

INTERNATIONAL MARKETING STRATEGIES

Organizations market goods and services that have no domestic demand in international markets and perhaps come back with products that have domestic demand. In some cases, industrial inputs such as labour, raw materials, capital and technology are imported from foreign lands to complement indigenous industrial inputs for efficiency and effectiveness. The importance of international marketing can never be overemphasized.

In domestic market, there is homogeneity of currency, language and culture. There is little or no government interference; distance poses little or no barrier and marketing environment is not largely complex; whereas in international market, there are divergent cultures and languages, many currencies are involved, government interference to protect domestic markets and industries, distance barrier and business or marketing environment is largely complex, dynamic, and multi-dimensional; differences in legal systems, etc.

International marketing encourages capital formulation and accumulation. It improves the living standard of the people; increase their per capita income through employment generation and entrepreneurial development. It is a sure means of revenue generation to the government through imposition and collection of taxes, levies and tariff.

Its Importance to the Organization

A firm that engages in international marketing benefits in the following areas;

- Achieving economies of scale through large-scale production and reduced per unit cost of production.
- Prospects for high returns in foreign markets: certainly, a firm that markets internationally tend to generate more revenue and profit than a firm entangled with domestic market.
- Corporate Strategy to escape tough competition at home. A firm can liberate itself from harsh competition at home by venturing into international markets where opportunity abounds for it to explore.
- Need to Prevent Stagnation and Vulnerability: Home market may not sufficiently provide for organization's growth especially where domestic markets is saturated.

- Need to prolong the life of its products: A product that has reached its declining stage in Nigeria may begin its introductory stage in Ghana depending on need, time and marketing programmes applied.
- National necessity: A firm can venture into international marketing because of the domestic country's foreign policy requirement. Nigeria sees Africa as centerpiece of her foreign policy, as such can direct all pharmaceutical companies, for instance, to take some of their products to other African states as a means of strengthening her foreign policy.

The Economic Environment

Every country has unique economic factors that influence business decisions and activities. There are diverse prices for goods and services, diverse purchasing habits, difference in monetary and fiscal policies, position of GDP, interest rates, balance of payment business customs and practices, etc. For instance, investment seems to concentrate more in countries with moderate tax regime than countries with harsh taxation. The economic system practiced in an economy also influences business decisions and international marketing. Countries that adopt free market system tends to be more liberal and easy to penetrate than ones that adopt centrally planned system.

Socio-Cultural Environment

This environment houses factors such as culture, social institutors, language, aesthetics, attitude and value, religion, etc. which shape the behavioral pattern of a particular people. Material elements of culture are those aspects of culture that can be seen, touched, tasted smelt and heard, e.g. products. Non-material aspects of culture cannot be seen, tasted, touched, smelt but could be heard e.g. music; thus, non-material elements of culture are abstract in nature. Culture plays enormous role in determining and defining a market to venture into. An international marketer must be conversant with the people's total way of life before taking decision on what to produce, how to produce, for whom to produce and what should constitute price, promotional and distribution strategies.