**International Marketing**

This unit enables learners to understand the requirements of international marketing, in particular, the financial considerations to be taken into account in entering and operating in international markets. Learners will also be able to develop an international marketing strategy and understand the implications and requirements of international marketing communications

**Indicative Content**

**1. Understand the implications of international marketing for organisations**

International market research

* Validity of data produced in developing markets; international marketing information systems and their integration into organisation-wide systems; suitability of different marketing research methods in an international context; use of environmental scanning tools in an international context

Resource investment

* Advantages, disadvantages and requirements of different methods of market entry; international agencies; multinational trading groups; role of UKTI, BIS and international development agencies in overseas trade; accommodation; availability of local labour and skills; international logistics, distribution networks and environmental/political conditions affecting them

Business case

* Reasons for market entry; associated issues; nature, size and maturity of local markets; barriers to success, return on investment. Start-up and ongoing costs; methods of financing international marketing; sources of finance; availability of local incentives; international insurance; multinational financial systems. Design of pricing structures; exchange rates and options; international insurance; shipping and import costs; factors affecting financial risk and their strategic implications: e.g. market conditions, customers’ creditworthiness, local government involvement in the economy; identification of financial risk; risk maps; financial risk treatment options; risk management in an international context (identifying issues, range of risk treatment options); local laws; foreign monetary policies and reducing exposure; risk sharing options; Suitability of different risk treatment options; role of foreign exchange markets; arbitrage; spot and forward exchange rates; hedging.

**2. Understand how to develop an international marketing strategy**

Nature of the market

* Local economic and political conditions; impact of foreign business cultures on local communities; ethical considerations; potential for friction between local marketing objectives and strategies and corporate objectives and strategies; history of the market

International marketing methods

* Strategic international marketing planning; factors affecting the selection of marketing methods in an international context e.g. need for local endorsement, availability of technology and distribution networks, relationship management considerations

Local conditions

* Size and nature of the local market; presence and reputation of local and international competitors and rival products/services; local sensitivities; suitability of management styles for locally recruited employees; delivery models e.g. joint ventures, franchising and licensing, agents

Operational considerations

* International market segmentation, targeting and positioning; international marketing mix; standardisation v adaptation in the international marketing mix; organisational structures, locus of decision making powers and their potential impact; management control (centralised v decentralised)

Legal considerations

* Implications for marketing, product; materials, safety, branding. Promotions; cultural regulations, restrictions. Distribution; PDM, use of agents. Market research. Pricing; tariffs

**3. Understand the requirements of international marketing communications**

Marketing communications

* Culture, ethics, local beliefs and practices; language issues; need for acceptance by community leaders and influencers; cultural and advertising taboos

Role of technology

* Integration of country marketing information systems into an international marketing information system; availability, reliability and functionality of technology; alternative methods of marketing communications

Implications and requirements

* Implications of cultural and language factors on operational management (e.g. recruitment and training of staff); availability and sophistication of local facilities to support sales and marketing communications strategies and activities

Glocalization

* Globalization and glocalization; advantages and disadvantages of glocalization; Brooks & Nomore; Govindarajan and McCreary