

EXPORT MARKETING

the essential Part of International Marketing

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Orientation of firms involved in International Marketing activities

Domestic market orientation

Export market orientation

Global market orientation



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.



Basic marketing questions related to export:

- **Do we really want to export on foreign markets?**
- **Do we already export on foreign markets?**
- **- Where? What? Whom for? How?**
- **How to increase sales turnover on foreign markets?**
- **How the export opportunities come up?**
- **Do we really know our current foreign business partners?**
- **Do we know why they do the business with us?**
- **Are we pro-active in seeking new foreign business partners?**
- **Do we know how much it costs to get new foreign business partner?**
- **Are we really decided to export on foreign markets?**



Differences between domestic marketing and international marketing

Domestic

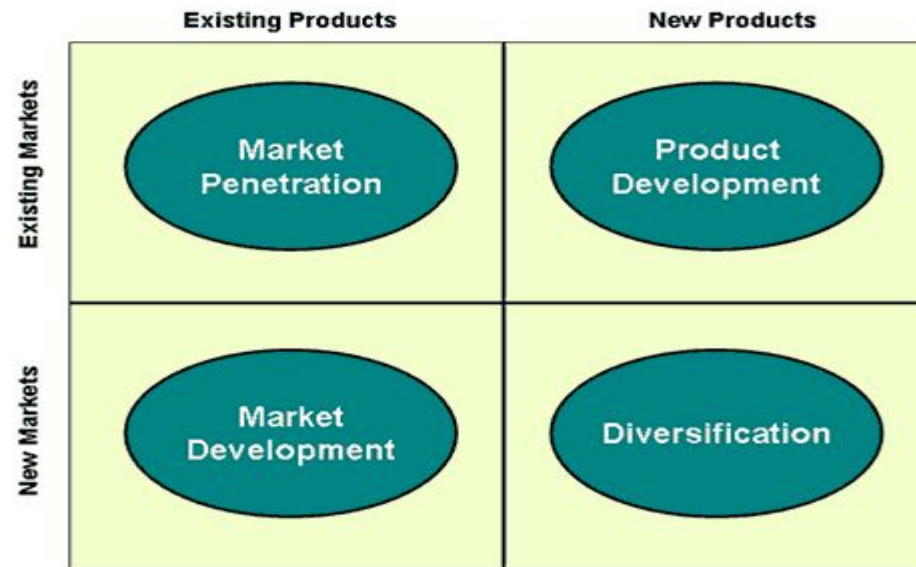
- Research data is available in a single language and is usually easily accessed
- Business is transacted in a single currency
- Head office employees will normally possess detailed knowledge of the home market
- Promotional messages need to consider just a single national culture
- Market segmentation occurs within a single country
- Communication and control are immediate and direct
- Business laws and regulations are clearly understood
- Business is conducted in a single language
- Business risks can usually be identified and assessed

International

- Research data is generally in foreign languages and may be extremely difficult to obtain and interpret
- Many currencies are involved, with wide exchange rate fluctuations
- Head office employees might only possess an outline knowledge of the characteristics of foreign markets
- Numerous cultural differences must be taken into account
- Market segments might be defined across the same type of consumer in many different countries
- International communication and control may be difficult
- Foreign laws and regulations might not be clear
- Multilingual communication is required
- Environments may be so unstable that it is extremely difficult to identify and assess risks

Advantages of export marketing

- It's the opportunity to great profits in a bigger market (strategy Market Development)
 - see Ansoff matrix



- If you have decided on an export policy, you will need to build into your Marketing & Sales Plan



Advantages of export marketing

- **Your product or service might suit foreign markets better than your home market**
- **Exporting is a precaution against a decline in your own economy**
- **It is also a precaution against fluctuations in sales in the home market due to seasonal variations in demand**
- **You may have definite selling advantages if changes in the currency exchange rate make your currency weak against the currency of your customers**
- **Your product in different conditions may take on innovations that may result in a better article**
- **There is a prestige value in selling abroad and it will help your advertising, promotion and goodwill (bank's approach in lending)**



Potential problems in export marketing

- Your customers may be confronted with a product which is new to them
- There is the high costs of Exporting to consider - travel, management time, Agent's fees, shipping goods, duty, import licenses, the problems with paying (collection of debts) etc.
- You will need to have a sound knowledge of export regulations, product standards in abroad, technical norms and modifications (e.g.voltage 220/110)
- Presentation need great care, whatever your export must be suitable for local conditions and customs (instructions in more than one language)
- Fluctuations in the exchange - rate may be unfavorable to your business (RUS/EUR)
- There is a huge amount of paper work involved in Exporting and special know-how of sales manager



THANKS FOR YOUR ATTENTION!

