

Features of International Marketing

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I. INTRODUCTION

International Marketing is an important perception for various economies and countries of the World. The 90's decade saw a significant change in the structure of International Marketing. Technology has changed with many new advancements and innovations. This has resulted in having better transport system, good communication methods which in turn has brought the whole world together and made it so small. Liberalization, privatization and globalization have made the term Global Market very significant in nature. This meant company could produce larger quantity of goods at cheaper rates just because of technical and technological changes. That's why many companies are now forced to look beyond their domestic boundaries to get entry in global markets. Newer market meant bigger challenge to conquer them. This has made international marketing indispensable.

International Marketing is a tuff task for many countries of the world as it offers both threats and opportunities to them. So, on one hand it means wide market area and on the other hand it means tougher competition for the countries to face. It has also resulted in bringing considerable changes in both domestic and international markets. Globalization & Liberalization has made the Indian Markets to shrink on large scale, fulfilling the needs and requirements regarding the same. It is also known as Multinational Marketing which again refers to the "marketing of products and services in more than one nation of the world. In short it tries to cover all those activities which are performed by a company at the international level maintaining international standards as well". It covers the following things like:

- a. Purchasing from and selling goods & services to foreign countries.
- b. Allied activities such as:
 - Product Planning and Development
 - Packing and Packaging
 - Branding
 - Pricing
 - Advertising
 - Market & Marketing Research
 - Sales Promotion Measures and so on.

Thus, International Marketing covers not just export of goods and services, but it has got a wider implication as it covers imports of goods and services as well. In a common way, "International Marketing may be defined as an economic activity related to the sale of goods and services of one country in another country, subject to the rules and regulations framed by the concerned countries". In simple words it refers to "marketing activities and operations among the countries of the world following different political and economic systems". International Marketing is marketing abroad i.e. beyond the political boundaries of the countries of the world.

A large number of multinational companies throughout the world have developed uniform marketing strategies including the products they produce and market, and conduct uniform promotional programmes in various types of markets all over the world. In other words, MNCs are engaged now-a-days in the activities related to what is called as "Global Marketing".

The examples are:

- Pepsi Cola
- Coca Cola
- Suzuki
- Panasonic National
- TATA
- Hyundai
- Daewoo etc.

Many companies from these have built a Global Reputation that places them in much more advantageous position in respect to domestic country competitors.

II. DEFINITION

1. International Marketing has been defined in one sentence by **Prof. V. Terpstras** as:

"Marketing activities carried out across the National Boundaries of the world".

2. **He** has also defined it as:

"International Marketing is the performance of one or more of these activities – market intelligence, product development, pricing, distribution and promotion across national boundaries; as it involves the performance of all those functions in many countries".

3. In the words of **Professor Hess and Eateora**:

“International Marketing is the performance of business activities that direct the flow of goods and services to the consumers or users in more than one nation”.

It is related with the execution of all activities concerning with identification of needs and wants of the people in more than one countries, planning and producing products to make the goods available for the use of the society people, effective exchange of goods and services and a proper physical distribution system, etc. It also refers to exchange of goods & services across the National Boundaries for satisfaction of human needs and wants that too on large scale. From all the above mentioned definitions, it is very clear that International Marketing includes of all those activities which are performed by a firm at international level by covering not only exporting but also importing of needed items.

III: 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 worldwide markets to achieve different marketing objectives. It is the process of designing, planning and executing marketing strategies to achieve marketing objectives in the markets of other countries or nations.

However, following are the Important Features of International Marketing:

1. In International Markets all the marketing related activities and transactions are always conducted on very large scale. This gives a different level of confidence to the nations for handling their scale of operations not only in production but also for transportation, warehousing and handling of those produced products as well.
2. International Marketing is really a complicated activity as it requires not only a knowledge of the different laws of the different countries but an interaction with a mixed range of people from different backgrounds and cultures. Multinational Companies are well-organized and have a strong monetary support which helps them in playing a dominating role in the international markets. Thus, the major players in the International Markets are the advanced and the multinational countries of the world.
3. International marketing is not a free activity for all the nations like any other form of internal marketing. There are international trade barriers that still exist in these markets. Various countries have got their own marketing and trade related policies in order to protect their own industries from this. But, still the

fact remains the same that there are many restrictions to it.

4. International marketing is highly flexible activity in nature. Anything can happen in this type of market either related to product, technology or regarding competitors in the global market. But the main fact is that this particular type of market is flexible to tackle because of economic and political reasons.
5. International Marketing is also 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 factors of various countries of the world together. Thus, there should be 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 advanced technology helps to make the International marketing very dynamic too in nature. And just because of this reason various countries like the China, Germany Japan, and USA are considered as the dominating nations in the international market.
7. International marketing most of the time results in creating complications and confusions as it require many lengthy procedures and formalities to be completed by the nations involved in the same. It requires various types of supports from various institutions like:
 - a. Advice from professional experts.
 - b. Financial support from financial agencies and institutions.
 - c. Focused marketing institutions like import and export houses.
 - d. Exchange banks for monetary gains and transactions.
8. International marketing requires long term planning and lots of investment of time and finance, in order to get the success in future. This stresses the need for, long term planning, taking into account every possible change in anyone or all of these.

Apart from this it also means:

- a. Internationalization of business and marketing operations.
- b. Forming a transnational company.
- c. Direct investments in a companies or corporations conducting their marketing operations on international level.
- d. It involves marketing of goods and services not only in domestic countries but also across the geographical and political frontiers of the world.
- e. And finally it results in the development of Global Industries.

9. Liberalization, globalization and privatization has resulted in bringing the whole world into one huge market for meeting the basic needs for having international interdependence between different nations of the world. The fact that it has been in existence for so many centuries, itself, justifies its need.
 10. It increases international interdependence between the nations as no country in the world is self-sufficient in producing everything that its population required. Because of geographical and other factors no country can produce all its requirements and that's why they are totally dependent upon each other to fulfill their requirements.
 11. Even, growing population is also one of an important reason for the increase in imports and exports between different nations of the world. To meet the growing needs of their population in their respective countries all these countries definitely have no option but to depend upon international marketing only.
 12. By using the advanced and improved technology, all the developed countries can have mass production of goods and products. Such types of countries are always on the search for new markets in other countries in order to sell them on large scale. Thus, all the advanced and developing nations of the world thus can easily get and find markets all over the world.
 13. If we see the climatic and geographic conditions even, that is also not uniform in all the nations of the world. So, because of the natural and economic factors no country can produce and manufacture all of its requirements at one place only. Therefore, every country has to import those goods which they cannot produce in their home nation. This tells us the importance of such type of marketing activities.
 14. The cost of production for producing a product is different in different part of the countries of the world. Many countries try to manufacture products at a very inexpensive rate so, it helps to exchange them all on the basis of cost and benefit principle. Thus, international marketing is highly essential in order to have the implementation of comparative cost principle as well.
 15. International Marketing helps a particular nation to improve and increase a better standard of living for the people in the society. It allows the people to use man-made products from different parts and thus, advances their livelihood as well as living standard by making those goods available in their own home countries.
 16. It also manages having a proper perceptiveness between the advanced/developed and underdeveloped countries of the world. Thus, International Marketing helps in exchanging goods, services, technical know-how and skills between different nations of the world. Thus, to have quick growth as well as technological development of developed, developing and under-developed countries International Marketing is an essence.
 17. International Marketing is the only option with the help of which a country can use its universal natural resources to its full extent at the international level that too by equally maintaining the international standards.
 18. International Marketing is the best tool for having global incorporation. It is very much essential element for social, economic, political, and cultural assimilation between the different nations of the world. Thus it not only results in exchanging the culture but also ideas and thoughts from one nation to another nation that too in a proper disciplined way.
 19. It is also helpful in spreading Global Peace worldwide by motivating the balance in power between the various Nations of the World. This attitude definitely prevents countries from war and promotes the peace component worldwide on large scale.
 20. International Marketing helps a particular nation to introduce and launch either a product or a service not only in their home market, but allow them to face internal competitions from competitors of their own country as well.
 21. International Marketing is highly needed for the Rapid Growth and Development in all types of Countries (Developed and Underdeveloped) of the world. It permits to have rapid industrialization in developing countries. It allows having a mechanism through which developed countries provide their help, assistance and knowledge to developing countries in their efforts towards economic growth.
- Thus, it can be concluded by saying that there is really a need for international marketing as it gives mutual benefits to all who have participated in it. In short international marketing is required because it is the only key to World Peace and Prosperity. **Apart from this there are other reasons that can also be considered in order to go for Foreign Markets:**

A: CORE REASONS:

1. Most of the advanced countries of the world is facing the situation of Market Saturation because of their production rate. So, to meet the needs of their population they have to hunt for the new markets and that's why they are always in search of getting global markets for their countries.
2. Most of the developing and under developed countries of the world are suffering from the problem of Trade Deficit Threat. So, international marketing

in that case will help to overcome this problem by providing a proper life style that one can afford in their own native nation.

3. Global markets and marketing related activities allow many companies to get fierce from Foreign Competition. So, even big players from developed countries have no option but to meet with these challenges as well. That's why they are always in search of new forms of the markets for doing their marketing based activities that too on large scale.
4. For dealing with new markets mostly many countries across the world tries to get under developed countries which allows having 25 to 30% of international trade.
5. International Trade allows the developed countries of the world to give grants in the form of aids to other under developed countries of the world. It helps to provide financial assistance by helping these countries to have their growth and development. They also help them to create better business opportunities for them.

B: OTHER REASONS:

1. Sometimes the domestic market does not allow people to have fuller utilization of resources of the business. Thus, the businessmen used to face the problem of economies of the scale.
2. International market and marketing activities allows the companies to go and get labour where labour costs are much lesser. This helps to get and acquire raw materials also from these companies.
3. International marketing activities will also allow many countries of the world to earn foreign exchange by giving special tax rebate in order to attract MNCs to establish their business in their country.
4. It is also helpful in conducting product testing for many countries before actually launching the product in the market.
5. For any country in the World the technological advancements will allow them to make the best use of resources that they have got with them. In this way they can have an exchange of ideas and sharing of technology with each other. This will be highly beneficial for the society as well as for the economy.