

## GLOBAL MARKETING -STRATEGIES AND IMPLICATIONS

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### ABSTRACT

Global marketing strategies are essential for global market success. Global marketing is defined as the process of adjusting the marketing strategies of own company to adapt to the conditions of other countries. If a business chooses not to extend internationally, it can face domestic competition from international companies that are extending their international presence. International marketing involves the marketing tactics adopted by knowledgeable marketers in different countries specific to the markets of those countries. Global marketing, on the other hand is a marketing concept which involves the marketing efforts put in for the unique worldwide market (S. Zyman,2000). Competing on a global basis allows customers worldwide to be better-informed and more focused on the products and services offered. Creating a comprehensive global marketing strategy also allows to the company to adapt quickly wherever needed based on customer demands and trends in the global marketplace. A company which fails to go global is about of losing domestic business to competitors with better products and more value for the customer. This paper explains the global marketing in general. Furthermore, importance, problems, and objectives are going to be explained. Global marketing is very important for internationalization of the business and preparing a good strategy for it. The advantages of global marketing are: reduction to cost inefficiencies and of duplication of efforts between national and regional subsidiaries, opportunities to transfer products, brands and ideas to other subsidiaries, appearance of global clients, improvement of ties between national infrastructures, leading to development of a global marketing infrastructure etc. This paper proves that global marketing is more than simply selling a product internationally. It includes the whole process of planning, producing, placing and promoting a company's products in a worldwide market. The research method used in this paper is theoretical. The conclusion in this paper emphasizes that companies engaging in global marketing operations are facing number of very important strategic decisions. Globalization has become a multifaceted term requiring companies to carefully monitor their markets.

**KEYWORDS:** International, Global, Marketing, Strategy

### 1. INTRODUCTION

Globalization requires firms to respond quickly in an ever-changing environment and necessitates a rapid and accurate response for both internal and external efficiency (Wasilewski, 2002). Global marketing involves planning, producing, placing, and promoting a business' products or services in the worldwide market. It is a process of conceptualizing and subsequently conveying a final product or service globally. The company aims to reach the international marketing community.

Global marketing is a specialized skill. If marketing professionals do their job properly, they can shift their company to the next level (W.J. Keegan, 2007). For companies that produce and sell products and services that have universal demand, global marketing is crucial. Food, smartphones, and cars, for example, have universal demand. In other words, people all over the world want and buy them. Marketing refers to analyzing the market, finding out what consumers want, and determining the right price. Global marketing can be defined as "marketing on a worldwide scale, in different countries, reconciling or taking commercial advantage of global operational differences, similarities, and opportunities in order to meet global objectives.

Basically, when a firm sells the same products to the global market, then it is known as Global marketing. Companies should sell products which are globally marketed and not customized as per the market that are being sold in. Many multinationals have offices abroad in various countries. Currently,

with the expansion of the internet, even small organizations can reach a global audience in a small amount of time and little investment. Global marketing is defined as the process of adjusting the marketing strategies of your company to adapt to the conditions of other countries.

Of course, global marketing is more than selling own product or service globally. It is the full process of planning, creating, positioning, and promoting your products in a global market. Big businesses usually have offices abroad for countries they market to. If a business chooses not to extend internationally, it can face domestic competition from international companies that are extending their international presence. The presence of this competition almost makes it a requirement for many businesses to have an international presence.

According to the research of Dev, Brown and Zhou (2007), the decision to enter into a multinational or global market entails an opportunity to take full advantage of the company's strengths while simultaneously benefiting from the market conditions and available resources. Utilizing a specific global market strategy that encompasses ways to overcome barriers to entry and showcases the best of the organization is essential for company's success in today's competitive global marketplace (Dev, et al, 2007; Harrell and Kiefer, 1993).

## 2. IMPLICATIONS

Global marketing is never as easy as marketing in the domestic region. There are a number of problems that global marketing brings along when any company starts to pursue it. There are a lot more dynamics that can be uncertain and challenging compared to the national market. The diversity in cultures and political realities in different regions of the world create plenty of obstacles for a company trying to market in a new region. Some problems that any company faces when they are pursuing a global expansion are: tariffs, administrative policies, diversity, political environment etc.

In business, companies are always competing with each other to remain the leader in the industry. Companies want to have a competitive edge over others in the business. Global Marketing is at point, where they need to make some changes to their organizational structure to remain competitive in the market. This paper will evaluate the issues and opportunities facing Global Marketing in their goal to become a global leader in the industry. First look at the situation Global Marketing is facing, is to better understand opportunities and issues.

The more critical issue for the survival of any global retailer is whether it has its own strategic advantages over its competitors to meet the dynamics of domestic and global markets. Expansion into a global market strategy is crucial for success because competition is increasing and the overseas market creates a profit potential (Moon, 2005).

The major objectives of international marketing are outlined as follows: to enhance free trade at global level and attempt to bring all the countries together for the purpose of trading, to increase globalization by integrating the economies of different countries, to achieve world peace by building trade relations among different nations, to promote social and cultural exchange among the nations, to assist developing countries in their economic and industrial growth by inviting them to the international market thus eliminating the gap between the developed and the developing countries, to assure sustainable management of resources globally, to propel export and import of goods globally and distribute the profit among all participating countries, to maintain free and fair trade.

Global marketing is defined as the process of adjusting the marketing strategies of each company to adapt to the conditions of other countries. Companies evolving towards global marketing are actually quite gradual. The first stage has the company concentrating on the domestic side, with its activities focused on their home market. Stage two has the company still focusing domestically but has exports. By stage three, the company has realized that they need to adapt their marketing geared towards overseas. The concentration moves from multinational. Thus, adaption has become crucial. The fourth and last stage has the company creating value when it extends its programs and products to serve worldwide markets. Definitely, there are no definite time periods to this evolution process ( H.P.Bech,2015)

The research of global marketing was to find out what consumers want and planning how to produce those products. However, the term global means doing this task on a much larger scale. Instead of finding out what consumers want locally or nationally, the companies should be learning what consumers want all over the world. Companies should also learn that in order to conduct the global market research, will use a variety of tools such as surveys, trials, and observations, to name a few. These tools will help to better understand what the needs are for customers all over the globe. A good example is vehicles (M.R.Czinkota,2012). While vehicles are used globally, not all places want the exact same vehicle. Customers and their preferences are different all over the world, and so are their needs. And in order to meet those needs and actually provide products consumers will buy, the companies should use global market research.

Another importance of global market research is understanding that just like customer needs are different, so are the ways to reach the customer. What this means is that some marketing strategies work in some countries, while other countries need something more tailored to their area of the world. For example, a price for a shirt in the United States may be significantly different than a price for a shirt in Germany. Thus, in order to be successful in selling the shirt, global market research can show what an appropriate price might be in each country. Gathering enough information is important to learn what customers need and what they are willing to purchase.

### 3. BENEFITS OF GLOBAL MARKETING

There are many **benefits of global marketing**, when it is done right.

First, it can **improve the effectiveness of the product or service**. This is because the more company grows, the more learns, and become more effective at producing new product or service offerings.

Second, the companies are able to have a **strong** competitive advantage. It is easy enough for companies to be competing in the local market. But there are very few companies who can do so on the worldwide arena. Hence, if company can compete in the worldwide market and the competitors cannot, the company have become a strong force in the industry.

Third, while **increasing consumer awareness of own brand** and product or service through the internet, consumers can keep track of the progress in the world.

Finally, global marketing can **reduce the costs and increase the savings**. In focusing on other markets, the company can attain economies of scale and range by standardizing own processes – not to mention the savings when you leverage the internet. (G. Albaum, 2016)

#### 3.1 Global Marketing Strategies

Global marketing strategies are actually important parts of a global strategy. In order to create a good global marketing strategy, the company must be able to answer:

1. “What is trying to achieve on an international market?”
2. “What are the company’s strengths and weaknesses for that market?”
3. “How can company counter challenges in the market?”
4. “What potential will the company have in this market?”

Moreover, a good global marketing strategy incorporates all the countries from all regions of the world and coordinates their marketing efforts accordingly. Of course, this strategy does not always cover all the countries but should be applied for particular regions. (W.J. Keegan, 2007) As a whole, these two are the most well- known global marketing strategies used by companies expanding internationally. 1. Create a consistent and strong brand culture. Creating a strong and consistent brand that always seems familiar to customers is a priority for companies growing internationally.

With the ever-more rising and expanding internet, brand structure has become more of a brand culture. To be more specific, it has become more prevalent nowadays that the brand that the company supports reflects own culture. It can be damaging if compromises the brand culture. For example, Google found out the hard way when it launched a self-censored search engine in China, even though

China subjects its new media to government blocks. Google's brand has been known to make the world access information at any time. How can Google set up something in China against its own culture? As a result, customer backlash versus Google was substantial. (B.D. Kellor, 2009) 2. Market as if there were no borders. Due to the proliferation of digital platforms, brands cannot always adopt different strategies per country. In a way, due to the internet, companies have to adopt a marketing approach that is more or less unified.

### 3.2 Global Marketing Communications

In order to develop your campaign globally, there are a few things it should be kept in mind:

**Know own Market-** As soon as the company decides to extend own marketing worldwide, need to have to understand the context of where will be working. Every region has various behaviors and norms as it deals with marketing messages; how people would like to be contacted; and what is appropriate for that place, and the like. Managers need to make sure that research will explain how the market will respond to the marketing strategy, so the company can get much leverage from new market.

**Create a Marketing Plan-** Becoming successful worldwide is not merely altering own language. Companies need to have to make own global marketing plan consistent with own local efforts. Yet it still needs to be customized, according to the regional knowledge. Once the company has an insight of the global environment, draft a marketing plan that details the actions.

First, identify the objectives and goals. As soon as that has been established, to draw a map that covers the overall strategy and techniques to attain those objectives.

**Tailor Fit the Approach-** Managers must keep in mind that what may have worked for one local audience may not translate as well to other foreign audience. Companies need to adapt own initiatives to the audience, giving a tailor fit experience. Definitely, what works for one country may not work for another.

**Localize Communications-** It is not only relevant to know the language and cultural hurdles and adjusting your communications for every market, it is also critical to know all the cultural references and relevant holidays and events. Companies need to create a more personalized experience.

## 4. ISSUES AND BARRIERS

The research of Amin and Hagen (1998) denotes barriers to entry for the companies, citing the following: Lingley, R 7 IB5013 11 productivity, investment, international trade, political legal environment, education and technology among the barriers to global market strategy. They further note that strategic alliances, partnership, and cooperation must be central to the global success of such firms (Amin and Hagen, 1998). Companies, especially their marketing teams, often face the following issues and mistakes when expanding worldwide. These can become hurdles in achieving international success:

**1. Non-Specification of Countries.** Many business persons usually think of foreign markets vaguely, like they want to shift to Asia or they want to increase their growth by offering their products to Europe. It is problematic to take things too simply. Europe can mean the European Union, Western Europe, Eastern Europe, and so on and so forth. Consumers always identify themselves at the local level and marketing teams have to remember that each country has its own norms, laws, payment types, and particular business practices. By being specific in the start, companies can prioritize the markets they want to get into, generate a staffing plan, and allocate the budget. These are all important for a business to attain its global objectives (P. Kotler, 2014).

**2. No Focus on Internal Information.** Companies need to conduct specialized and complicated market research when they are going to create a global market entry strategy. They need to consider the potential opportunity in the market, how easy or hard it would be for the business to work in that market, and how successful you already are in the market.

**3. Lack of Adaptation of Sales and Marketing Channels.** Most Western companies think that they can go into new markets by doing the same things that brought them success domestically. As previously mentioned, it is important to have brand consistency, but differing markets would like particular

marketing approaches. Moreover, marketers have to consider at which channels it would be best to market, based on market behavior. Hence, the companies need to check which channels give you the best results through market research.

4. **No Adaptation of Product Offerings.** Business can only attain a fit between their product and the market one at a time. However, more often than not, businesses attempt to launch the same products in varying markets. In essence, they are ignoring that they are interacting with a different set of consumers. Case in point, if a tech company sells a similar product abroad that it sells domestically and if the new customers do not know the advanced features of the product, the company could be in trouble. Alternatively, the company should begin with the basic version.

5. **Non-Usage of Local Team Leads.** Perhaps one of the usual mistakes companies make in global marketing is failing to consider the input of strong and competent employees in their foreign markets, especially when establishing strategic decisions. These individuals are significant because they know their country and your company. Since one of the biggest issues businesses face when including local input is communication, the marketing team must have a system that guarantees that local perspectives are gathered and distributed often.

6. **Lack of Knowledge on Global Logistics.** Marketers often make use of software that allows them to publish website content, send email, publish updates on social media, and accomplish other marketing-related activities. However, these tools do not always support each market. Marketers have to guarantee that they could market to customers in the countries they are entering. They should consider how to display the local currency, how to email consumers in particular time zones, and how to support the languages of the consumers. Europe is in prime position when it comes to global trade. Europe has achieved a strong position by acting together with one voice on the global stage, rather than with separate trade strategies. Europe has become deeply integrated into global markets. Thanks to the ease of modern transport and communications, it is now easier to produce, buy and sell goods around the world which gives European companies of every size the potential to trade outside Europe.

## 5. CONCLUSION

Any company engaging in global marketing operations is faced with a number of very important strategic decisions. At the outset, a decision in principle needs to be made committing the company to some level of internationalization. Increasingly, firms will find that the presence of a strong global logic demands that global marketing must be pursued for competitive reasons and that it is often not an optional strategy. Once committed, the company needs to decide where to go, both in terms of geographic regions and specific countries.

Globalization of many industries today is a fact. Some companies have no choice but to become globalized; once key competitors in their industries are globalized, other firms must follow. This leads to a rethinking of the strategic choices and inevitably will lead to new priorities. Globalization is not simply a new term for something that has existed all along; it is a new competitive game requiring companies to adjust to and learn new ways of doing business.

For many companies, survival depends on how well they learn this new game. As we have seen in this project, globalization has become a multifaceted term requiring companies to carefully monitor their markets. Globalization may occur in several parts of a firm's business and may require different responses whether it occurs at the customer, market, industry, or competitor level. As a result, there are many types of generic global marketing strategies a firm may choose from, moving the fundamental choice away from whether a global marketing strategy should be pursued toward which global marketing strategy should be adopted.

The importance of global marketing is great because it allows companies to increase the awareness of their brand around the world, increases their competitive advantage and could even be a not so expensive undertaking. When companies begin to offer their products and services on a global scale, they quickly learn that it was only their doubt and fear of failure that was holding them back.

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