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?
  - Political, Economic, Socio-cultural, Technology

- 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
- Adaptation
- Customization
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