

International MARKETING

An Asia-Pacific Perspective



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Lecture 5

‘Promotion in International Marketing’

Chapter 15

Learning objectives

1. Identify the stages that apply to the international communications process.
2. Evaluate the factors that cause international communication to differ from domestic communication.
3. Assess the extent to which modifications are necessary when using print media in foreign markets.
4. Recognise the advantages and disadvantages of visual and aural media for promotion in the international marketplace.
5. Prepare a plan for effective participation in international trade displays.
6. Maximise the benefits of joining a trade mission.
7. Explain the advantages of taking into account country of origin when promoting internationally.

Introduction

- Promotion = integrated communication with the market
- Promotional mix
 - **Advertising**: non-personal
 - **Personal selling**: direct communication
 - **Public relations**: favourable message
 - **Sales promotion**: stimulate short-term result
- Relative importance of each element varies from overseas market to overseas market according to differences in international environments.

Also the target market within that international environment



Advertising

Newspapers
Magazines
Trade
publications
Telephone
directories
TV
Radio
Cinema
Online and
outdoor transit



ADVERTISE YOUR BUSINESS HERE

Advertising



- Is the most high profile of the various communication strategies
- Most powerful aid = the most expensive
- Involves non-personal presentation
- Uses media
- Evolving media medium: **The Internet**
- **Removes many barriers to communication**
 - **Geography**
 - **Time zones**
 - **Location**

Creates a frictionless business environment. Also long term growth of the Internet raises the opportunity for cross-boarder information flows and transactions.

Standardisation - Message Strategy



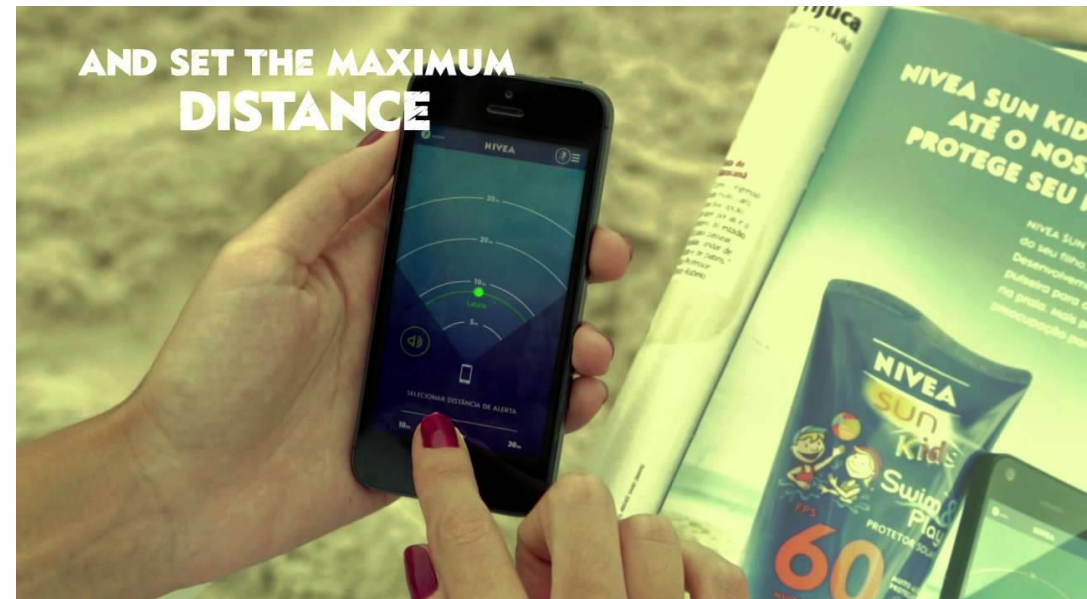
VIDEO LINK: <http://www.youtube.com/watch?v=OdIX1b8uBI0>



Print



Link between touch points and media –Print, online, PR, App, Product, YouTube, etc.

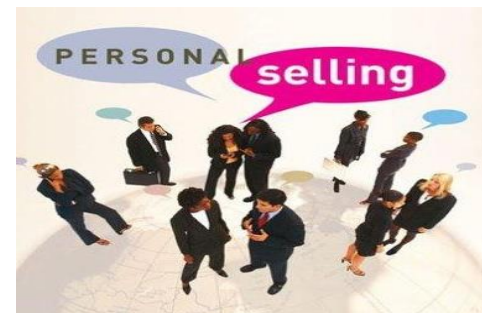


VIDEO EXAMPLE LINKS:

1. <https://www.youtube.com/watch?v=UYy1GmJgFXA&feature=youtu.be>
2. <https://www.youtube.com/watch?v=BgXrTGtIFV8&feature=youtu.be>

Personal Selling

- Involves selling internationally using sales force activities and trade missions. **The latter is a promotional activity mostly found in international marketing.**
- In comparison to other marketing communications tools such as advertising, personal selling tends to:
 - Use fewer resources, pricing is often negotiated.
 - Products tend to be fairly complex (e.g. financial services or new cars).
 - There is some contact between buyer and seller after the sale so that an ongoing relationship is built.
 - Client/prospects need specific information.
 - The purchase tends to involve large sums of money.



International Personal Selling



Public Relations

- Regarded as communication between a firm and its 'publics' to achieve specific objectives based on mutual understanding. Sponsorship
- The main goal of a public relations department is to enhance a company's reputation.
- **The business world of today is extremely competitive.**
 - Companies need to have an edge that makes them stand out from the crowd
 - something that makes them more appealing and interesting to both the public and the media.
 - The public are the buyers of the product and the media are responsible for selling it.



International Public Relations example



VIDEO LINK: <https://www.youtube.com/watch?v=to2Yf-GxRBg>

Sales Promotion

- Plays a more important role in IM than it does in domestic marketing
- Introducing new products to the marketplace and getting them into the appropriate local distribution channels
- In the form of:
 - Contests
 - Coupons
 - Sampling
 - Premiums
 - Cents-off deals
 - Trade shows (Most important for IM)



International Sales Promotion



比比豬會員 2016 完成以下步驟 即可免費獲贈禮物

1 **mannings baby** **baby watsons**
到 Mannings Baby 或 Watsons Baby 購買任何比比豬 Belly Buttons & Babies 產品

2 將網址影印並 WhatsApp 到比比豬熱線：54070153。WhatsApp 時請提供郵寄地址* 及想寄禮品之編號：
A) 週圍愛母相架 B) 好玩糖果罐

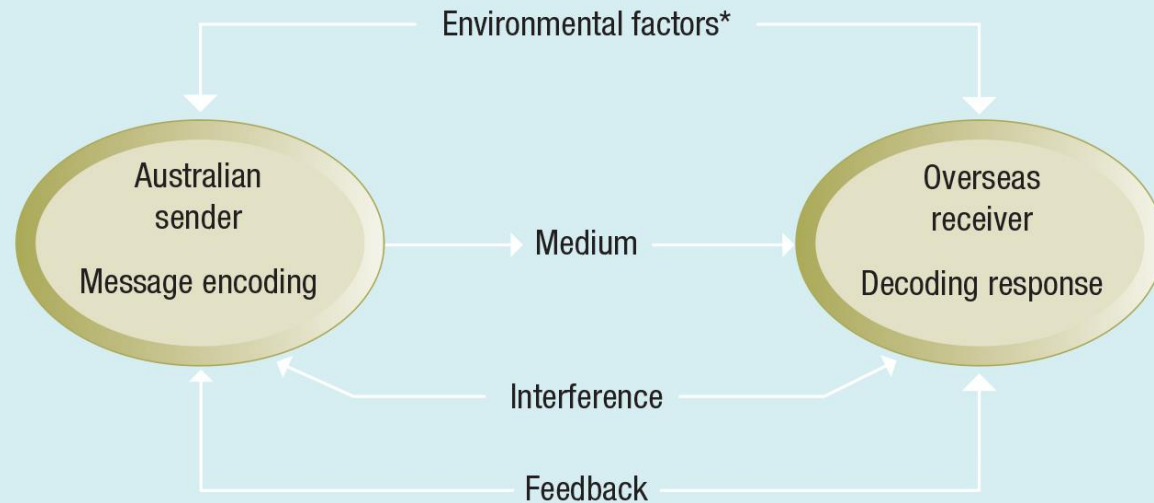
3 比比豬會員於7個工作天內將禮品寄給您！
如繼續購買比比豬產品總額超過港幣\$300，您額外獲贈比比豬網上購物禮券\$50

www.bbb-asia.com
f BBB Asia 比比豬 加拿大比比豬

*數量有限，送完即止
*郵寄地址只限一級分銷點，只限香港特別行政區
*優惠受有關條件約束 / 如有爭議，KL Group Trading Ltd. 將有保留最終決定權

The International Communications Process

FIGURE 15.1 The communication process



*Differences in culture, politics, laws/regulations, economic development, competition, education, infrastructure and technology

SOURCE: Adapted from Griffin, T. (1994) *International Marketing Communications*, Butterworth Heinemann, Oxford, UK, p. 11.

Communication Theory: Elements

- **Sender of the message**
 - Can be a person, brand, or a combination of all
 - Before being sent message is encoded (**interpretation**)
- **Medium**
 - Can take a **wide variety of forms** - a letter, phone directory, billboard, television commercial, Website etc.
 - Must be **appropriate for environment** and also for the product or service being promoted
- **Receiver of the message (who)**
 - Employees, intermediaries (**B-B**), media editors, decision makers, present and future customers (**last week**)

Communication Theory: Processes

Encoding

- Process of translating a message into words and symbols that are relevant to the intended audience (how people will interpret)

Interference

- Creates noise - disrupting communication
- Includes competitive activity, competitors' messages transmitted at the same time.
- Protectionism –Japan V China (nostalgia-nationalism) eg Buy Australia

Environmental factors impact on promotions

- Degree to which local tastes and preferences are catered for
- Sensitivity to social norms
- Conformity to religious mores
- Conformity to standards of behaviour (How strict is this)

Think about the differences we spoke about last week

- Feedback
- Enables assessment of the communications' objectives
- Depending on the form of promotion employed, the feedback can be immediate

Constraints in International Marketing Communication

- **Language differences** - within and across world markets
- **Marketing acceptability** - varies with politics, history and economic development
- **Media availability** - useability
- **Intermediary availability** - advertising agencies, research institutions, and so on
- **Activities of competitors** - international and local firms
- **Product acceptability** - direct promotion of certain products prohibited in some countries
- **Government controls** - regulation of promotional activities

Communication complications in International Marketing

- This advertisement could not be shown in Dubai or Iran - why not?
- Video link: <http://www.youtube.com/watch?v=ylxkhtQL65Q>



Factors in International Communication:

Overview

- **Culture**
- **Communication principles**
 - Conversational
 - Presentation
 - Written word
- **Language**
- **Education**
- **Economic development**
- **Media infrastructure**
- **Government regulation**

International Marketing Communication: Factors

- **Culture**
 - High context cultures vs Low context cultures (last week)
 - Importance of social context
 - High context culture - communication approaches should imply rather than directly state the obvious
 - Low context culture - the reverse applies
- **Conversational principles**
 - Identity of the people, the firm; body language
- **Presentation principles**
 - More formal cultures; length of message (Japan)

International Marketing Communication: Factors (Cont'd)

- **Written-word principles**
 - Vary structure of message according to context of culture
- **Language**
 - Translation
 - Precision with which meaning is conveyed
 - Context and interpretation of the message (situation)
- **Education**
 - Use of different media and literacy (Internet)

International Marketing Communication:

Factors (Cont'd)

- **Economic development**

- Consumers able to afford the product
- Acceptable level of sophistication of product
- Media availability - which can people afford to patronize? (do they own a TV-Buy a paper/magazine)

- **Media Infrastructure**

- Availability, reach, cost and effectiveness (\$)
- Media availability limited in relation to demand
- Local content requirements
- Alters optimal promotional mix

International Marketing Communication: Factors (Cont'd)

- **Government Regulation**
 - Most countries regulate the use of the media
 - Relate to product, the content of what is said, how it is said, etc.
 - Bans on advertising (cigarettes-alcohol)
 - Moral and religious values (eg showing skin)
 - Promotion to children (US and Europe-Times of day and type of advertising allowed-fast food advertising)

Point of Purchase (POP / POS) & Packaging

International Market examples





POP







Packaging



Avo Packaging



International Promotion Strategies:

Pull versus Push

- **Pull strategy:**

Communication strategies targeted directly towards overseas consumers or end-users

- **Push strategy:**

Communication strategies targeted at the different members of the distribution channel

Issues

- **Country of Origin (COO)**
 - Provides customer with a tangible cue for evaluation
 - Can either add to or detract from the image of the product
 - Research finds that 'owned by' is becoming as important as the country of origin cue of 'made in'



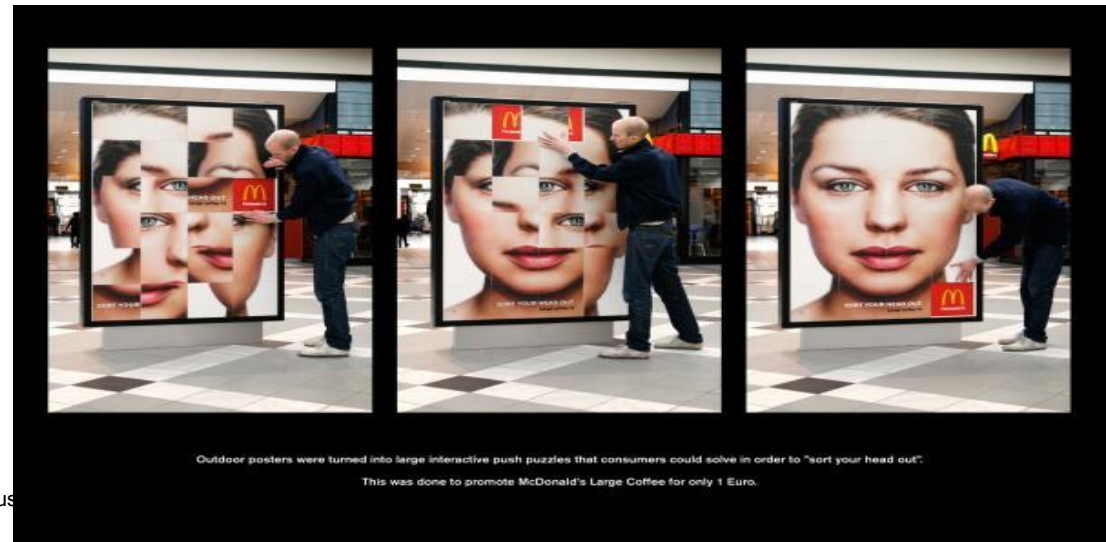
TABLE 15.7 Country of origin stereotypes and their effects

COO stereotype	Definition	Generic COO effects	Specific COO effects
Cognitive	Country of origin used as an indicator of a product's quality, taste, safety	Consumers believe that a particular country or region has high or low production and product safety standards and/or high or low levels of technological advancement and infer these characteristics in all or a group of products originating from this country or region (Bilkey and Nes 1982; Han 1989; Steenkamp 1990; Elliott and Cameron 1994)	Consumers have positive associations with a country and with a leading specialist within a product category and prefer products within this category that are associated with this country's expertise and style (Leclerc, Schmitt and Dube 1994; Laroche et al. 2005)
Normative (or conative)	Consumer beliefs about the socially accepted norms of personal and collective integrity associated with engagement with certain countries and consumption of their products	Consumers either: believe in the importance of supporting their own country's economy and protecting local manufacturing and favour home country and local products, while avoiding non-local products (Shimp and Sharma 1987; Han 1988; Balabanis and Diamantopoulos 2004) or: prefer non-local products over local ones because of hostility towards their own society's politics or values (Mueller, Broderick and Kipnis 2009)	Consumers either: have strong negative perceptions of a particular foreign country and boycott its products (Klein, Ettenson and Morris 1998) or: belong to a group of individuals who are strongly connected with a certain country or region (ethnic group and diasporas), guide their lives by the norms of that country's society, and base their product choices on belief in the rightfulness of preserving their heritage and lifestyle (Berry 1980; Georgas et al. 1996; Snauwaert et al. 2003, Vida, Omitrovic and Obadia 2008; Bhatia and Ram 2009)

Affective	The symbolic value of a country for a consumer and the emotional significance of this value	Consumers have affective associations with countries and either: favour local products because of national pride and believe in their own country's uniqueness, superior status and the importance of preserving their country's authentic images and ways of life (Han 1988; Frank 1999; Balabanis et al. 2001) or: aspire to foreign countries or groups of foreign countries because of their superiority and advancement and prefer the non-local products associated with these countries' image, values and accomplishments (Thompson and Tambayah 1999; Cannon and Yaprak 2002; Laroche et al. 2005; Mueller et al. 2009)	Consumers have an emotional attachment to a particular country or region and favour this country's products because they want to support it or be associated with its images, values and ways of life (Berry 1980; Penaloza 1994; Quester and Chong 2001; Askegaard and Bengtsson 2005; Oberecker, Riefler and Diamantopoulos 2008; Vida, Omitrovic and Obadia 2008)
SOURCE: Kipnis, E. and Broderick, A.J. (2012) 'The Concept of Place in International Strategic Marketing Decisions' in <i>Strategic International Marketing: An Advanced Perspective</i>, T.C. Melewar and S. Gupta (eds), Palgrave MacMillan, Basingstoke, UK.			



Experiential Advertising



Outdoor posters were turned into large interactive push puzzles that consumers could solve in order to "sort your head out".

This was done to promote McDonald's Large Coffee for only 1 Euro.

Sport Advertising



Transport (Transit) Advertising

New York subway ads link: <https://youtu.be/XOsBLC72iDc>



Outdoor Advertising



Mini Let's Motor campaign



A large-scale advertisement for 'GROWING' is displayed on a green wall. The word 'GROWING' is rendered in large, 3D letters made of various green plants and flowers. A large blue and black butterfly is perched on the letter 'G'. Several people are walking past the wall, including a man in a white shirt and a woman in a pink shirt with a yellow bag. The background shows a modern building with a glass and steel structure.



Outdoor Advertising - Climate



Support for new mums (Targeted Magazines)



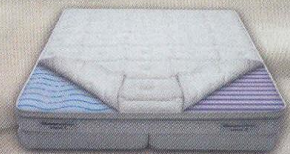


Can use
visuals
without a
lot of copy
to convey
strong
imagery?

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JPOP and KPOP?

Link to personality – popularity. Link to aesthetic, popularity, celebrity



Video Link: <https://youtu.be/prB9uWSuayE>



Advertising in International Markets:

Some Case examples

- Interesting ads???
- Can you guess who the Hero Brand is?
- What have they decided to use this message strategy?



VIDEO LINK:

<https://www.youtube.com/watch?v=j9VS9DkbOxw&feature=related>



VIDEO LINK: <https://www.youtube.com/watch?v=it-voN-JeJw>

Persuasion



VIDEO LINK: <https://youtu.be/8tLXmpyEreY>

Best Superbowl Ads of 2019

Benefit



VIDEO LINK: <https://www.youtube.com/watch?v=G01psD8GU-M&feature=related>

Motivation



VIDEO LINK: <https://www.youtube.com/watch?v=XcUC3Q4q9ng>

High Context versus Low Context



VIDEO LINK: <https://www.youtube.com/watch?v=5n3Db6pMQ-8>

Cool / Funny / Emotional



VIDEO LINK: <https://www.youtube.com/watch?v=kuRn2S7iPNU>



VIDEO LINK: <http://www.youtube.com/watch?v=E8ze0dJFd-M>



VIDEO LINK: <http://www.youtube.com/watch?v=X21mJh6j9i4>

VIDEO LINK:

http://www.youtube.com/watch_popup?v=K-Rs6YEZAt8



Summary

- International communications strategies need to take a variety of language, cultural and social issues into consideration.
- What is appropriate, both in method and content, in one country may not be in another.
- Take the advice of local people when designing your communications campaign.

End Chapter