

International Marketing Communication

Chapter VII

International Marketing Communication

It transmits message to buyers, prospective buyers, consumers or channel partners to make them aware, persuade or motivate to buy or handle company's products. It is also called **International Promotion.**

In addition, it also performs the following tasks :

- * To assure customers to overcome post-purchase *dissonance*.
- * To promote image of product or company in host countries.
- * To promote image of nation abroad.
- * To inform and influence different stake holders of company.

Broadly, it is carried out to draw customers' attention to *unique details* of the company, its products and services to modify their attitudes to make them buy those in preference to competitors' products.

International Communication Process -- should be effective and efficient under economic, cultural and other *environments, habits and languages* of multi-country customers.

Major Decision Areas in International Promotion

1. Identification of *Target Market* -- Customers wants vary, based upon environment in nations. So selection of *target market* needs to be done in country-specific manner.

2. Determination of **Communication Objective** -- The theme of promotional communication varies from nation to nation and time to time or when a new competitor comes into the market.

3. Conversion of **Communication objective** to **Message** --
Next, it is to be decided

Message content -- what is to be said and

Message structure -- how should it be said.

4. Deciding **International Promotion Budget** -- International firms then arrive at likely expenditure on different aspects of promotion for nations.

5. Selection of **Communication Mix** -- Based on Promotion Strategy, firms decide whether they should focus communication upon customers or channel partners.

A. **Push Strategy** -- In this process, channel partners are motivated through communication and other means like sales promotion, contests, trade shows etc. to stock, promote and sell products down the channel to customers.

Push Strategy works best in case of products with poor brand-identity, doubtful brand-loyalty, industrial and institutional products and in cases of low promotion budget, high cost of advertising or non-availability of advertising media or agencies.

B. Pull Strategy -- In this process, demand is generated through marketing communication and other tools like direct mail, personal selling at prospects, international trade fairs etc. Addressed directly at prospective customers.

In turns prospects demand products from channel members, thus the pull reach manufacturers.

Pull Strategy works the best, when there is distinct product differentiation, strong brand-identity and loyalty or in cases of self-service in stores.

Sometimes international firms use combination of push and pull strategies simultaneously in same nation depending up on need.

International Communication Mix Elements

Firms create awareness and persuade customers in host countries through following communication tools :

- * **Advertising**
- * **Personal Selling**
- * **Direct Marketing**
- * **Sales Promotion**
- * **Public Relations**
- * **Trade Fairs and Exhibitions**
- * **Emerging Media of Communication**

1. **Advertising** -- It is mostly used non-personal medium of communication used by identified sponsor through newspapers, periodicals, TV, radio etc.

The communication – message may be *standardised* or *adopted* as per needs of host countries.

2. **Personal Selling** -- For Industrial equipments, Business services etc. firms send their Technical salesmen abroad to meet prospects, called *International Selling*.

Where the product and prospects so require, firms make use of **local salespersons** for promotion. It is most powerful and cost effective mode of communication, generally used for non-technical products in international marketing.

In their own sales force, company can exercise greater control compared to sales force of distributors. Further, the company can emphasize the products they are interested in promoting at particular time.

3. **Direct Marketing** -- Selling products or services without use of any market intermediary is called 'Direct Marketing'. Here customers are dealt *directly* on *one by one* basis as indicated.

- A. **Door-to-door Marketing** -- Duly trained full or part-time salespersons are used in face-to-face promotion generally used by Amway Sales Ltd. and other companies.
- B. **Party-plan Selling** -- For cosmetics, women's fashion products etc., ladies are commissioned to promote the products in informal parties.
- C. **Direct Mailing** -- to previously developed databank.
- D. **Telemarketing** -- Firms like Du Pont, Lee Jeans, IBM etc. promote through toll-free numbers products of the firm 24 x7 internationally, called *Telemarketing*. Nowadays, ad agencies are organising the service for clients as BPOs.
- E. **Multi-level Marketing** – The firm promotes and delivers products through core group of distributors, from out of which next level of distributors are selected.

4. **Public Relations** -- It is the process that builds good relationship with ‘publics’ of the company to facilitate successful marketing.

One of the major extensions of PR is **Megamarketing** which manages additional elements for successful marketing viz. public opinion and political power in a country.

As a type of PR, company undertakes **Sports Promotion and Sponsorship** during major sporting events to display name, logo etc. of company prominently.

5. **International Trade Fairs and Exhibitions** -- These are forum where exporters and foreign customers meet to discuss about products and services. There are various types of it, viz.

- * General Trade Fair
- * Specialised Trade Fair
- * Consumer Fair
- * Trade Missions
- * Buyer-Seller Meets.

6. **Sales Promotion** -- These are activities that induce purchase intentions in low-income prospective customers through short-term incentives like deals, discounts, “Dhamakas” etc.

But care should be taken to adhere to prevailing laws in host countries on free deals.

Sales Promotion may be classified into

* **Trade Promotion** – Where sales promotion tools are aimed at market intermediaries to induce them to stock up more through deals so that they promote it at customers.

Sometimes deals are allowed to intermediaries for not stocking up competitors’ products in introductory phase.

* **Consumer Promotion** -- When promotional tools are directed at final customers to generate ‘Pull’ from dealers’ shelves, it is called Consumer Promotion.

7. Emerging Media in International Communication

Technological breakthrough in telecommunication, telephony, internet etc. coupled with converging taste of customers and willingness of nations to open their economy for global integration is fast creating a *single global market place*.

Internet -- Information and Communication technology through internet have introduced

- i) New and faster way of conducting business called **e-business, e-commerce or e-marketing**
- ii) Mobile handsets join this technology to do business from anywhere obviating need of a place to do business called **m-commerce**.
- iii) Customers have been empowered to remain in touch with their service-providers like banks from anywhere in world.

iv) **Reverse Marketing** -- So far marketers used to initiate marketing activities like promotion at the customers. But customers in position to start marketing activities through *Reverse Marketing* of different types :

- * ***Reverse Promotion*** -- Customers can search for product information and look for promotion from marketers or intermediaries.
- * **Reverse Advertising** -- In this process, customers ask for specific or more information by clicking at ads of their choice.
- * **Reverse Pricing** -- Instead of company's fixing the price, prospective customers place their price bids leading to virtual auction, e.g., indiatimes.com allow customers to set price.
- * **Reverse Product Design**-- Many automobile and construction firms entertain requests from prospective customers about lay out, fittings and fixtures of product to be customised.

International Marketing Communication Management

International Marketing communication is carried out with its various audiences (including prospective customers) situated in different nations by a firm with a view to inform and influence them to sell products and services and image of firm and items.

Factors that influence Selection of Communication Mix

Integrated Marketing Communication of a firm is composed of optimum combination of **Communication mix elements**. It is generally based on :

1. Size of nation's market
2. Cost of communication
3. Availability of resources
4. Availability of suitable media
5. Characteristics of market and
6. Nature of product or service.

Control of Marketing Communication

1. The communication strategy (whether of Push or Pull) is effected in targeted nations and results measured in relation to communication objectives at stated intervals.
2. The results so achieved are reviewed in light of budget and communication targets of the period.
3. Gap, if any, between period's objective and target is identified and actual reasons their of, are uncovered
4. The communication strategy is reviewed in light of the reasons and amended or revised as the case may be before implementation again for corrective action.
5. The process is repeated for achieving communication objectives.