

International Marketing

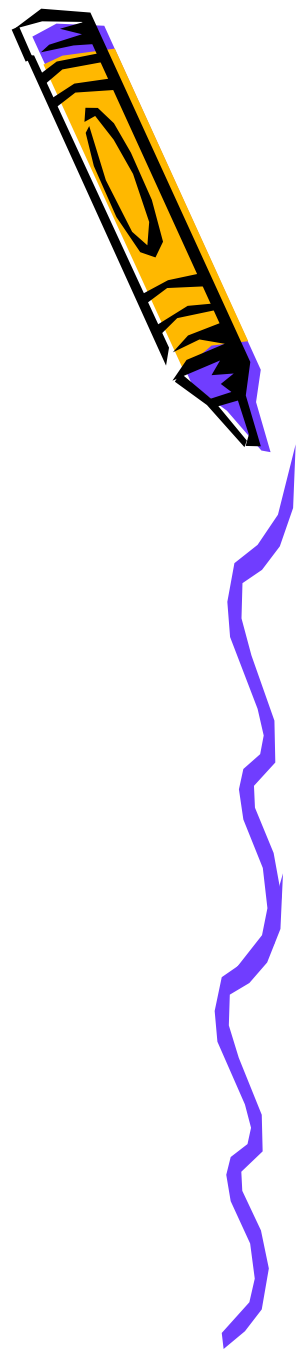


Chapter 8

Global Product Decision



- **Global Product life cycle**
- **Global product decision**
- **Global brand decision**



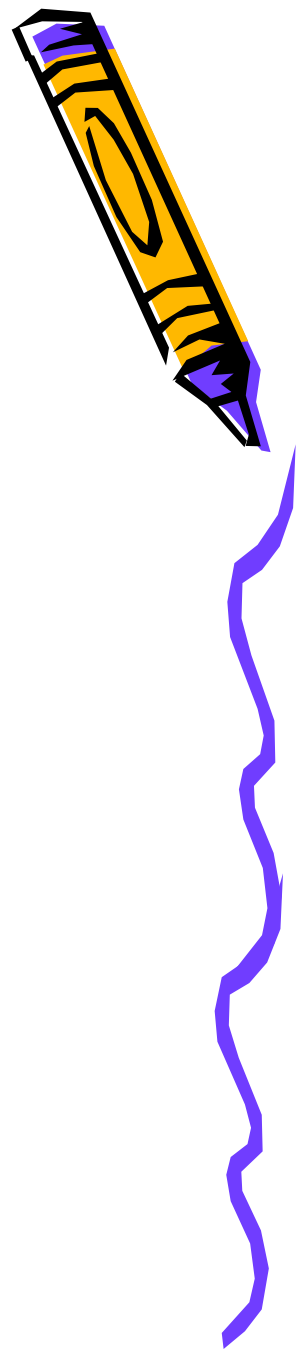
A. Product

- **Product:** Anything that can be offered to a market for attention, acquisition, use, or consumption that might satisfy a wants and needs.
- **Service:** Any activity or benefit that one party can offer to another that is essentially intangible and does not result in the ownership of anything.

Global products meet the needs of a global market and is offered in all world regions



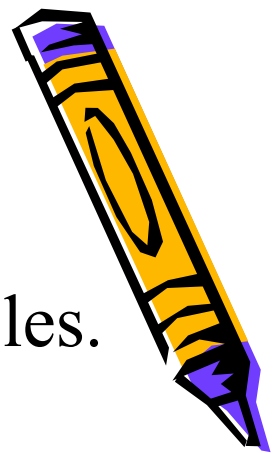
- Size of the product
- Color(s) of product
- Scent of the product
- Materials/ composition of the product
- Design of the product
- Packaging materials
- Package colors and package design
- Brand name
- Warranty
- Availability of options
- Customizing services
- After-sale service offerings
- Inventory levels



International product life cycle

All products and services have certain life cycles. The life cycle refers to the period from the product's first launch into the market until its final withdrawal and it is split up in phases.

During this period significant changes are made in the way that the product is behaving into the market.



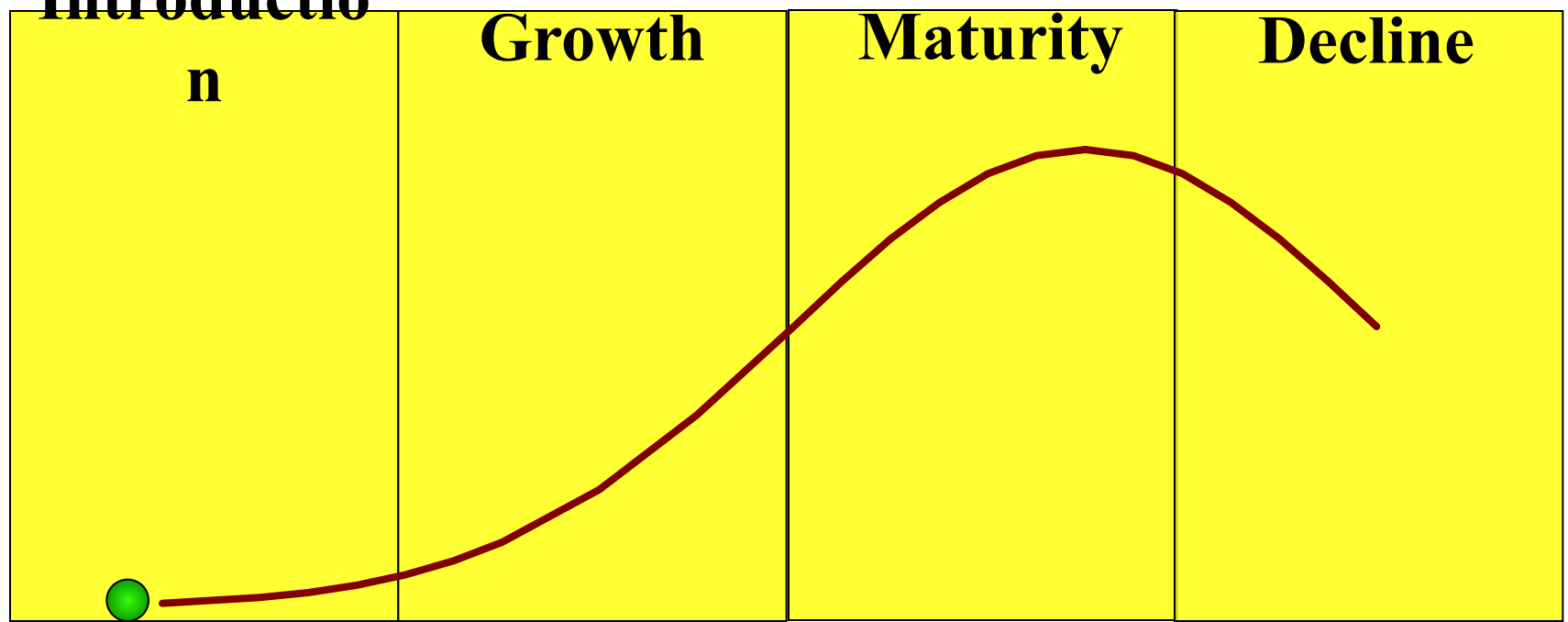


Introduction
n

Growth

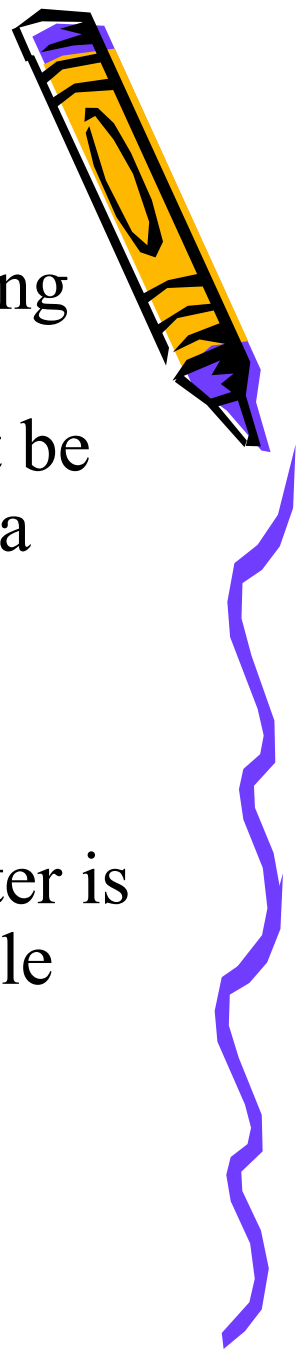
Maturity

Decline



1. Introduction

- Large expenditure on promotion and advertising is common, and quick but costly service requirements are introduced. A company must be prepared to spend a lot of money and get only a small proportion of that back.
- In this phase distribution arrangements are introduced. Having the product in every counter is very important and is regarded as an impossible challenge.



- Product pricing usually follows one or two well structured strategies. Early customers will pay a lot for something new and this will help a bit to minimize that sinkhole that was mentioned earlier.



- Later the pricing policy should be more aggressive so that the product can become competitive.

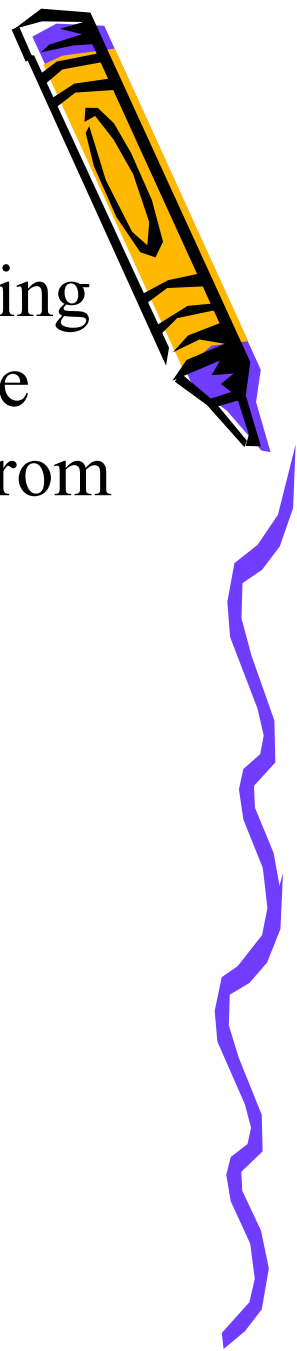
- International competition is usually nonexistent during the introduction stage. but in growth stage .competitors in developed markets begin to copy the product.



2.Growth

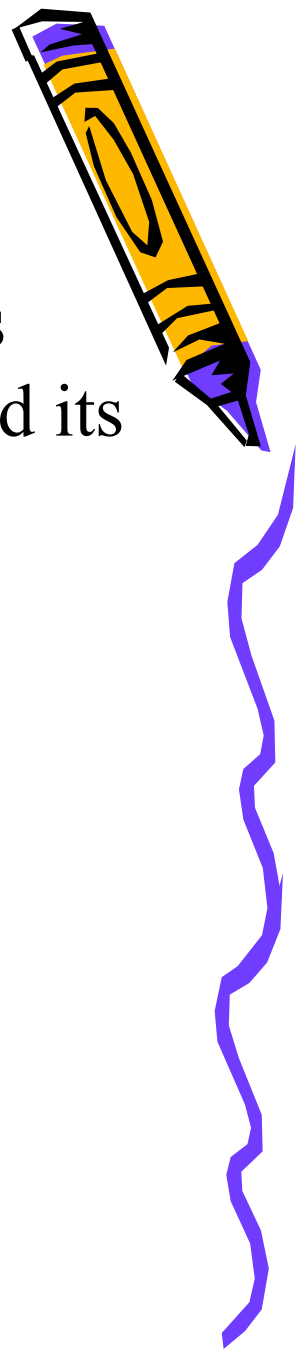
This is the appropriate timing to focus on increasing the market share. The company must show all the products offerings and try to differentiate them from the competitors ones.

Promotion and advertising continues.



C.Maturity

- This period is the period of the highest returns from the product. A company that has achieved its market share goal enjoys the most profitable period.
- During this period new brands are introduced even when they compete with the company's existing product and model changes are more frequent.

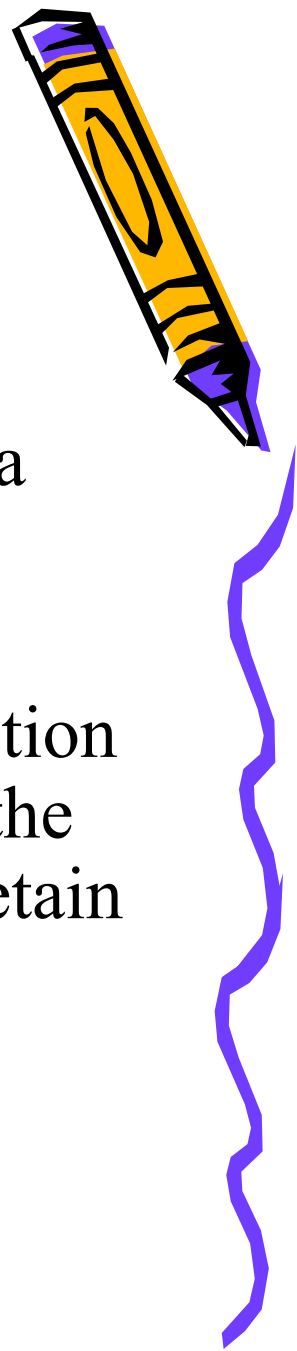


- Pricing and discount policies are often changed in relation to the competition policies
- i.e. pricing moves up and down accordingly with the competitors one and sales and coupons are introduced in the case of consumer products.
- Promotion and advertising relocates from the scope of getting new customers, to the scope of product differentiation in terms of quality and reliability.

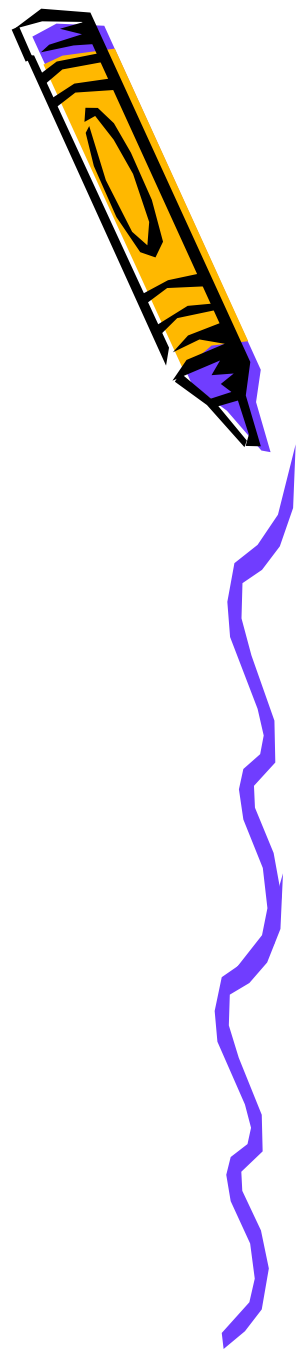


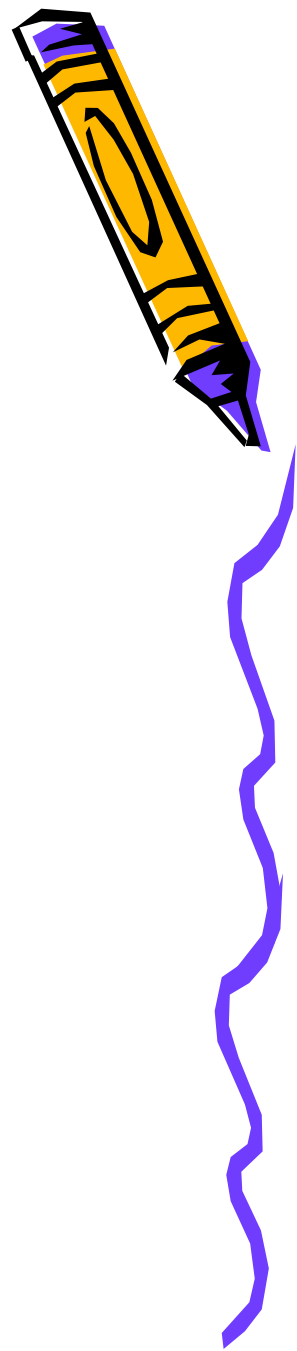
D. Decline

- Sometimes it is difficult for a company to conceptualize the decline signals of a product. Usually a product decline is accompanied with a decline of market sales.
- The prices must be kept competitive and promotion should be pulled back at a level that will make the product presence visible and at the same time retain the “loyal” customer.



CASE





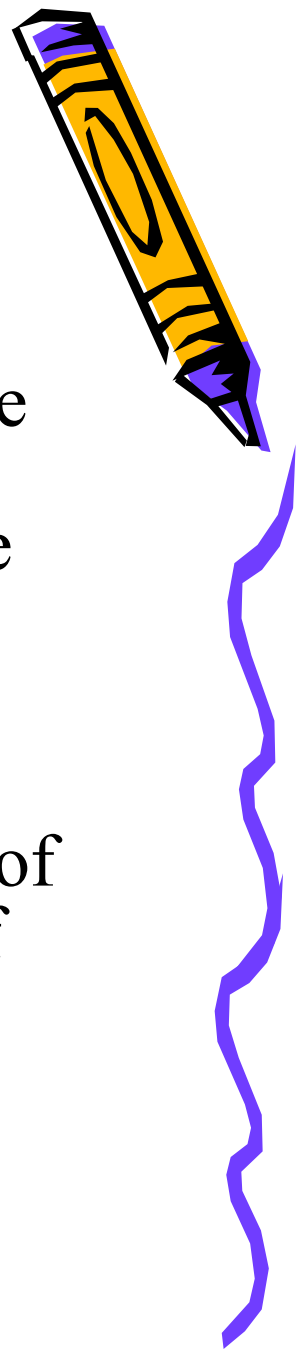
Identifying Features	Stages
Sales	
Investment Cost	
Competition	
Advertising	
Profit	



International product life cycle has important implications for a company's product planning.

FIRST, it shows the product lines where, because of the pressure of international competition, the established manufacturers no longer can hold the fort.

For example, Japan once the largest exporter of cotton textiles is now importing large quantities of it. The USA once used to export large number of bicycles. Now, it is one of the largest importers.



SECOND. product life cycle plays an important part in developing new market .Products which in the fourth stage of the life cycle, namely, the ‘decline’ stage. The only way to decelerate the process of decline is to innovate new products or find new market.

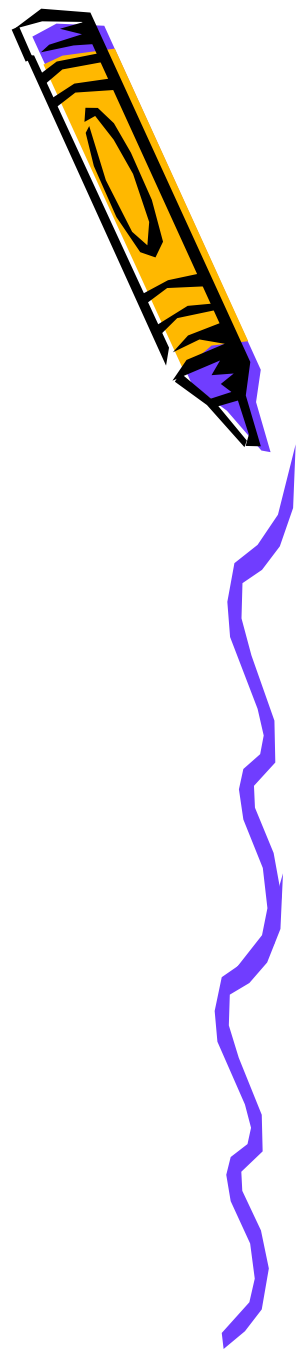
Because product lift cycle is differ from countries. Company can seek new market in some other countries.



CASE 1

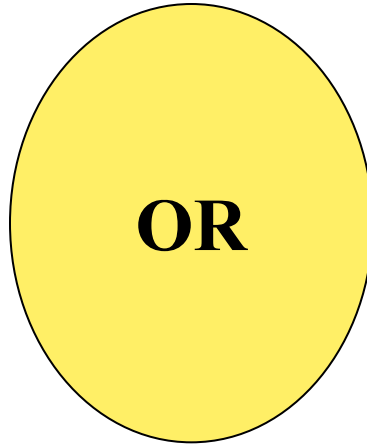


CASE 2

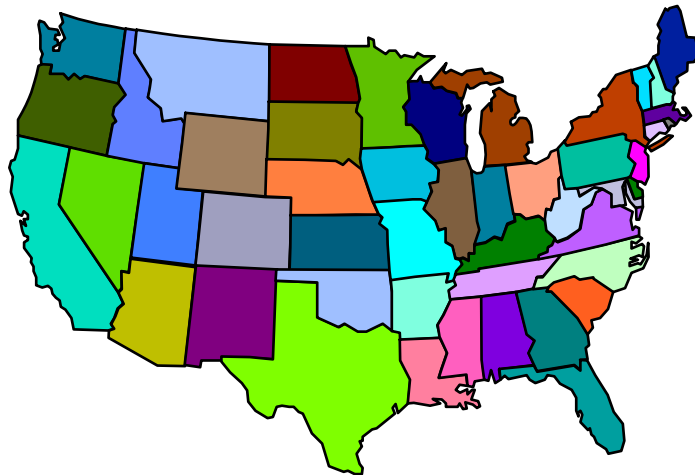


B. Global product decision

Product
Standardization



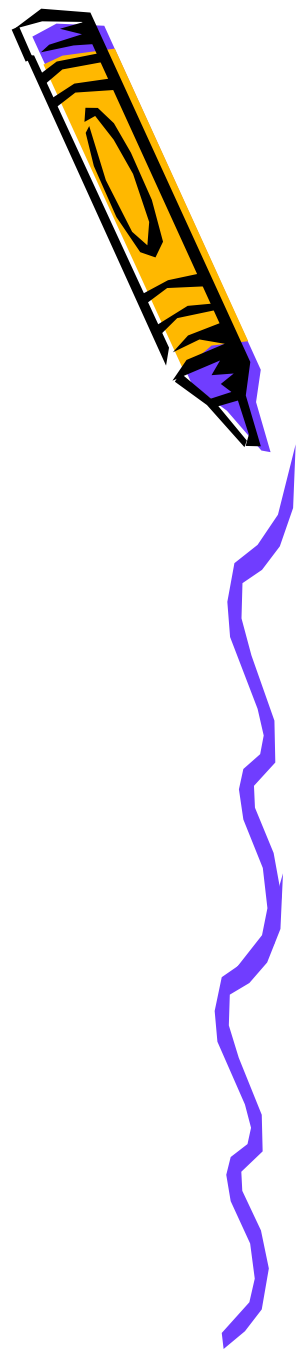
Product
Adaptation



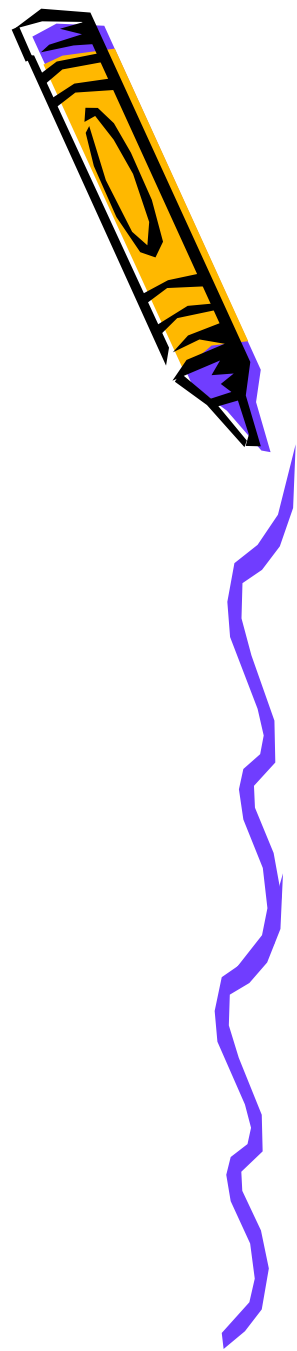
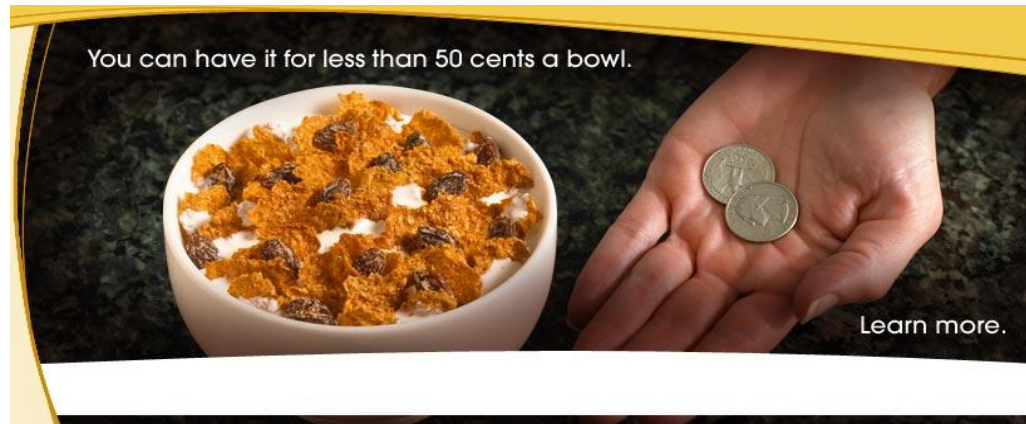
1. Product standardization

Factors encouraging standardisation are:

- i) economies of scale in production and marketing. Lower manufacturing costs and Lower input costs.
- ii) consumer mobility: the more consumers travel the more is the demand
- iii) technology
- iv) image. Enhance consumer perceptions of global brand



CASE

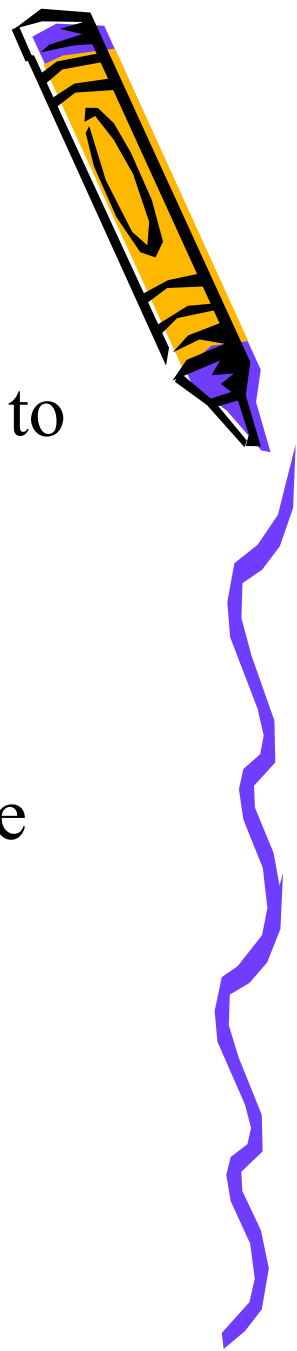


2. Product adaptation

Factors encouraging adaptation are:

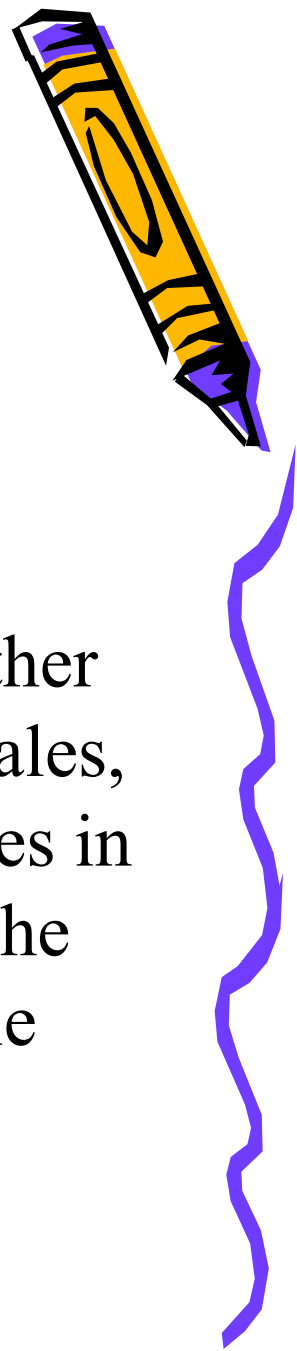
- i) Differing usage conditions. These may be due to climate, skills, level of literacy, culture or physical conditions. Maize

- ii) Financial considerations. In order to maximise sales or profits the organisation may have no choice but to adapt its products to local conditions.



iii) Pressure. suppliers are forced to adapt to the rules and regulations imposed on them if they wish to enter into the market.eg. health requirements

Changes in design are largely dictated by whether they would improve the prospects of greater sales, and this, over the accompanying costs. Changes in design are also subject to cultural pressures. The **more** culture-bound the product is, for example food, the **more adaptation** is necessary.



Global localization

Globalized but localized

Global business is moving towards what has been called “**mass customization**”. New technology will aid in the development, with new production process such as additive manufacturing which will make mass customization truly economically viable.



CASE 1



肯德基优惠券 www.kfcyouhui.com

¥15
原价 18元

培根蘑菇鸡肉饭 (1份)

- 此优惠券不做现金使用, 且不能与其它优惠同时使用。
- 此优惠券仅限非早餐时段使用。
- 此优惠券需打印使用, 复印有效, 每次消费仅限使用一次。
- 此优惠券有效期为2010年6月7日至2010年9月12日, 请在点餐前出示此优惠券。
- 此优惠券只可用于中国大陆有此产品供应的肯德基餐厅, 不适用于世博园区餐厅和肯德基宅急送 (包括网上订餐)。
- 中国肯德基只认可并接受肯德基优惠券网 (www.kfcyouhui.com) 或授权网站发布的电子优惠券, 您从任何其他途径获得的肯德基电子优惠券将不能在中国肯德基餐厅使用, 请您下载时注意。

SC 310 请沿虚线裁剪

肯德基优惠券 www.kfcyouhui.com

¥15
原价 18元

巧手麻婆鸡肉饭 (1份)

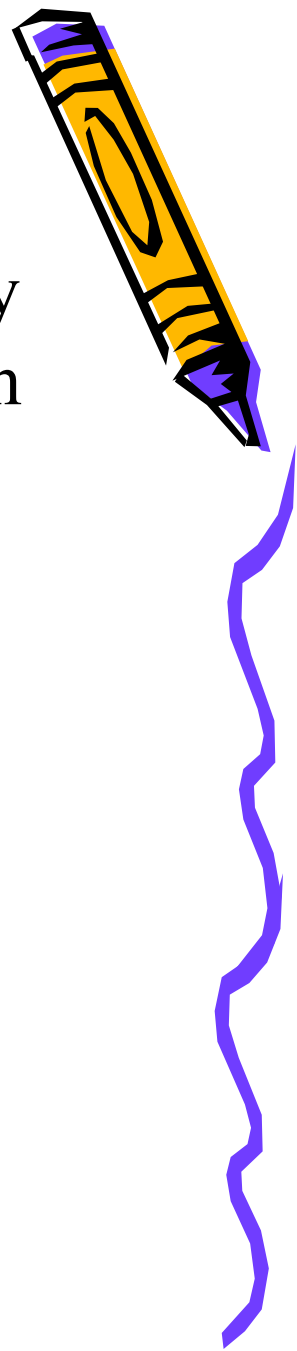
- 此优惠券不做现金使用, 且不能与其它优惠同时使用。
- 此优惠券仅限非早餐时段使用。
- 此优惠券需打印使用, 复印有效, 每次消费仅限使用一次。
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SC 310 请沿虚线裁剪

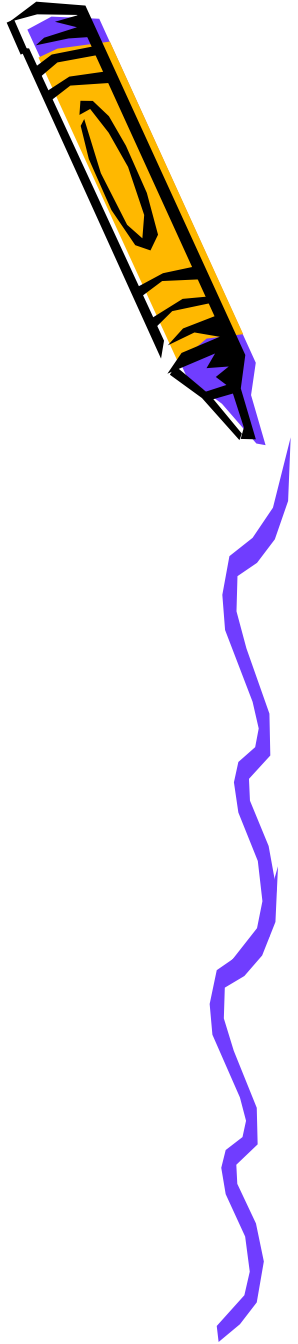


KFC is a great example of successful glocalization. While KFC retain its core Kentucky fried chicken concept as a global product platform – in China, it has successfully localized its product portfolio (i.e., its menu).

KFC's menu contains many items tailored to the Chinese consumer palate and it has paid .



CASE 2



Dear 

The App Store and Mac App Store are available in 155 countries, supporting 40 languages, and it has never been more important to localize your app and marketing material. By localizing both, you are making it easier to reach customers throughout the world. In addition, the App Store editorial team is always looking for great apps that are localized.

To get started:

- Localize your app name, content, menus, settings, and description.
- Start by localizing in the following languages: English, French, Italian, German, Spanish, Japanese, Simplified Chinese, Traditional Chinese, Korean, Brazilian Portuguese, Russian, Turkish, and Arabic. Note that Arabic is not yet available for metadata localization on iTunes Connect.
- In your marketing material, highlight the fact that your app is localized. This lets users know that they can enjoy your app in their native language.

Learn more about localization resources and localization vendors in [English](#), [Chinese](#), [Korean](#), or [Japanese](#).

For detailed instructions on how to localize your marketing material and app metadata, see the [iTunes Connect Developer Guide](#).

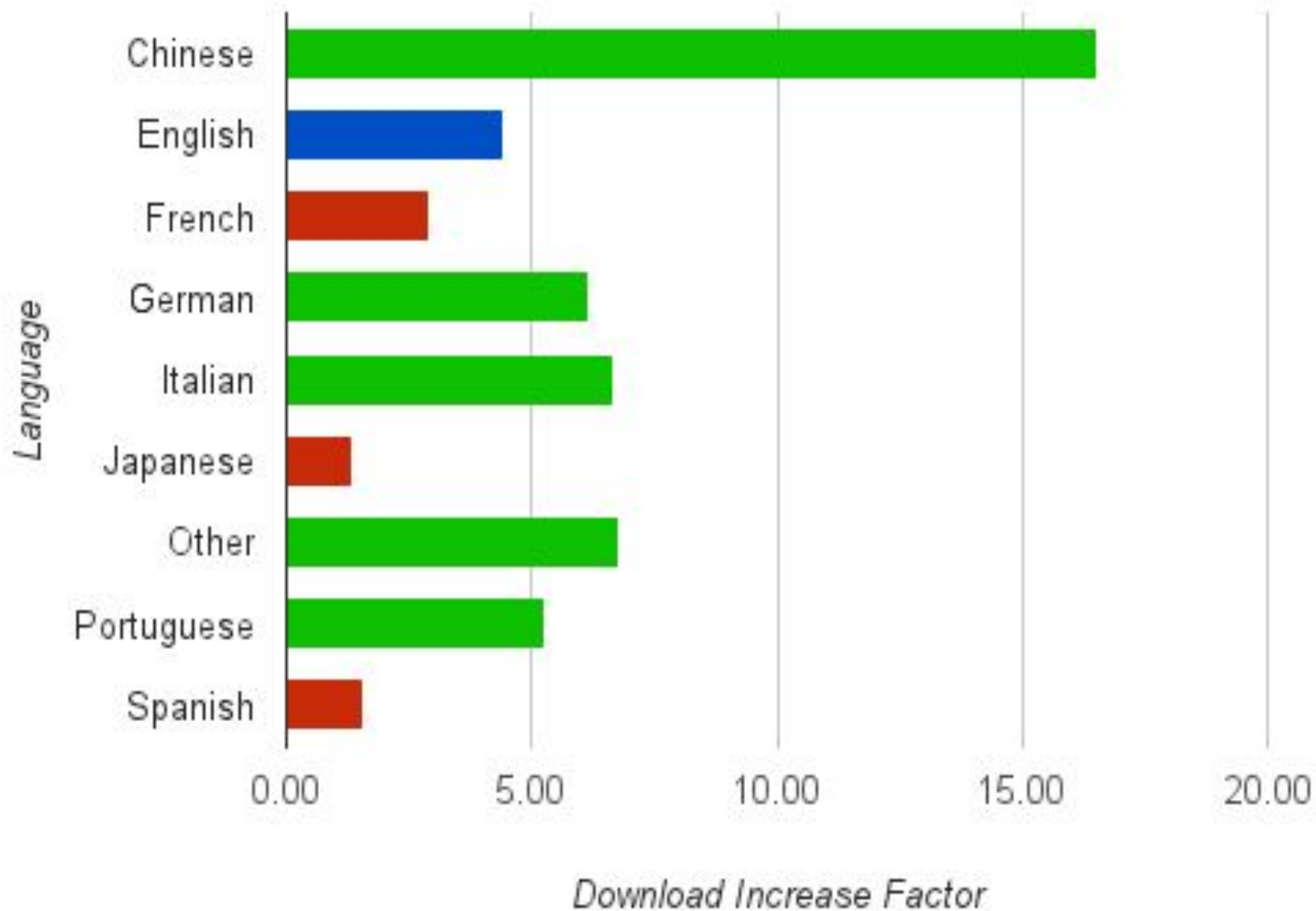
Regards,

The App Store team

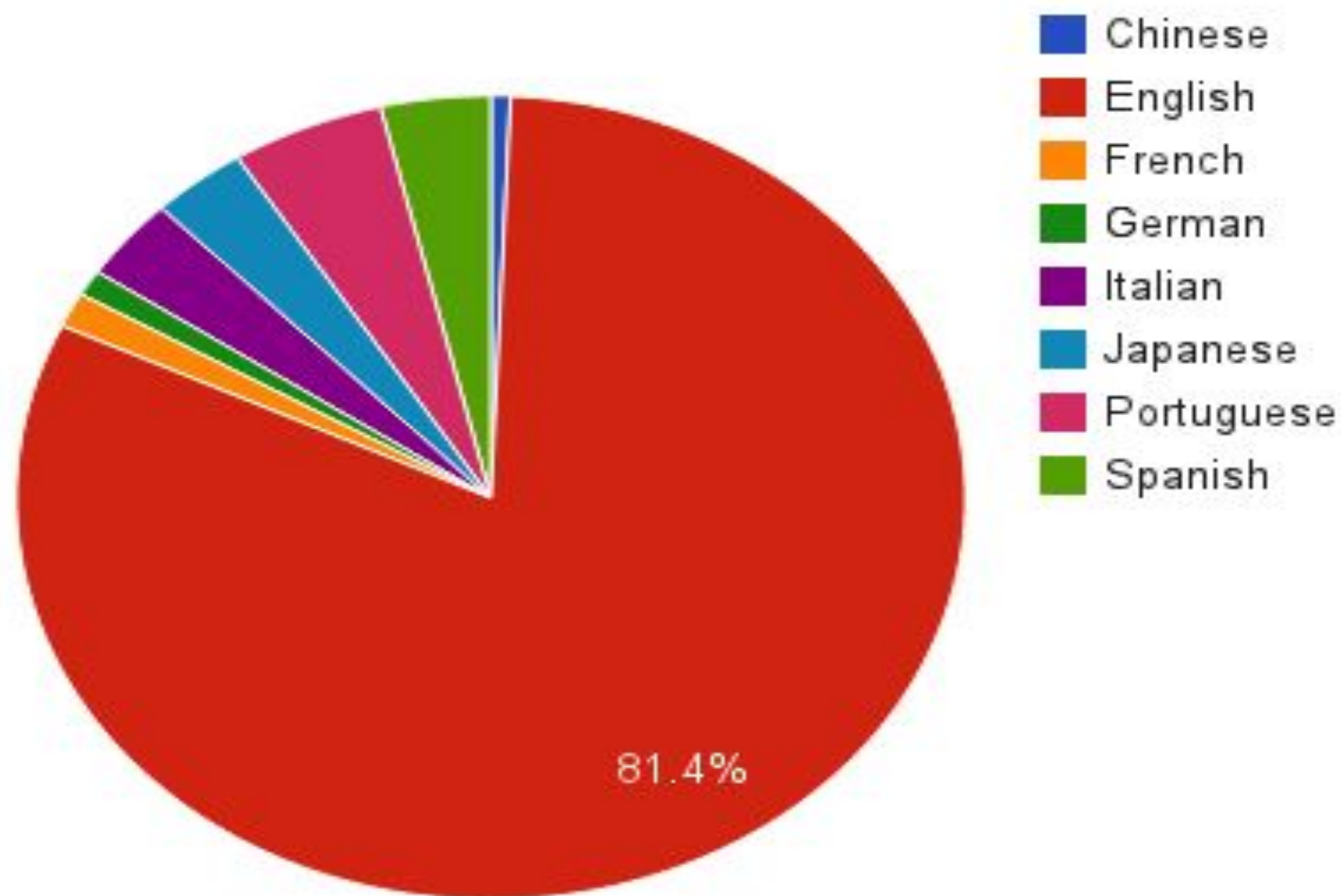
- Apple is a big fan of internationalization and localization and encourages developers to translate their apps into many languages.
- In 2013 they released Etchings 1.5, which includes translations for **7 additional languages**: Chinese, French, German, Italian, Japanese, Brazilian Portuguese, and Spanish.



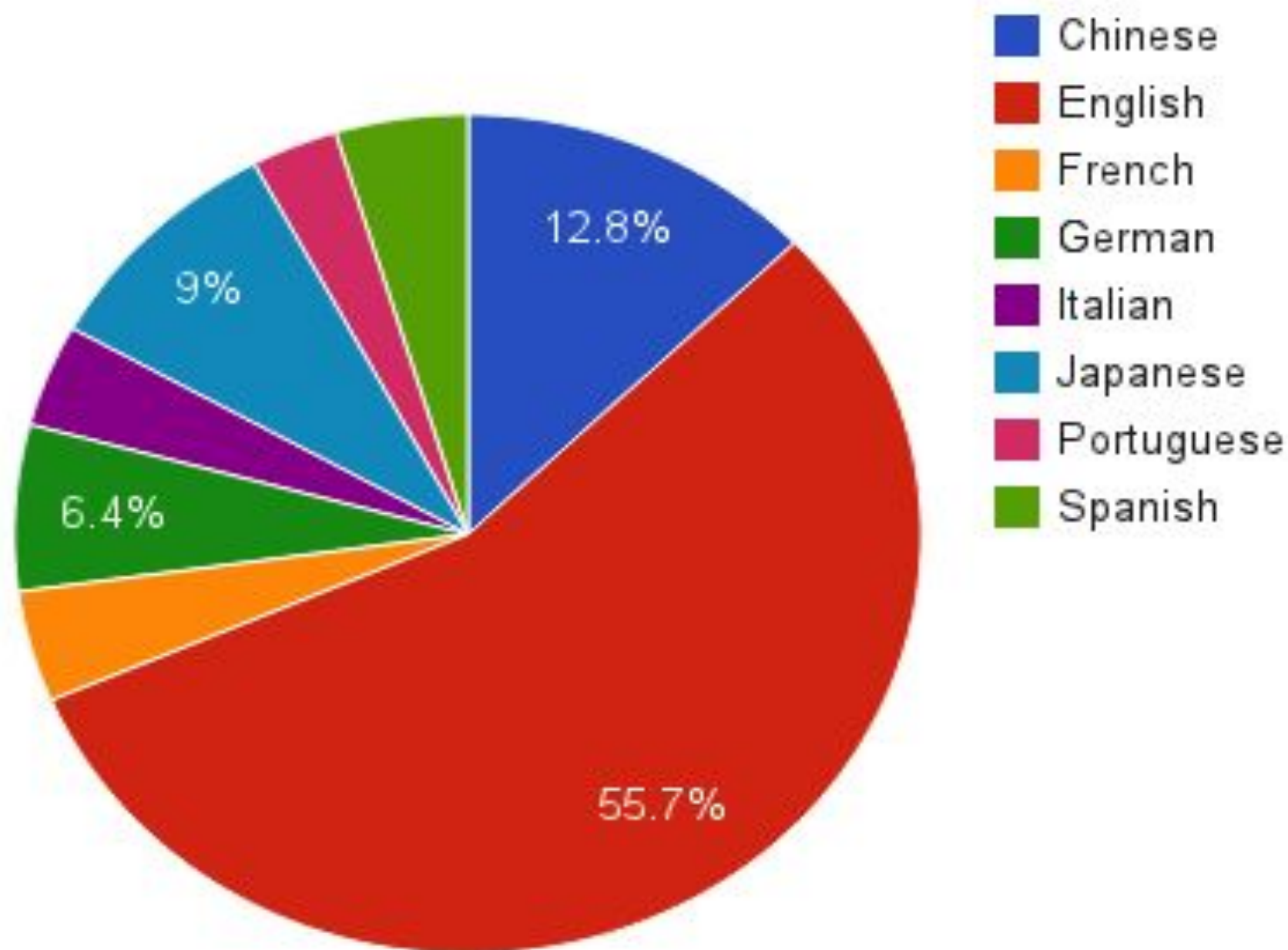
Etchings Download Increases by Language

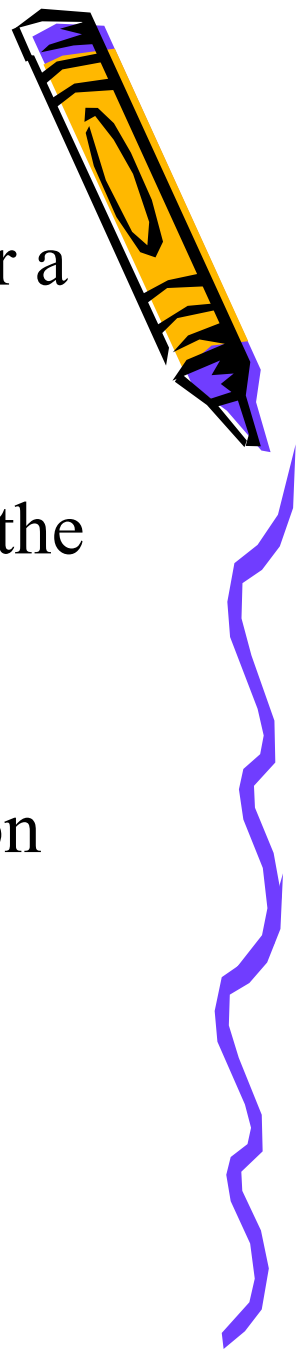


Revenue Share by Language, Etchings 1.0



Revenue Share by Language, Etchings 1.5 to Present





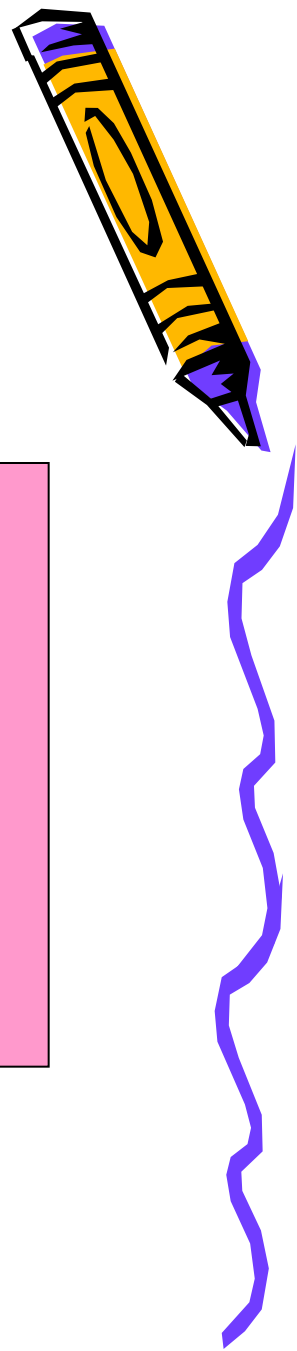
- It's clear that since the update, countries with translated languages have been responsible for a significantly greater share of the revenue compared to English countries. This is an encouraging result and shows that translating the app has had a real and lasting effect.
- Etchings 1.6 will include App Store description translations for Russian and Turkish.



C. Global brand decision

What is brand?

A name ,term,sign,symbol,
or design,or a combination of
these intended to identify
the goods or services of sellers ,
and to differentiate them
from those of competitors.

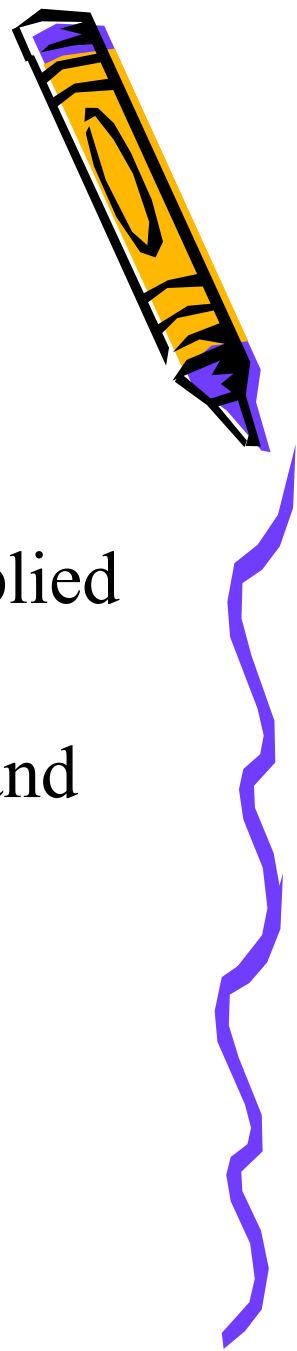


What is a global brand?

Global brands are brands that are recognized throughout much of the world.

- Identify the relative attractiveness of each market for your brand
- Conduct attitude and usage studies in each country in which you are considering entering





- Identify the sequence of brand launch by country/region of the world
- Know the category and brand indices in each country in which your brand operates
- Establish a branding scorecard that can be applied country by country
- Agree to which decisions are made centrally and which ones are made locally





Google™

Coca-Cola

IBM

 Microsoft



SAMSUNG

intel



TOYOTA

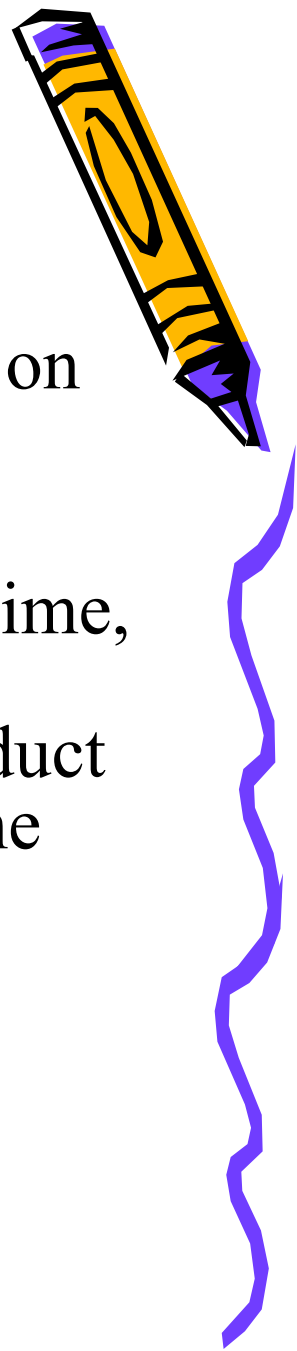


Characteristics that all top global brands have in common:

1. The same positioning worldwide.
2. A focus on a single product category.
3. The company name is the brand name.
4. Access to the global village.
5. Social responsibility .



1. Brand name



- It is a mark used to show ownership. it is important that the brand name be clearly seen on the packaging and easily recognizable.
- A brand name that has been around for some time, will generally develop customer loyalty. Consumers will purchase the brand name product because they trust the company. They know the quality is good, and they won't have trouble obtaining a refund or replacement if for some reason the product is damaged or otherwise unacceptable.



Because **English** is widely viewed as a global language, with over 380 million native speakers, many international brands are created in English. Still, language differences present difficulties when using a brand internationally.

Some of the global brands have been localizing their brand names in some markets and others use one name everywhere.



CASE 1

“东京通信工业”



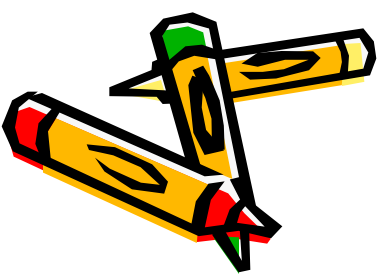
Sounds



Sonny



SONY



CASE 2

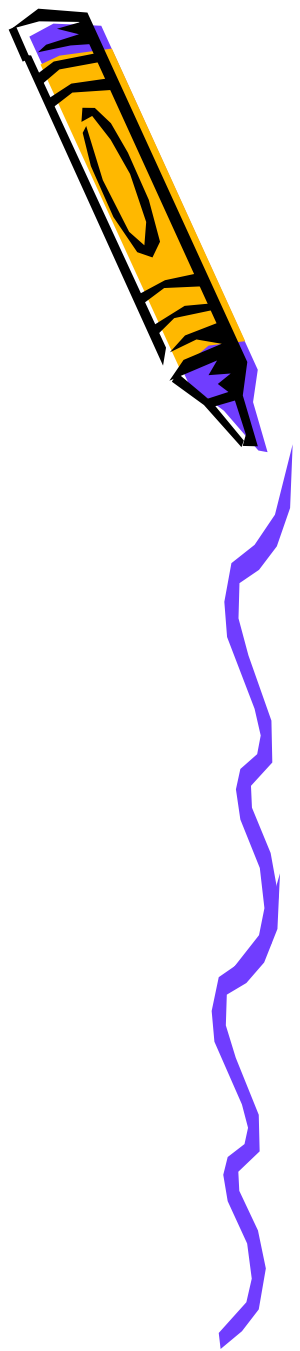
Multitech

acer

宏碁集团

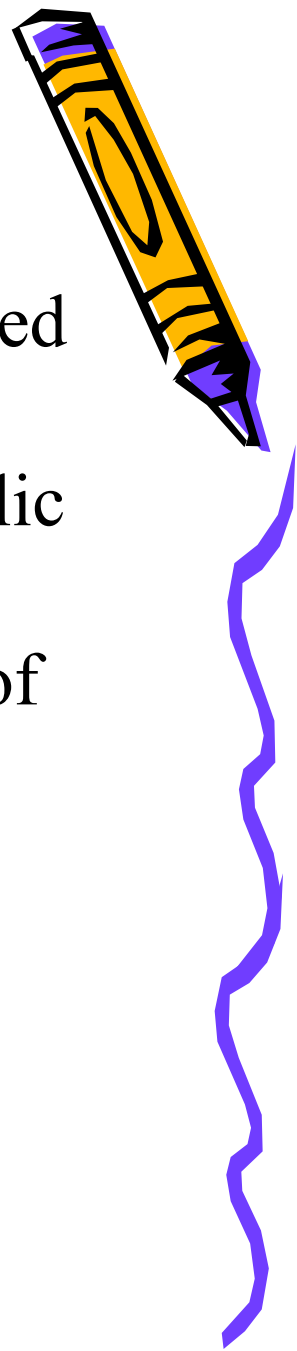
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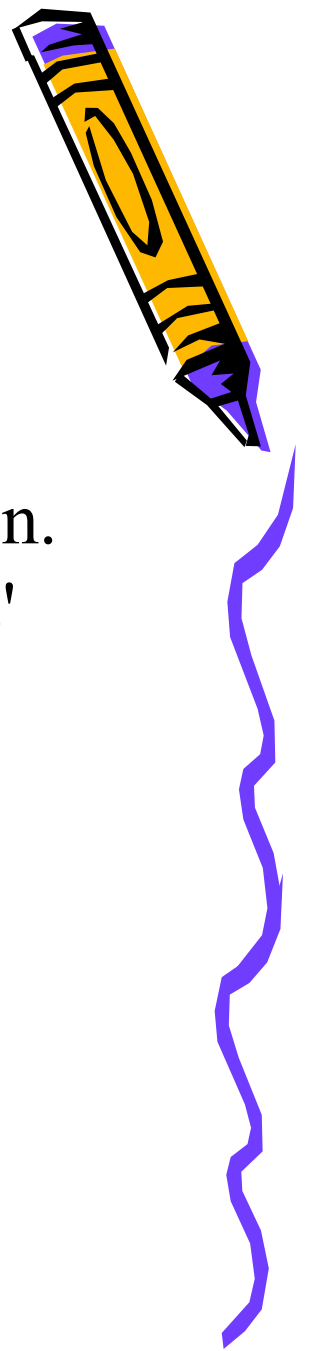
02/2012/0051/2707335170



2. Logo

A **logo** is a graphic mark or emblem commonly used by commercial enterprises, organizations and even individuals to aid and promote instant public recognition. Logos are either purely graphic (symbols/icons) or are composed of the name of the organization (a logotype or wordmark).





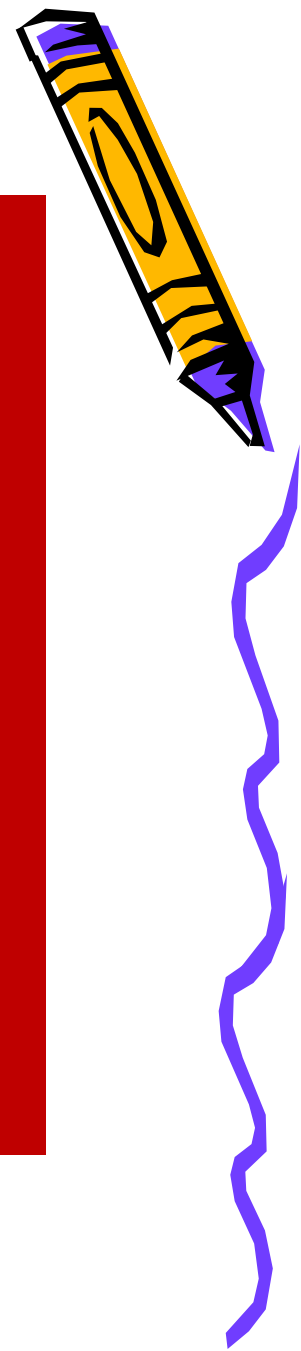
Logo design is an important area of graphic design, and one of the most difficult to perfect.

The logo is the **image** embodying an organization. Because logos are meant to represent companies' brands or corporate identities and foster their immediate customer recognition, it is counterproductive to frequently redesign logos.





LOGO



CASE 1





A Twin-tailed siren (15th century).



B



C

II



F



E



D

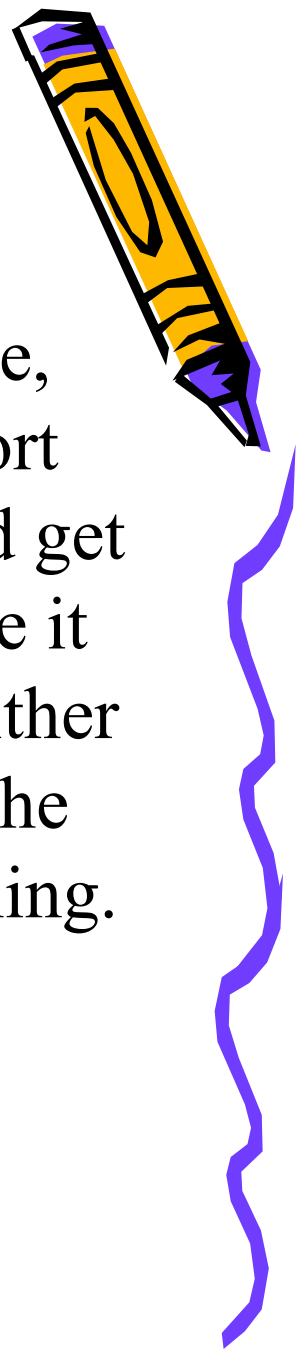


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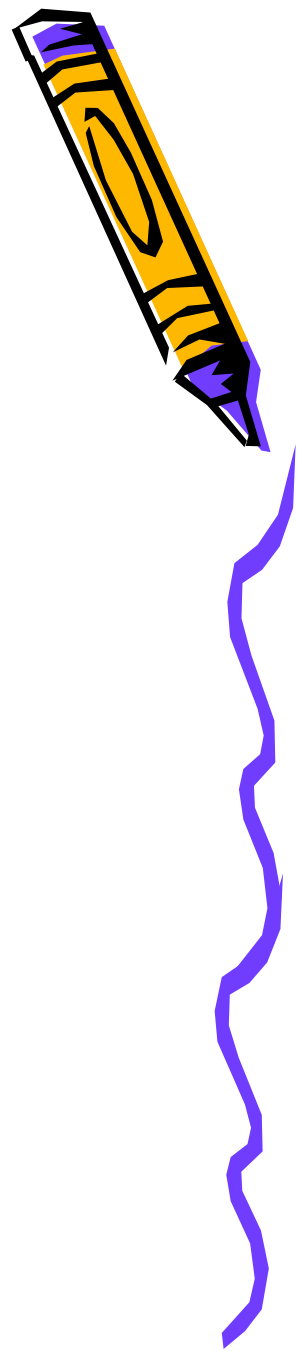


3. Slogan

A slogan, also called a tagline, motto, strapline, signature, claim, payoff or baseline, is a short phrase or sentence meant to gain attention and get a specific message across quickly. People use it primarily in advertising and politics, and in either instance, they generally are trying to make the public more familiar with someone or something.



- A widely recognized purpose of a slogan is to communicate information about a company, product, service or candidate, helping people become familiar with and remember what's available.
- It should get the underlying mission of the business or organization across, showing commitment to consumers or voters.



耐克

晶晶亮, 透心凉

滴滴香浓 已有未尽

科技以人为本

汇源果汁

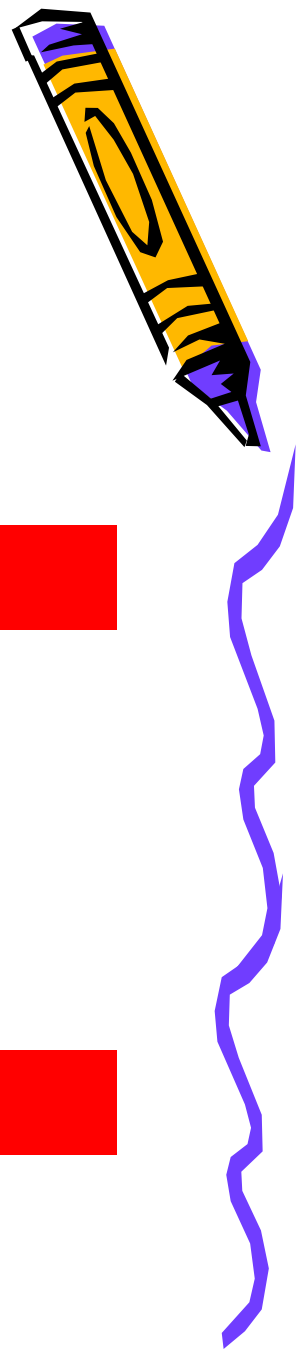
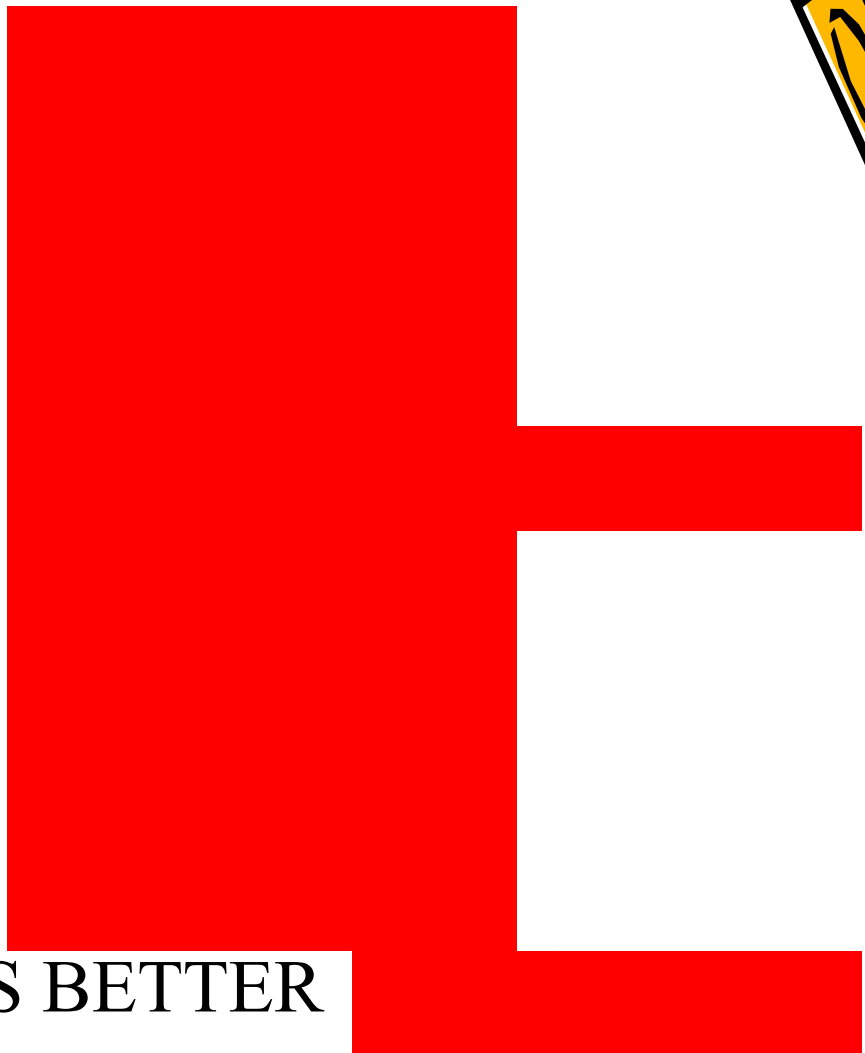
中国移动

ASK FOR MORE

牛奶香浓 丝般感受

格力空调

LET'S MAKE THINGS BETTER



Slogan

领导时代, 驾驭未来

奔驰

突破科技、启迪未来

中华轿车

驾乘乐趣, 创新极限

奥迪

享受引擎的力量

福特

你的世界, 从此无界

别克君威

超越期望、超越自我

大众

关爱生命 享受生活

标志

让汽车成为一个小家

宝马

心致、行随, 动静合一

沃尔沃

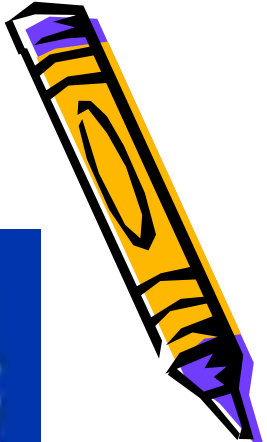
出于对汽车的爱

雷诺

One global brand?
Different global brand?



CASE 1

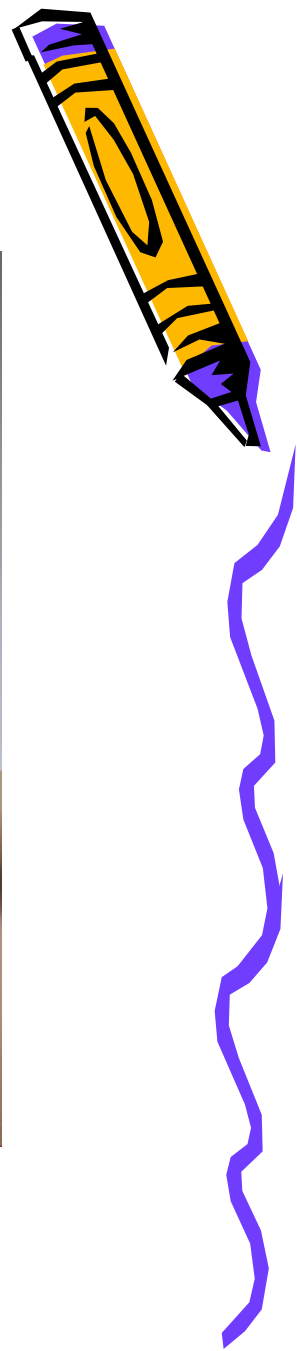


CASE 2

- (RADE)、(OMEGA)、(Tissot)、(Longiness)、(Swatch)

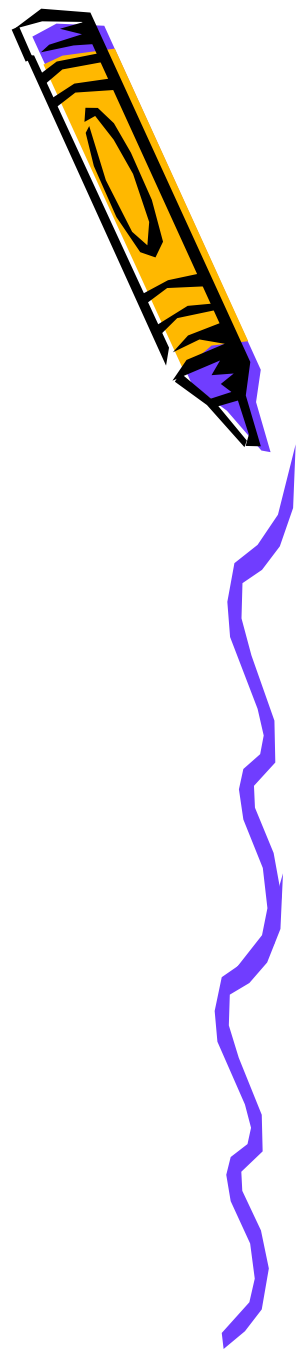


CASE 3



Summary

- **Global Product life cycle**
- **Global product decision**
- **Global brand decision**



Reference

- 跨国市场营销实务 夏正荣
- 品牌胜典 秋水
- 行棋无悔 董明珠
- <http://interbrand.com/en/best-global-brands/2013/Best-Global-Brands-2013-Brand-View.aspx>





bingo

谢谢

