

International Marketing: Challenges and Success in Global Age

Dr. Jayashree Nagorao Kolhe

Assistant Professor, Arts, Science and Commerce College, Badnapur, Dist. Jalna, (Maharashtra State) e-Mail: kolhejn@gmail.com; Contact No.+91 9403412464

ABSTRACT

International Marketing plays an important role in accelerating the business and trade in the world. Without this no country would be able to make economic development. Each country has its own business hub still every country has to depend upon another country for soft communication, cultural, political, social, economic interaction.

KEYWORDS: Transfer of technology, Key drivers, Objectives, Features of International Marketing Opportunities and Challenges.

INTRODUCTION:

Due to globalization, exports have become vital for economic development. The world itself has become global village. No country remained isolated from the vest of the world. Though every country is independent still it has to depend upon other country for variety of transaction, trade and communication. International Marketing is the door to interact with one country to another. It calls for identifying needs and requirements of overseas buyers and meeting them.

Marketing must still be regarded as both a philosophy and a set of functional activities. Philosophy includes customer satisfaction, planning and organizing activities to meet individuals as well as organizations objectives. In other words marketing includes a set of operational activities, selling, transporting market research, advertising, product development activities.

RESEARCH PROBLEM:

Globalization gives numerous opportunities for international marketing. What makes international marketing success is the reality to think and evaluate.

SOURCES OF DATA:

Mostly the secondary data is used. It is collected by secondary sources such as websites, books, and articles.

OBJECTIVES OF THE STUDY:

1. Establishing and strengthening trade relations among the nations.
2. To facilitate and encourage social and cultural exchange among different countries of the World.

3. To establish trade relations and to strengthen them.
4. To strengthen the economy of India, country of different languages.
5. To support in the benefits of comparative cost advantages through participation process to all Countries.

WHAT IS INTERNATIONAL MARKETING?

1. According to the American Marketing Association (AMA) international marketing is the multinational process, planning and executing the conception, pricing, promotion and distribution of ideas, services and goods to create exchanges that satisfy individual and organizational objectives.
2. According to Tersptrq and Sarthy, “International Marketing consists of finding and satisfying global customer needs better than the competition both domestic and international and of coordinating marketing activities within the constraints of the global environment.

International Marketing, also known as Global Marketing, is the process of marketing your product or services outside of your home country.

Effective international marketing can increase customer bases, revenue growth and diversify a brand's overall market presence. The digital age and the power of social media has made international growth more accessible than ever. This is illustrated in the following diagram.



The key drivers of International Marketing are:

1. **The Liberalization of Market:** The liberalization of economic policies has been a key driver to open up the great number of economic opportunities. E- Commerce platforms are giving opportunities to all. One needs to have a high quality of product, a right business strategy.
2. **Free Trade:** A large number of trading blocs in the form of Free Trade agreements provides a large contagious economic area where goods and services are exchanged.
3. **Tax Advantage:** In some countries they are incorporating zero tax (e.g. Singapore and Cyprus have zero corporate tax). Thus inviting firms from the world to set up businesses. These firms leverage transfer pricing mechanism to evade tax by setting up headquarters in tax - heaven nations.
4. **Growth in Market Share** – Firms are increasingly exploring marketing opportunities for increasing their market share and resultant economic returns including higher profitability from International Marketing operations.
5. **Technology and Communication:**
Day-by-day technology is upgrading coming into force. The improvements in information and communication technology coupled with ever declining costs are driving to explore business opportunities internationally.
6. **Cultural Exchanges:** Cultural exchanges drive companies to make the business worldwide. For instance, a large number of Indians are working in Gulf Countries. Therefore demands of Indian goods in gulf region is increasing. Herbal products and restaurants are in high demand in Gulf Regions.
7. **Changing Demographics:** Changing demographics with migration of people from one part of the world to another is driving firms to explore available 170 international business functions.

Features of International Marketing:

International marketing is an important aspect as it uses a consistent marketing strategy and uniform marketing programmes for the development of product, its production, working out advertising strategy and finally the distribution network etc. in the worldwide market.

1. In International markets all the transactions and activities are always conducted on a large scale. This gives a different confidence to the nations in handling transportation, ware housing and handling of produced products.
2. It is complicated activity. It require knowledge of different laws and practices of various countries along with cultural aspects.
3. International Marketing is not a free activity. There are international trade barriers that still exist. Policies regarding businesses are changing with the change in policies.
4. It is highly flexible activity in nature. Anything can happen in this type of market related to product, technology or competitions.
5. International Marketing is very competitive in nature as one has to face competitions from competitors both inside and outside the country. It has to deal with many other changes and challenges like political, social, economic, cultural, technical, technological and cultural factions of various countries of the world together. Thus, there should continuous marketing research activities conducted in the international markets in order to keep all the countries updated with the current changes and happenings.

6. Use of dynamic technology helps international marketing dynamic too in nature. Because of this countries like China, Germany, Japan and USA are considered as dominating nations.
7. International Marketing requires long term planning and lots of investment of time and finance, in order to get the success in future.
8. It involves marketing of goods and services not only in domestic countries but also across the geographical and political frontiers of the world.

Some of the important factors to make International Marketing Successful:

1. **Standardization:** Standardization of product plays an important role to make the success of marketing of the said product. Standardized marketing mix involves developing a standard product and marketing it across the national border with the communication, pricing and distribution strategy. The worldwide communication has raised customers' expectations and demands for better living standards work life and entertainment. Standardization helps the firm not only reduce its costs but also ensure superior quality and consistent brand image across the world market.
2. **Differentiation:** Differentiation is an opposed to standardization. It is recognized that differentiation strategy. This helps in building sales volumes, but the cost is prohibitive, when done at a global level. Local preferences and conditions will need to be woven in the marketing mix. Decentralization of decision making at local affiliate level is one step to marketing success.
For instance (1) Sunsilk Shampoo from Unilever achieved success when it introduced it product in sachet. (2) Nestle and Coca Cola, standardized their product decisions but adapted their advertising sales promotion distribution.
3. **Preparing global brand dominance:** Company has to be prepared for global brand product. The marker is confronted with daunting task of creating global brand for the creation of global brand company requires much money, it can run into millions of US Dollars. Now-a-days, the customer is becoming indifferent to the brand also. India and Srilanka are now turned the export generic product rather than tea and garments.
4. **Employment of number of intermediaries:** In order to make its goods available to ultimate customers in international markets, a firm employs a number of market intermediaries, through which a product can be easily made available to the customers. The breakthrough information and communication technology made it easy.
5. **International Logistics:** The word logistics is very important and derived from a French word loger that means the art of transport, supply and quartering of troops. Thus logistics was conceptually designed for use in military so as to ensure meticulous planning. It is also very important to deliver the products directly. Compliance with local laws, regulations and corporate governance practices is vital for the success of foreign subsidiaries. Indian companies that prioritize transparency, ethics and accountability are better positioned to establish long term relationships with stake holders and build a trustworthy reputation in foreign market.

CHALLENGES:

The western markets are now growing slower and even then growth rate in the emerging markets in Asia, Africa and Latin America fueled the growth in international business in the last decade. The western markets are now growing slower. The challenging circumstances describe the future of

globalization and International Marketing.

Let us see challenges before International Marketing:

1. **Falling growth in emerging markets:** Fall in growth rates of a lot of emerging markets needs to take into consideration the fact that emerging markets will continue to grow at a faster pace than the developed markets. Thus all international marketing organizations need to look beyond the developed markets.
2. **Slow growth in the developed markets:** An international marketer has to remember that besides slow growth, he should look to remain in large markets.
3. **Demographics:** The third challenge is the challenge of demographics. The emerging economies have a younger population whereas population in developed western market is aged. The emerging markets will therefore remain important and international marketing organizations therefore will need to continue their focus on emerging markets.
4. **Increased Competition and Innovation:** The fourth important factor is that of increased competition and innovation. More and more competition is seen in developed market. Companies in developed market will be challenged by new emerging companies. Therefore, organizations which focus on innovation to reduce costs or increase the perceived benefits to their customers will thrive.
5. **Communication:** In the global situation, communication plays an important role as customers from different parts of the world are selecting the products through effective communication the new products can effectively reached to the customers from different parts of the world.

A successful international marketing organization will therefore need to focus more and more on its efforts to communicate effectively with its customers.

‘Everybody has to care about macroeconomics and the global economy’, says Harvard Business School Professor Forest Reinhardt in the online course ‘Global Business’.

In today’s fast paced and interconnected world doing business has become an essential part of companies’ growth and expansion strategies.

Languages can become a crucial obstacle in the International Marketing. Therefore, people from different parts of the country can be integrated /connected with the help of interpreters.

Cultural difference may be the barrier in the success of international marketing still because of globalization and different policies regarding business expansion this obstacle can be overcome.

SUCCESS OF INDIAN COMPANIES IN INTERNATIONAL MARKETING:

According to current market data, the top Indian companies recognized for their international marketing efforts are primarily in the IT and banking sectors, with Tata Consultancy Services (TCS) leading the pack, followed by HDFC Bank, Infosys, Bharti Airtel and Reliance Industries.

1. **Tata Consultancy Services (TCS):** Considering a global leader in IT consulting, with a strong brand recognition and extensive international presence.
2. **HDFC Bank:** A prominent private sector bank in India, known for its digital banking initiatives and robust international operations.
3. **Infosys:** A major player in the IT services domain, with a large global footprint and expertise in digital transformation.
4. **Bharti Airtel:** A leading telecommunications company with operations across Asia and Africa, recognized for its marketing strategies.

5. **Reliance Industries:** A conglomerate with diverse business interests, including Jio, a major telecom provider known for disruptive marketing tactics.

GLOBAL TEAM:

Global team is formulated to exchange goods as well as to make international agreements so that international marketing expands across. G-20 is the best example. In India Indian Prime Minister has invited global team in India in 2022.

Success of International Marketing by selecting channels of distribution while exporting goods, following channels can be selected:

1. **Exports through Consortia:** An export consortium is voluntary alliance of firms with objective of promoting export of goods and services.
2. **Export through Canalizing Agencies:** Canalization of exports and imports means exports and imports only through the agencies designated by the Central Government. For example, Precious Metals in India are imported through MMTC Ltd. And Sugar is exported through Indian Sugar Exim Corporation ISES.
3. **Export through other Established Merchant Exporters or Export Houses or Trading Houses:** A person engaged in trading activity and exporting or intending to export goods. He purchases goods from the market or from a manufacturer and then sells them to foreign buyers.
4. **Direct Exports:** Company sells its products directly. In exporting it handles every aspect of exporting process. Advantage is that profit is greater.
5. **Exports through Overseas Sales Agencies:** Manufacturing the goods himself for export Sales Agent / Commission Agent / Indenting Agent i.e. acting on behalf of the buyer.

CONCLUSION:

International Marketing plays an important role in building nation's economy. Growth in economy shows potential of the country. International marketing build nation's position. It creates a global healthy environment. New projects and innovations are projected through international marketing.

India boosts a young and skilled workforce with a large pool of professionals in fields such as Information Technology, Medicine and Engineering. The country has been giving emphasis on education and technical training ensures a steady supply of skilled labour. IT and software sectors has made significant strides in technological advancement skilled workforce and technological prowess provides a competitive edge for businesses operating in India.

India's entrepreneurial ecosystem is thriving with numerous startups and innovation hubs emerging across the country. Projects like the Bharatmata Pariyojana and Sagarmal initiative aim to enhance road, port and rail networks facilitating smoother movements of goods and services. Additionally the expansion of digital infrastructure and widespread of internet penetration have revolutionized communication and business operations in India. India's diverse economy offers a wide range of market opportunities across various sectors. From Agriculture and manufacturing to Services and technology, businesses can tap into multiple industries.

References:

1. International Marketing Management – R. Bemdt, C.F. Altobelli, M. Sander – 2003 Springer.



International Journal for Multidisciplinary Research

International Conference on Commerce & Economics
Organized by R. V. Belose Education Foundation Dapoli
N. K. Varadkar Arts, R.V. Belose Commerce College, Dapoli



E-ISSN: 2582-2160 • Website: www.ijfmr.com • Email: editor@ijfmr.com

2. The Role of National Culture in International Marketing Research – JBEM Steenkamp International Market Review, 2001- emerald.com
3. Foreign Affairs – <https://www.foreignaffairs.com>
4. The Hindu – <https://www.thehindu.com>
5. Sprout Social-<https://sproutsocial.com>
6. Sage Journals-<https://journals.sagepub.com>