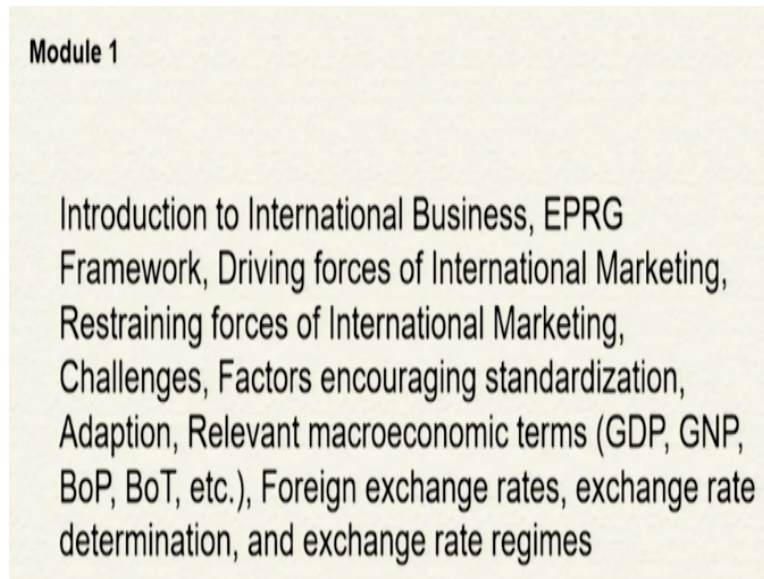


International Marketing
Prof. Biswarup Ghosh
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Indian Institute of Technology - Kharagpur

Lecture – 39
Concluding Session

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Hello, good afternoon. Welcome to my module 8, lecture 39 concluding session. So, this is my last session on international marketing just to recap what we have taught. So, the first module, we have started with the first module to introduction to international business, what is international business, what is EPRG network, driving forces in international marketing, driving and restraining forces.

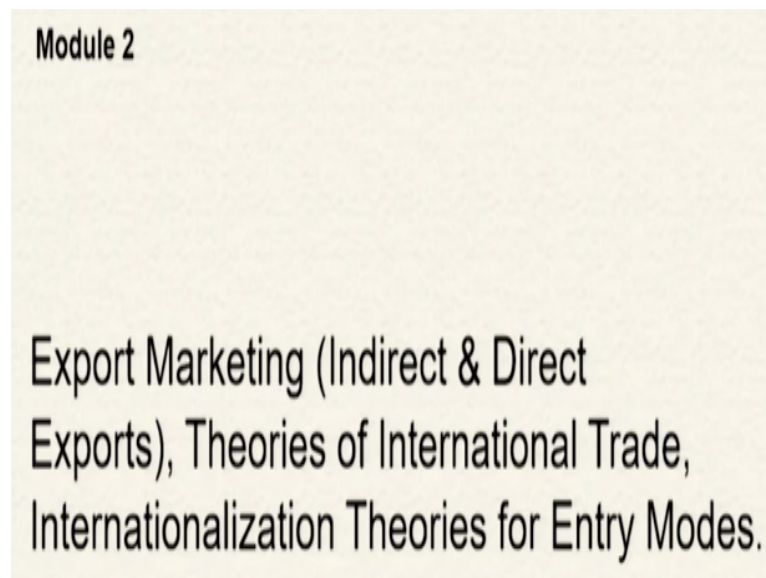
So, which are the driving forces and which are the restraining forces in international marketing? Challenges, factors encouraging the standardization and adaption. Relevant macroeconomic terms which are very important for you to understand GDP, GNP, balance of payment, balance of trade, etc. Foreign exchange rate, exchange rate determination, exchange rate regimes.

So, I would request in this session you will get the first very high overview on the macroeconomic parameters. I would encourage you to a little bit study more on basic economics textbooks to get some more views on these because these parameters are

gentlemen extremely crucial for you to understand; the macroeconomic parameters like GDP, GNP, balance of payments, balance of trade for any country.

So, before you go the international market you should have thorough knowledge on this apart from that the marketing subjects which I have taught you about the EPRG network and then there are the driving and restraining forces and then typically the factors encouraging the standardization and adaption all these things. So, this was my module 1 on the subject.

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Module 2, so we have started right from what is export marketing, so very basics. What is export both; what is direct export, what is indirect export and then various modes of entry. Then, that is what is the way of licensing, franchising and then various types of entries. Theories of international trade, we have explained theories of international trade and then international theories on the entry modes.

So that is also very important like Uppsala theory, network theory, transactional cost analysis, OLI and bond global all those we have the various types of entry at the international market. So, on the module 2, it will give you an idea about right from what is export marketing to and sale subsidiary and direct establishment in a foreign country and then various theories in international trade and then international theories of market entry.

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Module 3

Cultural Dimensions -Tools & Techniques, Cross-cultural sales negotiations, Implications of Hofstede's Work.

In module 3 which was very important and very interesting the cultural dimensions of the Hofstede's network. So, this great gentleman's work throughout the world, all international marketing managers owe a lot to this gentleman, and I always have a high respect for this gentleman for helping the international managers to understand the various culture, measure them and then take a strategy accordingly.

So, I will always go this is very important for you which are the various six cultural dimensions of Hofstede's and how crucial each dimension and as I have shown you the cultural dimensions vary significantly within the countries and what you do when you go from one very high cultural distance to a very low cultural distance what should be your strategy as a marketing manager.

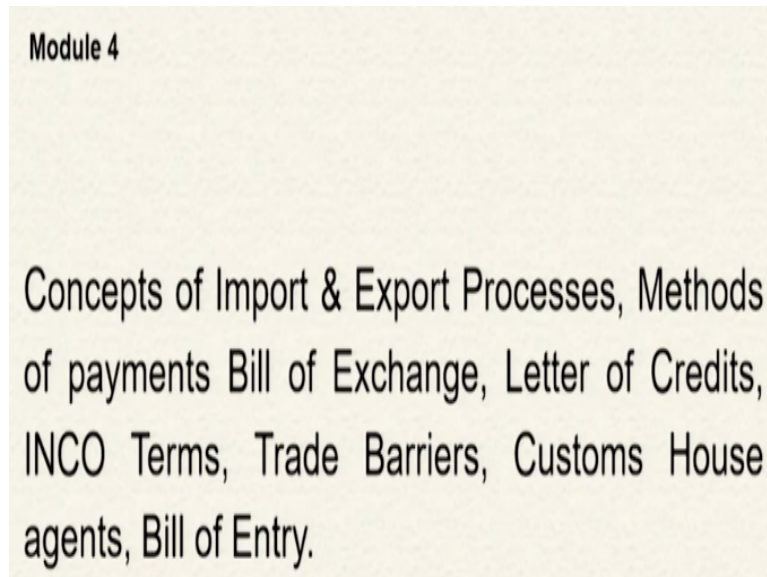
So, this is for you international managers without Hofstede's it will be very difficult for you to manage the international market though you may be an excellent marketeer, but without understanding a cultural dimension it will be extremely difficult for you to operate in international market. How you should operate and what should be your communication strategy and what should be your strategy in expansion when the cultural dimensions are extremely different.

When there is a very high cultural dimension difference and how do you manage that? So, in this module 3 the last lecture I have given couple of contrast examples and given some idea, purely this my conception, there can be so many different views also there. So, how you handle when there is a big cultural difference amongst the two countries when you start

marketing. I have given the examples of very high cultural difference countries and what should be their strategy, so that is very important.

And I once again thank Hofstede India to give me the approval and the permission to use their website and their various details for my students. So, I am personally thankful to them for giving the permission to me. So, that is the cultural dimensions.

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Module 4, more on hands on, on the imports and export procedures, how you get an import license that is very important. How you should apply? You are an entrepreneur, you have a domestic business or you want to start, so what should be the first thing? How do you apply? Which are the websites you go? How do you apply and then how these starts the import and export process? Then what is your bill of entry? What are the various Bills of Entry?

And then how you make payments like what is bill of exchange, letter of credit? What is Incoterms? What are trade barriers, custom house agents? All those I have taught. This is more on hands on for the practicing managers, believe me I have made several practicing managers spent many years in international market, but not very thorough on INCO terms. So INCO terms is something like very crucial for any international marketeer.

You have to understand the Incoterm, each of these INCO terms. Where the responsibility ends and it is buyer's responsibility and the seller's whose responsibility up to what point. So Incoterms will tell you that and then you need to understand the INCO terms and I have explained all INCO terms separately and I spend long time in INCO terms. And I have seen

in real business scenario people working for many years made a mistake in understanding an INCO term and companies suffered huge loss.

You ask any international manager, they will always insist please learn INCO terms very clearly, whose responsibility up to what point and what are the responsibilities. So, ensure that INCO terms, so you remember that FAS, FOB, CIF and all those DDU, DDP all those terms you must understand clearly and then of course filing the bill of entry for the home consumption and then there are three different types of Bill of entry. All those things we have explained in that.

This mode of hands on and this will be useful for all the practicing managers and including the MBA students who are wishing to join the international business this will be useful. The people who are into the import exports that will be useful for them and also the entrepreneurs who are thinking of planning for an expansion, this will be the hands on. Without this, you cannot go to the international market, so this module will be very useful for you to understand.

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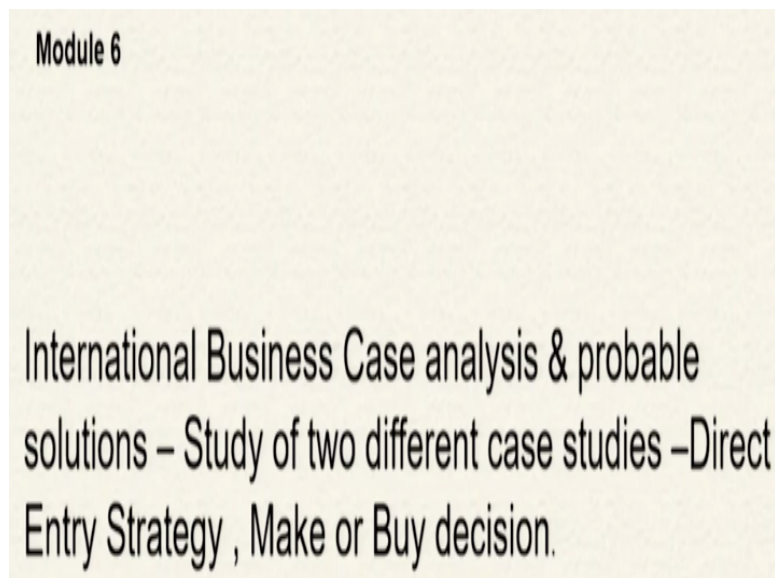
Module 5

Designing a Global Marketing Program- Concept of Marketing Mix , Product Mix, Standardization & Adaption of the International Marketing Mix, Product Classifications, Customer Value Hierarchy, Pricing decisions Distribution Decisions, Communication Decisions

Chapter 5, the module 5, where all the marketing what you have studied. The various four P's of marketing you have studied in the basic marketing books like the marketing management basic courses, we have now extended this to the international marketing. So, that means the concept of the four P's, the product standardization, then adoption, product mix, classification, customer value hierarchy, pricing decision, distribution decision, communication decision.

So, you studied these in marketing basics for the domestic market, but here in this module the whole course is designed, this module is designed to give you an exposure what should be your product decision standardization or adaption or balance what should be the decision on the product front, on the pricing front or on the distribution front or on the what is called the promotional front or the advertisement front. So, these are the communication decisions which I have taught in this module 5.

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In this module 6, I have analysed two business cases, two hypothetical business cases, some company I have taken there and two business cases. In one business case I have discussed in Japan where the company wants to have remove the distributor who is there for many years in the marketplace, remove the distributor and start their direct operation. So, what are the various challenges they faced and what are the challenges?

And what a marketing manager should take care to ensure that a smooth transition from a distributor to the company happens because if the smooth transition does not happen there is a huge amount of negativity and then market share loss. So, that is very crucial case study. I have tried to analyse based on my expertise, it cannot be a unique solution, there is nothing called unique solution here. It can vary from manager to manager.

Other international manager may take a decision, which may be a little different or maybe entirely different the way I take a decision, but here is my view. If I would have been consulted, this is purely my view and I can definitely have strong points why I have this,

maybe another manager will have a different view, but these are not the only unique solutions. So, it is one of the solutions which I have proposed.

The other one I have gone to that entry to a European large market with a product, whether I should make it or I should buy a company so that is the decision and I have done a case study on that. So, these two case studies will give you an idea that whether the company should have a direct sales network removing a distributor or another country the company does not have a product at all for that market.

And there is a long time for getting a regulatory approval. So how to address that? Should I wait for 3 years, 2 years to get regulatory approval in that country? Should I have a manufacturing unit in that country or should I make in my home country or should I not consider at all, I do not go to that market at all? So, what should be the decision? So, I have done that analysis in that case study.

These are all hypothetical case studies I have taken and I have given the examples on there, so which will be useful based on your what is called the international marketing strategy when you do, this can be a useful decision. But once again I am repeating the solution or the guidelines which I am providing is typically is my view, we should consider, there can be a decision which will be different by another marketing manager.

His decision or her decision may be different. So, it all depends from company to company and manager to manager it might vary, but what I have given is based on my expertise and based on the experience what I had in the international market.

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Module 7

Session 1 & Session 2:

Live interaction with Practicing Managers dealing with large International Markets. Learning from their vast experience of International Business Expansion across the globe

Module 7, I promised you in my introductory video that I will bring some managers who had spent long years in international market. So, there I have brought in this session 1 and session 2, two managers who had worked in the large corporations like GE Healthcare or in Philips they have worked and in large geographies they have worked. In one example the gentleman had gone from various countries and marketed the product. In other one a large organization has hived off their healthcare division.

And that division now starts marketing in India a large market in India and then having a different new legal entity and what are the big challenges there? So, it is a real learning from these two practicing managers. They work for many years, more than 15, 20, 25 years in the industry. So, there is an interaction session and you have understood how challenging the situation were for them in this module 7. So, that was the discussion from the two managers from these two large corporations where they have worked.

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Module 8

Session 3 Live interaction with Practicing Manager dealing with large International Markets. & Conclusion session

In this module, one more manager who had worked in the large geographies of Phillips worked as head of the Philips position in a couple of countries and also worked in 10-12 geographies in the world and how he has marketed the product. What were the challenges? What are some unique in some country? What are the unique in one other country? What are the challenges? And he has given his views and their suggestions there.

So, gentlemen, these are typically the views of an individual manager. So, the interactions are nothing unique. So neither of my solutions to the case studies or the number 7 the solutions given by the practicing managers are nothing unique or nothing here in this module 8 is unique. It is the individual's decision how he thinks about the market, another manager might have a different view.


So, there is nothing called some hard and fast rule like A plus B some sort of an odd, one plus two or two will be always three that type of decision. So, it varies from person to person, so that is the manager. But it is most practical based on the long years of experience shared. And this session is a conclusion session where we are concluding what we have learned in last 8 weeks. Today is the eighth week.

So, in last seven and today's eighth week what we have learned. So we are just going through the entire recapitulation of whatever we have learned and there. I must thank here the various books, resources which I have used like Kotler's book, Hollensen's book and various researchers I have given the reference of each of these researcher's name and the author's name in my slides and my gratitude, my sincere thanks to all the researchers.

And the textbook authors where I have used their references in my teaching to the student. So, I am grateful to all the references and the researchers and the textbook authors from whom their books I have used the reference for my students, why you have used it? I have used it to help the student to understand to accumulate various information from various places and to put it in one place so that it is easier for the students to understand.

So, my personal thanks to all the researchers and the all the textbook authors from there and also from couple of internet sites, I have taken couple of information which are useful. So, my thanks to each one of you whom where I have taken the references.

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**A Big Thanks
my Teaching Assistant
Mr. Sahil Narang,
Research Scholar,
VGSOM, IIT Kharagpur**

Last here, a big thanks to my teaching assistant Mr. Sahil Narang, research scholar of our VGSOM, IIT Kharagpur who has been with me from day 1 in creating this course, brainstorming the entire discussion, helping me to prepare the complete teaching modules. So, my personal thanks to Sahil for doing an excellent work and anything good in this session has happened, so the credit goes to Sahil. So, thanks a lot Sahil. Thank you very much.

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**Thanks
To all my students
who had enrolled
for my course
on
International Marketing**

And lastly, thanks to all my students who had enrolled for my course on international marketing. So, guys thank you very much for enrolling to my course and I am sure I tried my best as I promised in my introductory video, I promised that I will make it as simple as practical possible. I have tried my best to do whatever I have promised in my introductory video to do that. I would expect some feedback from you.

If I have not done good do let me know, I will try to improve that. And if you have some doubts, so please put those doubts in and then I will come and interact with you in your doubt clearing session. I will try to help you on that. So that is all from my side. Once again, thanks all of you for registering for my course. Wish you all the best. Thanks a lot. Thank you very much. Stay safe, stay healthy. Thanks a lot.