

International Marketing Strategies



Delhi, March 19-21, 2012

Understand

- What is international marketing
- What are key decisions in international marketing
- The strategic options of market entry and expansion and their implementation
- Important factors for each alternative market entry strategy
 - Export/ Trading
 - Licensing/ Franchising
 - FDI
- Importance of international strategic alliances

Agenda

| Date | Subject | Responsibility |
|---------|--|---|
| 19-3-12 | <ul style="list-style-type: none"> •Introduction •Pre Learning Assessment •Concepts discussion & presentation •Post Learning Assessment (30%) •Case Discussion Briefing | <p>Me</p> <p>You</p> <p>Us</p> <p>You</p> <p>Me</p> |
| 20-3-12 | <ul style="list-style-type: none"> •Case Discussion •Case Analysis Assessment (30%) | <p>Us</p> <p>You</p> |
| 21-3-12 | <ul style="list-style-type: none"> •Concepts Review •Module Final Assessment (40%) | <p>Me</p> <p>You</p> |

Learning Assessment

Events and Trends Affecting Global Business

What are the events and trends affecting global business

- The rapid growth of the World Trade Organization (WTO) and NAFTA and EU
- The trend toward the acceptance of the free market system among developing countries in Latin America, Asia, and Eastern Europe
- The burgeoning impact of the Internet, mobile phones, and other global media on the dissolution of national borders
- The mandate to properly manage the resources and global environment for the generations to come

International Marketing

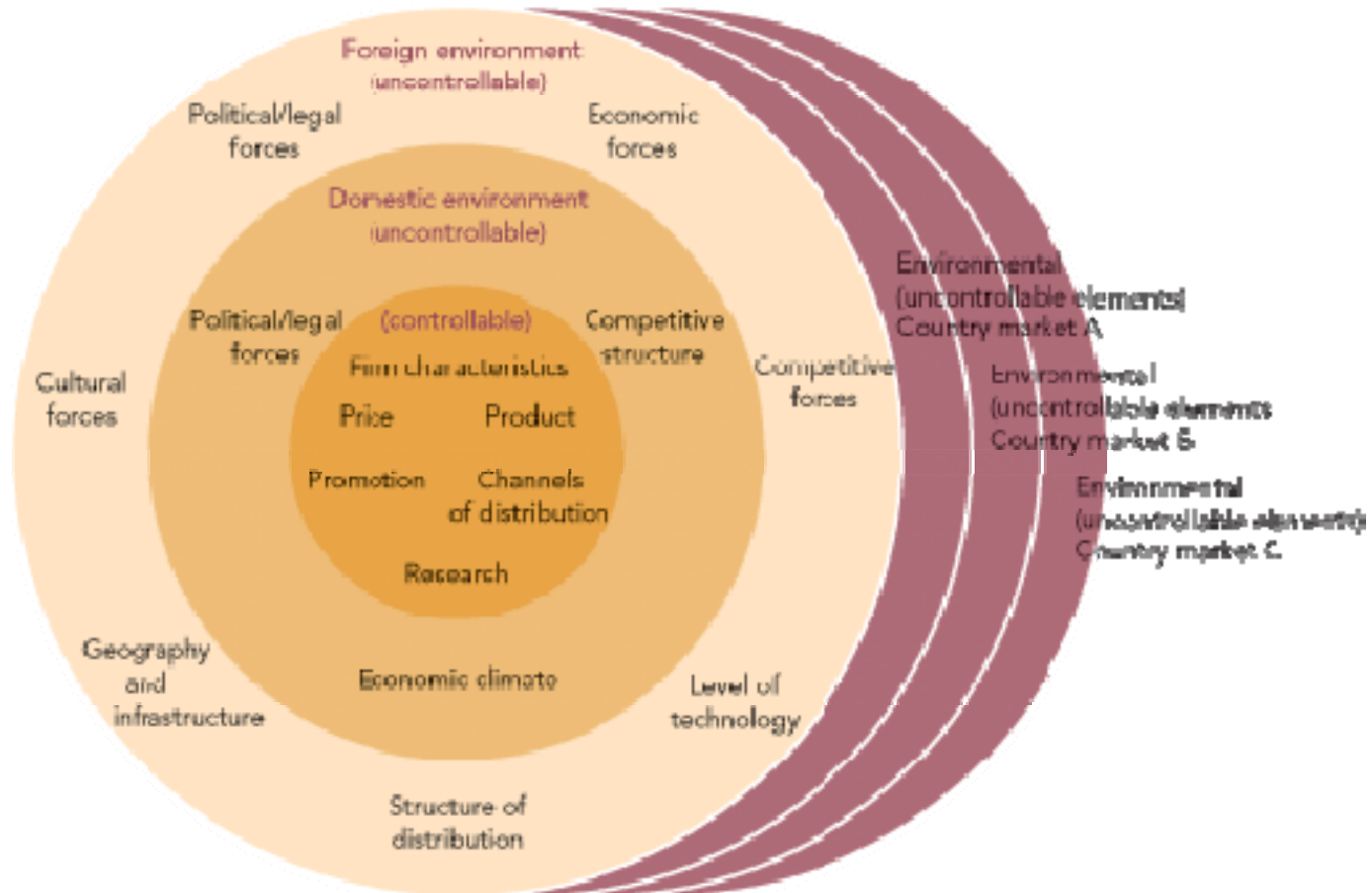
What is international marketing

- International marketing is defined as the performance of business activities designed to plan, price, promote, and direct the flow of a company's goods and services to consumers or users in more than one nations for a profit.

How is it different from local marketing

- The difference is the “environment”
 - Competition, legal restraints, government controls, weather, fickle consumers, economic conditions, technological constraints, infrastructure concerns, culture, and political situations.

The International Marketing Task



International Marketing Involvement - Stages



No Direct Foreign Marketing – Reactive

How do products reach foreign markets?

- Products “indirectly” reach foreign markets
 - Trading companies
 - Foreign customers who contact firm
 - Domestic wholesalers/distributors
 - Web orders
- Foreign orders stimulate a company’s interest to seek additional international sales

Infrequent Foreign Marketing – Reactive

What causes infrequent foreign marketing?

- Caused by temporary surpluses
 - Sales to foreign markets are made as goods become available

What are the firm's intention?

- Firm has little or no intention of maintaining continuous market representation
 - Foreign sales activity declines and is withdrawn when domestic demand increases

Regular Foreign Marketing – Proactive

What is involved in regular foreign marketing?

- Dedicated production capacity for foreign markets
- Strategy:
 - Firm employs domestic or foreign intermediaries
 - Uses its own sales force or sales subsidiaries
- Products are adapted for foreign markets as domestic demand grows
- Firms depend on profits from foreign markets

International Marketing – Proactive

What is involved in International Marketing?

- Fully committed and involved in foreign markets and international activities
- Production takes place on foreign soil earning firms the MNC (Multinational Corporation) title
- Fedders being “proactive:”
 - Looked to Asia for future growth after stymied U.S. sales
 - Designed new types of air conditioner unit for the Chinese market
 - Plan to introduce new product in the U.S!

Global Marketing – Proactive

What about Global Marketing?

- The firm sees the world as one market!
- Market segmentation is now defined by income levels, usage patterns, or other factors that span the globe
- More than half of its revenues come from abroad
- The firm has a global perspective

Global Market Orientation

What about Global Market Orientation?

- This orientation entails operating as if all the country markets in a company's scope of operations (including the domestic market) were approachable as a single global market and standardizing the marketing mix where culturally feasible and cost effective.
- Depending on the product and market, firms may pursue a global market strategy for one product (global market orientation – P&G diapers) but a multidomestic strategy for another product (international market orientation = P&G detergents).

Beyond the First Decade of the 21st Century

What does it look beyond the first decade of 21st century?

- Growth of the U.S. economy slowed dramatically in the last few years especially in 2009
- Economies of the developed world expected on average to grow annually at 3% for the next 25 years (OECD)
- Economies of the developing world expected on average to grow annually at 6% for the next 25 years (OECD)
- As a result, economic power and influence will move away from industrialized nations to developing nations (Latin America, Asia, Eastern Europe, and Africa)
- Companies are looking for ways to become more efficient, improve productivity, and expand their global reach while maintaining an ability to respond quickly and deliver products that the markets demand.
 - Nestle, Samsung, Whirlpool
 - Smaller companies also using novel approaches to target global markets
 - Nochar Inc. (fire retardant)
 - Buztronics Inc. (promotional lapel buttons)

Rationale for International Marketing

Why must the domestic companies pay attention to marketing overseas

1. Saturation of domestic market
2. Opportunity to extend their product's life cycle
3. Helps increase scale of operation and reduce costs to compete better locally
4. Prevents long term competition from these overseas markets

Risks in International Marketing

What are the potential problems in marketing overseas

1. Huge foreign indebtedness
2. Unstable Governments
3. Exchange Instability
4. Foreign Government Entry Requirements
5. Tariff and other trade barriers
6. Corruption
7. Technological pirating
8. High cost of product and communication adaption

International Product Life Cycle

What stages does a product go through in international marketing

1. Domestic Success and export begins
2. Start of production in overseas markets
3. Overseas markets become competitive in other markets
4. Beginning of competition in domestic market from overseas market

Major Decisions in International Marketing

What are the major decisions in marketing
overseas

1. Appraising the international marketing environment
2. Whether to go overseas?
3. Which markets to enter?
4. How to enter these markets?
5. Formulating the marketing program
6. Marketing Organization

Appraising the international marketing environment

What should a company learn for marketing overseas?

1. The International Trade System
2. Economic Environment
3. Politico-Legal Environment
4. Cultural Environment
5. Business Environment

What should a company learn about the international trade system

1. Various Trade Restriction

1. Tariff
2. Quota
3. Embargo
4. Exchange Control
5. Product standards and country discrimination
6. Licensing
7. Lack of intellectual property protection
8. Investment barriers

2. General Agreement on Tariffs & Trade (GATT) position

3. Implication of various economic communities like EU, ASEAN etc

What are tariffs and what effects do they have?

- Tariffs are taxes imposed by a government on goods entering its borders.

Increase

Inflationary pressures, special interests' privileges, government control and political considerations in economic matters, and the number of tariffs

Weaken

Balance-of-payment positions, supply and demand patterns, and international relations by starting trade wars

Restrict

Manufacturer's supply sources, choices available to consumers, and competition

Trade Barriers

- What are Quotas and Import Licenses?
 - Quota is a specific unit or dollar limit applied to a particular type of good (increases price of good)
 - Import licenses limits quantities on a case-by-case basis
 - Japan and foreign rice; Banana wars between the United States and the EU
- What are Voluntary Export Restraints (VER)?
 - Often used in the 1980s is an agreement between the importing country and the exporting country for a restriction on the volume of exports.
 - Japan's VER on U.S. automobiles

The General Agreement on Tariffs and Trade (GATT)

- **What is GATT?**
 - Shortly after World War II, the U.S. and 22 other countries signed GATT (1947) which paved the way for the first effective worldwide tariff agreement
- **What are the basic elements of the GATT**
 - Trade shall be conducted on a nondiscriminatory basis
 - Protection shall be afforded domestic industries through customs tariffs, not through such commercial measures as import quotas
 - Consultation shall be the primary method used to solve global trade problems
- **How far are we in eliminating international trade barriers – Uruguay Round**
 - The General Agreement on Trade in Services (GATS)
 - Trade-Related Investment Measures (TRIMs)
 - Trade-Related aspects of Intellectual Property Rights (TRIPs)

What must you study about the economy of overseas markets?

1. Size of the country's population
2. Country's Industry Structure
3. Country's Income Distribution

Appraising the Economic Environment

What must you study about the economy of overseas markets

1. Size of the country's population
2. Country's Industry Structure
 1. Agricultural economies
 2. Natural Resource economies
 3. Industrializing economies
 4. Industrialized economies
 5. Service Economies
3. Country's Income Distribution

Appraising the Economic Environment

What must you study about the economy of overseas markets

1. Size of the country's population
2. Country's Industry Structure
3. Country's Income Distribution
 1. Very low family incomes
 2. Mostly low family incomes
 3. Very low and very high family incomes
 4. Low, medium & high family incomes
 5. Mostly medium family incomes

What must you study about the political & legal environment of overseas markets

1. Attitudes towards international buying
2. Political Stability
3. Monetary Regulations
4. Government Bureaucracy

What must you study about the political & legal environment of overseas markets

1. Attitudes towards international buying

1. Receptive to foreign firms vs. Hostility
2. Investment Incentives
3. Site location services
4. Tariff and non tariff barriers
5. Other Hassles

2. Political Stability

3. Monetary Regulation

4. Government Bureaucracy

What must you study about the political & legal environment of overseas markets

1. Attitudes towards international buying
2. Political Stability
 1. Changes in governments
 2. Populism
 3. Changes in policies re company properties, currency holdings, trade barriers
3. Monetary Regulation
4. Government Bureaucracy

What must you study about the political & legal environment of overseas markets

1. Attitudes towards international buying
2. Political Stability
3. Monetary Regulations
 1. Currency restrictions
 2. Exchange rate fluctuation
 3. Countertrade regulations
4. Government Bureaucracy

What must you study about the political & legal environment of overseas markets

1. Attitudes towards international buying
2. Political Stability
3. Monetary Regulations
4. Government Bureaucracy
 1. Licensing procedures
 2. Customs handling
 3. Market Information
 4. Business Laws

Lessening Political Vulnerability

- Relations between governments and MNCs are generally positive if the investment
 - Improves the balance of payments by increasing exports or reducing imports through import substitution
 - Uses locally produced resources
 - Transfers capital, technology, and/or skills
 - Creates jobs
 - Makes tax contributions
- Political parties often focus public opinion on the negative aspects of MNCs whether true or false
 - As scapegoats for their own failure
 - To serve their own interests

What strategies that MNCs use to minimize political vulnerability and risk?

- Joint ventures
- Expanding the investment base
- Licensing
- Planned domestication
- Political bargaining
- Political payoffs

Appraising the Cultural Environment

What must you study about the cultural environment of overseas markets

1. Values
2. Customs & Rituals
3. Taboos & Beliefs
4. Business practices
5. Thought Processes

What Cultural values ?

- Individualism/Collectivism Index
 - Reflects the preference of behavior that promotes one's self interest
- Power Distance Index
 - Measures the tolerance of social inequality
- Uncertainty Avoidance Index
 - Measures the tolerance of uncertainty and ambiguity
- Cultural Values and Consumer Behavior

Elements of Culture

- What are Rituals?
 - patterns of behavior and interaction that are learned and repeated
 - Marriages , funerals, baptisms, graduations
- What are Symbols?
 - Language
 - Linguistic distance – relationship between language and international marketing
 - Aesthetics as symbols
 - Insensitivity to aesthetic values can offend, create a negative impression, and, in general, render marketing efforts ineffective or even damaging

Elements of Culture

- What are Beliefs?
 - Superstitions play a large role in a society's belief system and therefore, to make light of superstitions in other cultures can be an expensive mistake
 - The number 13 in the western hemisphere is considered unlucky, where as the number 8 in China connotes "prosperity"
 - The practice of "Feng Shui"
- What are Thought processes?
 - Difference in perception between the East and the West
 - Focus vs. big-picture

Making culture work for marketing success

How can you use culture as a tool for success

1. Embrace local culture
2. Build relationship
3. Employ locals to gain cultural knowledge
4. Help employees understand you
5. Adapt products and processes to local markets
6. Coordinate by regions

What must you study about the business environment of overseas markets

1. Norms
2. Behaviors
3. Tradition
4. Practices
5. Taboos

Major Decisions in International Marketing

What are the major decisions in marketing
overseas

1. Appraising the international marketing environment
2. **Whether to go overseas?**
3. Which markets to enter?
4. How to enter these markets?
5. Formulating the marketing program
6. Marketing Organization

Whether to go overseas?

What do you need to decide regarding whether to go overseas?

1. Do you need to go overseas to survive?
2. What should be its international objectives and policies?

Whether to go overseas?

What do you need to decide regarding whether to go overseas?

1. Do you need to go overseas to survive?
 1. Local Businesses like restaurants, cleaning establishments, food manufacturers
 2. Global Industries where overall global position can significantly affect the local markets
2. What should be its international objectives and policies?

Whether to go overseas?

What do you need to decide regarding whether to go overseas?

1. Do you need to go overseas to survive?
2. What should be its international objectives and policies?
 1. What proportion of overseas to total sales will it seek?
 2. Few countries vs. many countries?
 3. Types of countries- Developed vs. Developing

When should a company enter few countries?

1. High market entry and market control costs
 2. High product and communication adaptation costs
 3. Higher population, income size and growth a initial countries chosen
 4. High entry barriers by dominant overseas companies
-

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Which markets to enter?

How do you decide which markets to enter?

1. List potential countries based on the International Marketing Policies
2. Rate and rank these countries on
 1. Market Attractiveness
 2. Competitive Advantages
 3. Risk
3. Financial Analysis to determine probable Return on Investment

How do estimate the Probable Return on Investment?

1. Estimate current market potential by using

1. Published data
2. Primary data collected through company survey

2. Forecast of future market potential and risk by predicting

1. Economic and political developments
2. Their impact on industry sales

3. Forecast of sales potential by

1. Forecasting its probable market shares based on its competitive advantage

4. Forecast of costs and profits

1. Estimating costs Based on its contemplated entry strategy
2. Derive company profits from the sales less costs for each year of planning horizon

5. Estimate rate of return on investment by

1. Relating the forecast income stream with the investment stream
2. Checking if this is high enough for covering the company normal ROI and the risk of marketing in the country

Assesing Country Risks

What risks do you assess for marketing in a country?

1. Marco Risks

1. Political risk- Asset protection/ investment recovery risk arising from the direct action taken by the government or people that results in destruction, expropriation or limiting transfer of investment resources
2. Economic risk- operational profitability/ cash flow risk which arises from economic downturns, currency depreciation, strikes etc

2. Micro Risks

1. Risks facing a particular company or industry

Assessing Country Risks

How do you assess the risk of marketing in a country?

1. Macro Risks by

- Buying political and economic risk reports published by specialist firms

2. Micro Risks by

- Using advisory council of prominent foreign experts
- Having its own risk assessment office
- Talking to the foreign governments about recent and expected development related to their industries

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How to enter these markets?

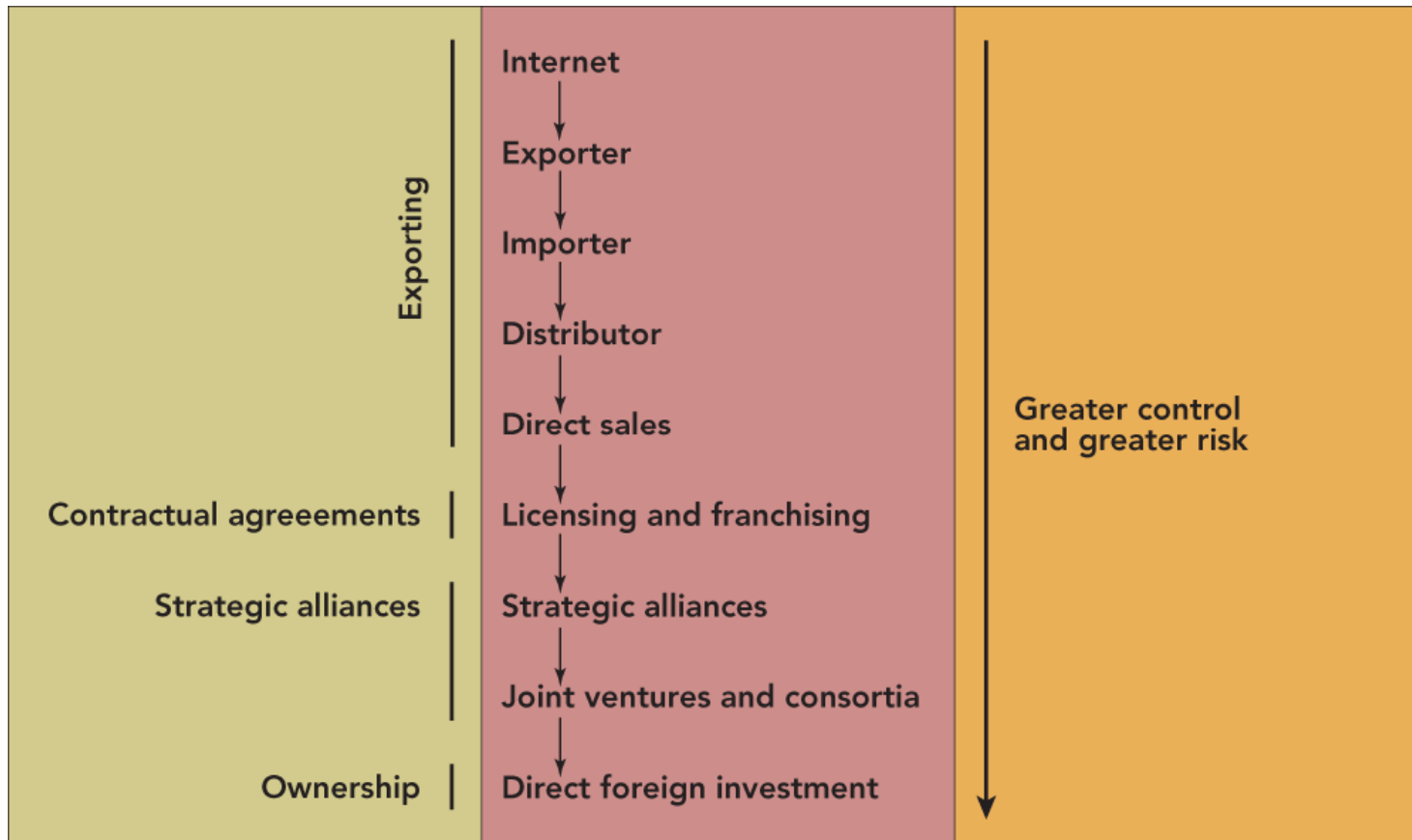
What are the broad choices of entry into these markets?

1. Indirect Exporting
2. Direct Exporting
3. Licensing
4. Joint Ventures
5. Direct Investment

With increasing amount of commitment, risk, control and
profit potential

How to enter these markets?

What are the broad choices of entry into these markets?



Indirect Exporting

What is involved in indirect exporting?

1. Occasional exporting
 - Passive level of involvement
 - Exports from time to time
 - On its own or in response to unsolicited demand
2. Active exporting
 - Makes a commitment to expand exports to a particular market
3. Products indirectly reach foreign markets
 - Trading companies
 - Foreign customers who contact firm
 - Domestic wholesalers/distributors
 - Web orders
4. All goods are produced in home country
5. May or may not adapt these products to the overseas market
6. Least changes in product lines, organization, investments or mission
7. Companies typically start with indirect exporting- through independent middlemen
8. Foreign orders stimulate a company's interest to seek additional international sales

Indirect Exporting

What types of middlemen are available in indirect exporting?

1. Domestic based export merchant
 - Buys locally and sells overseas on its own account
2. Domestic based export agent
 - Seeks and negotiates overseas purchase on behalf of the company for a commission
 - Co sells to the overseas purchases directly
3. Cooperative organization
 - Exports on behalf of many companies
 - Partly under their administrative control
 - Used for primary products like fruits, nuts, grains etc
4. Export Management Company
 - Manages company's export activities for a fee

Indirect Exporting

When to use Indirect Exporting?

1. Company wants to make least investment
 - Company does not even want to develop export department, overseas sales force or overseas contacts
2. Company does not want to take an risk by
 - Relying on the middlemen's know how and services
3. In the beginning of international marketing
4. Businesses in high risk countries

How to enter these markets?

What are the broad choices of entry into these markets?

1. Indirect Exporting
2. **Direct Exporting**
3. Licensing
4. Joint Ventures
5. Direct Investment

With increasing amount of commitment, risk, control and
profit potential

Direct Exporting

What is involved in Direct exporting?

1. Handling their own exports
2. Natural next stage to Indirect exporting
3. Investment and risk are somewhat greater
4. So is the potential return

Direct Exporting

What are the ways a company can carry on direct exporting?

1. Domestic based export department or division

- Export Sales Manager with some clerical staff actually sell overseas
- Draw on market assistance as needed
- May evolve into a self contained export department operating as a profit center

2. Overseas sales branch or subsidiary

- Allows achieve greater presence and program control
- Handles sales, distribution, warehousing and/ or promotion
- Also serves as display and service center

3. Travelling export sales representatives

- Home based sales representatives travel overseas some time to find business

4. Overseas based distributors or agents

- Distributors will buy and sell goods vs. Agents sell on behalf of the company
- May be exclusive rights or general rights of representation

How to enter these markets?

What are the broad choices of entry into these markets?

1. Indirect Exporting
2. Direct Exporting
3. **Licensing**
4. Joint Ventures
5. Direct Investment

With increasing amount of commitment, risk, control and profit potential

Licensing

What is involved in Licensing?

1. Enters an agreement with a licensee in the overseas market
 - Offering right to use a manufacturing process, trademark, patent, trade secret or other items of value
 - For a fee or royalty
2. Licensor usually supplies some product or component needed in the products
3. Licensor has to lead in innovation so that licensee will continue to depend on him

Licensing

What are the Advantages in Licensing?

1. Licensors gain entry into a market with little risk
2. Licensees gain production expertise, or a well known product or name without having to start from scratch

What are the potential disadvantages of Licensing?

1. Company has less control over the licensee than if it had set up its own production facilities
2. If licensee is very successful, the company has foregone profit
3. If and when the contract ends, the company might find that it has created a competitor.

What are the options related to licensing?

1. Management Contracts

- Company offers to manage a hotel, airport hospital or other organization for fee
- Low risk method of market entry
- Yields income from the beginning
- Especially attractive if the Company has the option to buy some shares in the managed organization within a time frame
- Not sensible when company can use the scarce talent better or make better profits with whole venture

2. Subcontracting

- Company engages a local manufacturer to produce the product
 - Has the drawback of less control over manufacturing process and loss of potential profit on manufacturing
 - Offers a chance to start faster, with less risk and the opportunity to form a partnership or buy out the local manufacturer later
-

What are the options related to licensing?

- What is Franchising
 - Franchiser provides a standard package of products, systems, and management services
 - Franchise provides market knowledge, capital, and personal involvement in management
 - Expected to be the fastest-growing market-entry strategy
- Two types of franchise agreements
 - Master franchise
 - Gives the franchisee the rights to a specific area with the authority to sell or establish sub franchises
 - Licensing

How to enter these markets?

What are the broad choices of entry into these markets?

1. Indirect Exporting
2. Direct Exporting
3. Licensing
4. **Joint Ventures**
5. Direct Investment

With increasing amount of commitment, risk, control and
profit potential

Joint Ventures

What is involved in Joint Ventures?

1. Company joins overseas investors to create a overseas business with joint ownership and control
2. Can be formed by
 - Company may buy an interest in a overseas business
 - An overseas company may buy an interest in the overseas operation of the company
 - The two parties can form a new business venture

When are Joint Ventures necessary or desirable?

1. Primarily for economic or political reasons
2. The company may lack the financial, physical or managerial resources to go alone
3. Overseas government may require joint ownership as a condition for entry

Joint Ventures

When are drawbacks of Joint Ventures ?

1. Partners may disagree on investment, marketing or other policies
2. Can hamper a multinational company from carrying out specific manufacturing and marketing policies on worldwide basis

- What are Consortia?
 - Similar to joint ventures and could be classified as such except for two unique characteristics
 - Typically involve a large number of participants
 - Frequently operate in a country or market in which none of the participants is currently active
 - Consortia are developed to pool financial and managerial resources and to lessen risks

How to enter these markets?

What are the broad choices of entry into these markets?

1. Indirect Exporting
2. Direct Exporting
3. Licensing
4. Joint Ventures
5. **Direct Investment**

With increasing amount of commitment, risk, control and
profit potential

Direct Investment

What is involved in Direct Investment?

- Company invests directly in an overseas based assembly or manufacturing facilities
- Suitable for large markets after gaining export experience

When are advantages of Direct Investment?

1. Co may secure cost economies in the form of cheap labor or raw materials, overseas government incentives, freight savings etc
2. Gains a better image in overseas country as it creates jobs there.
3. Develops deeper relationship with government, customers, suppliers and distributors enabling to adapt its product better for the market
4. Retains full control over the investment and therefore can develop manufacturing and marketing policies that serve its long term international objectives

Direct Investment

When are disadvantages of Direct Investment?

1. Exposes the company's large investment to risks of blocked or devalued currencies, worsening markets or expropriations
2. Expensive to reduce or close down its operations due to exit barriers

Direct Investment

What determines the need for Direct Investment?

1. Marketing Factors
2. Trade restriction
3. Cost factors
4. Investment climate
5. Expected higher profits

Direct Investment

What marketing factors determines the need for Direct Investment?

1. Size of market
2. Market growth
3. Desire to maintain share of market
4. Desire to advance exports of parent company
5. Need to maintain close customer contact
6. Dissatisfaction with existing market arrangement
7. Export base

Direct Investment

What kind of trade restrictions determines the need for
Direct Investment?

1. Barriers to trade
2. Preference of local customers for local products

Direct Investment

What cost factors determines the need for Direct Investment?

1. Desire to near source of supply
2. Labor availability
3. Raw materials availability
4. Capital/ Technology availability
5. Lower labor costs
6. Lower other production costs
7. Lower transport costs
8. Financial and other inducements by government
9. More favorable cost levels

Direct Investment

What investment climate determines the need for Direct Investment?

1. General attitude towards foreign investment
2. Political stability
3. Limitation on ownership
4. Currency exchange regulations
5. Stability of foreign exchange
6. Tax structure
7. Familiarity with the country

Internationalization Process

What stages do the companies move in internationalization?

1. No regular export activity
2. Export via independent representatives (agents)
3. Establishment of one or more sales subsidiaries in overseas markets
4. Establishment of production facilities overseas

Major Decisions in International Marketing

What are the major decisions in marketing
overseas

1. Appraising the international marketing environment
2. Whether to go overseas?
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5. **Formulating the marketing program**
6. Marketing Organization

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Marketing Organization

What are ways companies can manage their international marketing activities?

1. Export Department
2. International Division
3. Global Organization

Export Department

When to set up Export Department to manage international marketing activities?

1. Consists of a Sales Manager and a few assistants
2. Normally set up when the international sales begins to expand
3. As the sales further increase, the department is expanded to include various marketing services to get business more aggressively
4. No longer adequate as the firm moves to Joint Ventures or Direct Investment

International Division

When to set up International Division to manage international marketing activities?

1. Headed by an international division president who sets goals & Budgets and is responsible for the company's growth into the international markets
2. Normally set up when the company gets involved in several international markets and ventures. It might export to one, license to another and have JV in 3rd and own subsidiary in 4th.

International Division

What are the ways to set up International Division to manage international marketing activities?

1. Corporate Staff

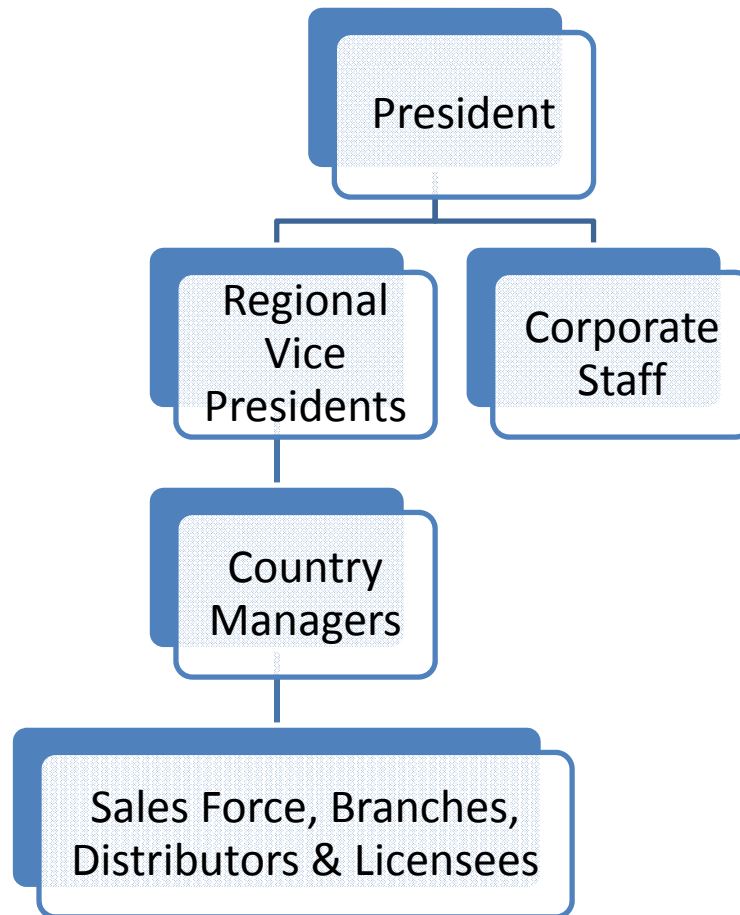
- consisting of specialists in marketing, manufacturing, research, finance, planning & HR
- They plan for and provide services to various operation units

2. Operating Units can be in three ways

- Geographical Organization
- World product groups
- International subsidiaries

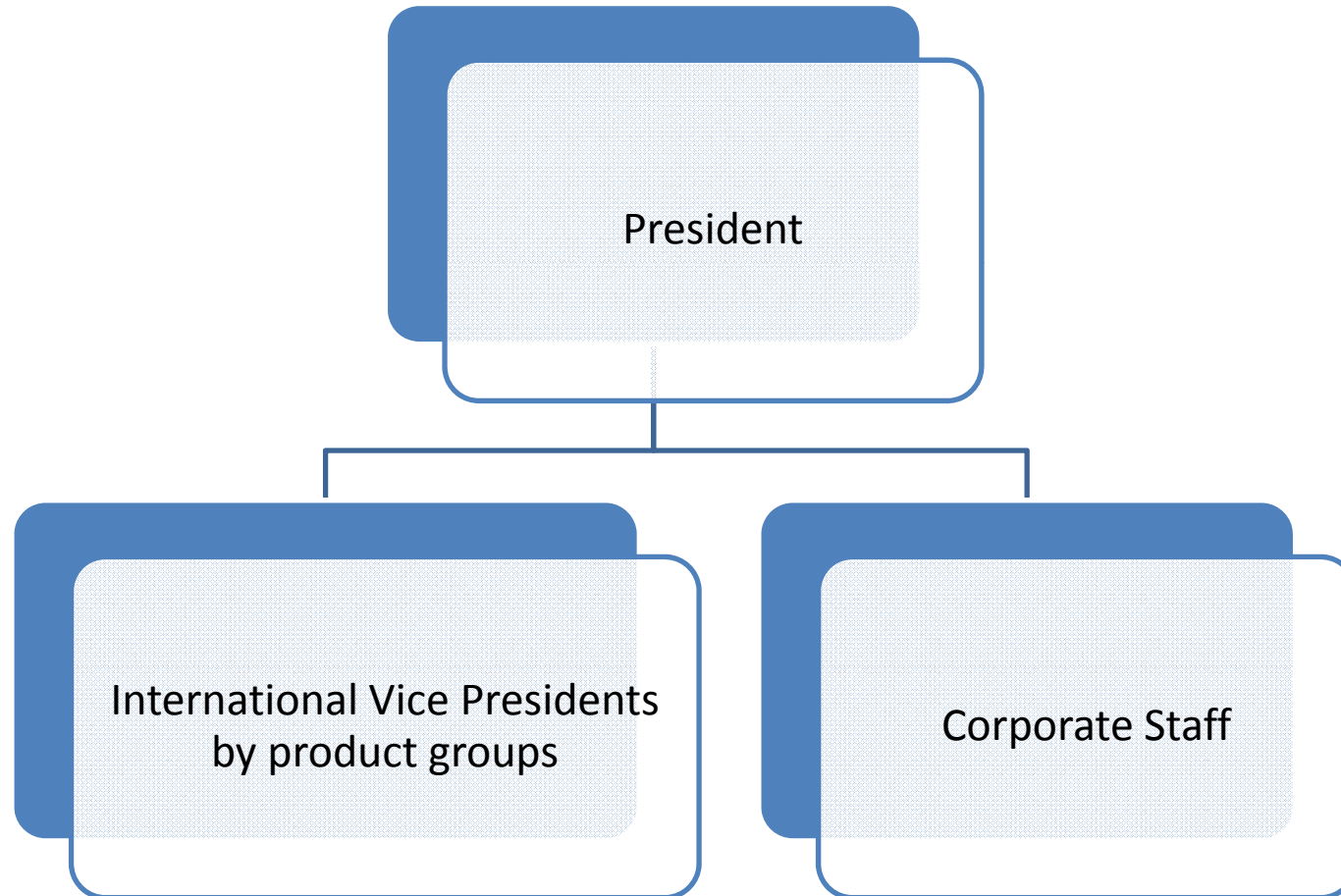
Geographical Organization

What will the Geographical Organization look like?



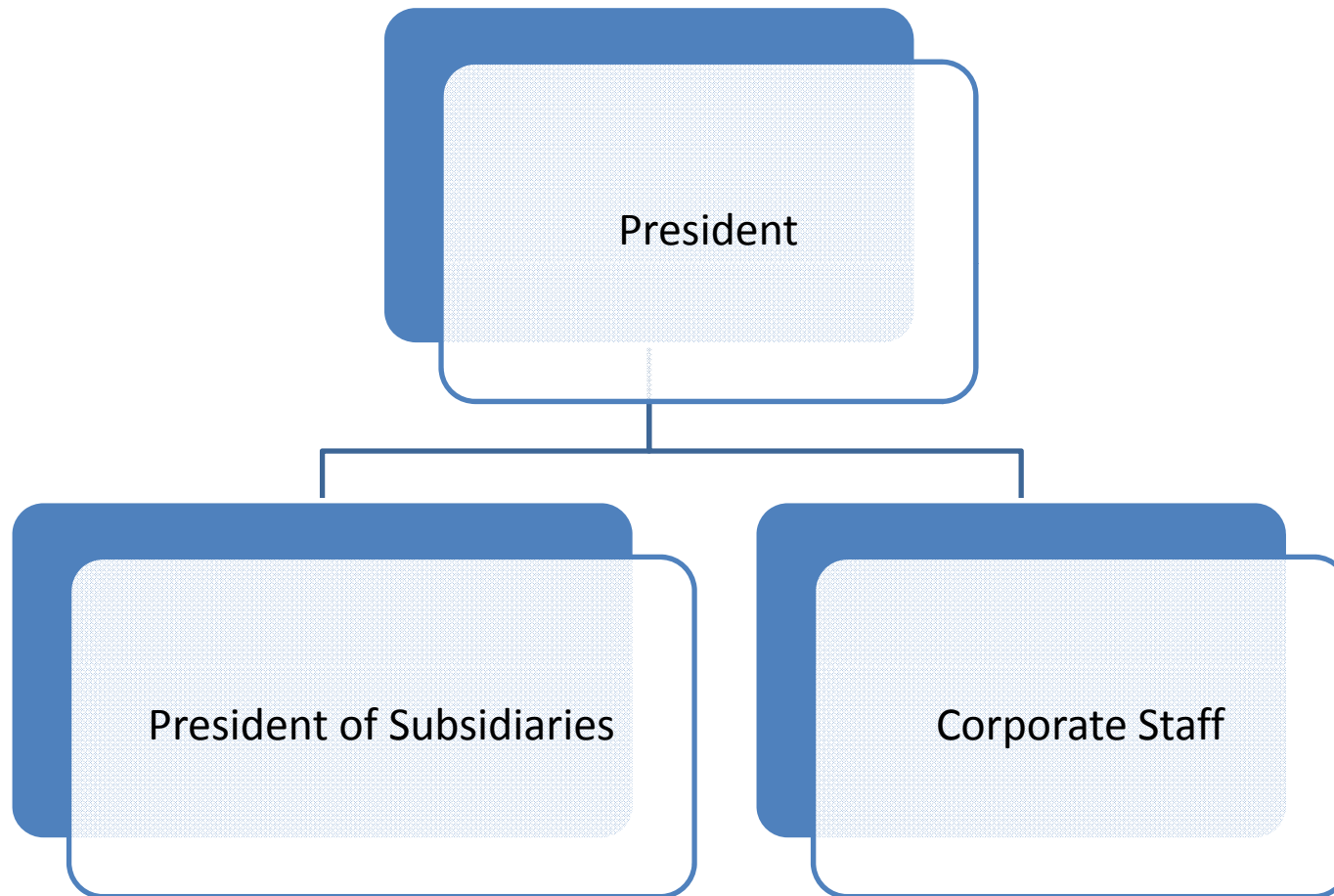
World Product Group Organization

What will the World Product Group Organization look like?



International Subsidiaries Organization

What will the International Subsidiaries Organization look like?



Global Organizations

How do Global Organizations operate?

1. Thinking a global marketers vs. national marketer with international operations
2. Corporate management & staff plan for worldwide manufacturing facilities, marketing policies, product development, HR policies, financial flows and logistical system
3. Operating units report to the chief executive or Executive Committee, not to head of international division
4. Executives are trained in worldwide operations not just domestic or international
5. Management is recruited from many countries
6. Purchase are made from the least cost source globally
7. Investments are made where the expected returns are greatest

Learning Assessment

Case Example

Strategy of ICICI Bank in Canada

Mode of Entry

1. As a subsidiary

- Restriction by Canadian Govt on foreign banks to enter either as a subsidiary or branch
- Only subsidiaries can offer full range of retail banking services
- Only subsidiaries are eligible for insurance provided by Canada Deposit Insurance Corporation
- Greater strategic control over decisions locally to respond to local markets
- Also allows it to exploit the long term potential of its investment in Canada

Case Example

Strategy of ICICI Bank in Canada

International Strategy of ICICI Bank?

1. Resembles a Transnational Strategy

- Content quality check on all written customer communication
- Corporate branding guidelines that outlines the way corporate brand name and image may be used leading to a consistent brand image on all marketing communication
- Autonomy in determining appropriate marketing strategies and prioritizing campaigns
- Allows ICICI Bank to exploit its core competencies throughout its subsidiary and parent firm

Case Briefing

Car Financing in China

Read the case and answer the following questions

1. Suggest reasons for GMAC to enter or not enter the Chinese market for auto financing?
 2. What is the most prudent mode of entry and market development for GMAC, should it choose to enter the market?
 3. If it enter, where should GMAC make it moves and with what type of products?
 4. What should GMAC do to influence the positive change in its favor?
-

Case Assessment

Continued growth Zara and Inditex

Read the case and answer the following questions (6 marks each)

1. What are the ways Inditex ensures that “fast fashion” is truly fast?
2. What are the attributes of a “fast fashion” retailer to customer? To store managers?
3. Why would a retailer introduce their online store country by country?
Why was Inditex slow to embrace online sales when it is so tech savvy in other ways?
4. Briefly describe five opportunities for continued growth during the next five years for Zara’s parent Inditex SA
5. Pick one of the five opportunities and outline the advantages and disadvantages of pursuing it

Case Assessment

International Market Selection for Celectronics

Read the case and answer the following questions

1. What frame work will you use for selection of the new international markets initially
2. Which markets will they be and why?

Concepts Review



NUS Extension

Final Assessment (40 Marks)

