together these elements constitute a teachable and learnable body of knowledge.







# International Marketing

- “International Marketing consist of analyze, planning, implementation, coordination and control market orientated company activities in more than one country.”
- International marketing means the global view to the market with the instruments of the marketing mix.



# International Marketing

- IM is simply the application of marketing principles to more than one country.

# The role of International Marketing



- International trade does more than just bring cheap products to consumers.
- International trade improves the world's economy.
- Countries that trade together are much less likely to go to war.
- They have shared interests and economic ties.
- The U.S. economy is the largest in the world with a gross domestic product of more than 10 trillion USD.
- The gross domestic product (GDP) is the total value of all goods and services produced in an economic region.

# Problems in doing International Business

- Access to finance
- Policy stability
- Inadequate supply of infrastructure
- Government inefficiency
- Corruption
- Inflation
- Foreign currency regulations
- Tax rates
- Tax regulations
- Crime
- Labor restrictions



# Benefits of International marketing

- Survival
- Growth of Overseas Markets
- Sales and Profits
- Diversification
- Inflation and Price Moderation
- Employment
- Standards of Living
- Understanding of Marketing Process



- Areas of study within this topic include differences in legal systems, political systems, economic policy, language, accounting standards, labor standards, living standards, environmental standards, local culture, corporate culture, foreign exchange, tariffs, import and export regulations, trade agreements, climate, education etc.



# International Marketing Managers

- Managers in international marketing must understand social science disciplines and how they affect all functional business fields.
- In order to succeed, they must understand the philosophic value system, the history, the reasons for alliances and the changing trends in all aspects of business all over the world.



# Global drivers of International marketing

IM is growing in importance for a number of reasons. The world is getting smaller, not only because of jet travel but also because of **advances in technology**.

The **internet** now connects customers to businesses around the world.

New **transportation systems** make shipping fast and efficient.

New market opportunities exist due to the fall of the Iron Curtain, the opening of trade in China and the economic development of new markets such as South America, Africa and Southeast Asia.





# What is Global marketing

- **Definition:** GM refers to marketing activities coordinated and integrated across multiple country markets.

# Differences between International marketing and Global Marketing

- Most people out in the field will say they mean the same thing.
- But we do actually see a slight difference,
- Here's an example of Global marketing
- Here's an example of International marketing

# Differences between International marketing and Global Marketing

## **McDonald's slogan:**

**USA: I'm loving'**

**France: C'est tout que j'aime**

## **NIKE's slogan:**

**USA: Just Do It!**

**France: Just Do It!**

# Differences between International marketing and Global Marketing

Nike is just flying around the planet and its own speed.

And McDonalds is a bit closer down to the people in each country.

# Examples of Global marketing

- Brand name: Coca-Cola (U.S.)  
Philip Morris (U.S.)  
DaimlerChrysler
- Product design: McDonalds (U.S.)  
Toyota (Japan)
- Packaging: Gillette (U.S.)
- Distribution: Benetton (Italy)

# Globalization

It is the process of social, political, economical, cultural and technological integration among countries around the world.

Environment factors:

- Trade systems
- Economic conditions
- Political-legal and cultural conditions.



**Thank you for your  
attention**

