

**International Marketing**  
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**Lecture – 24**  
**Designing a Global Marketing Program**

Hi, good afternoon. Welcome back this is my Module 5 and Lecture 24 this is the last lecture of Module 5 on designing a global marketing program.

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So, we were discussing on the communication strategy. As you remember we have discussed all the 3 P's the product we have discussed in international market what should be the various strategy related to the product in the international market, what should be the strategy on the pricing in international market, what should be the placement or distribution strategy in international market.

So, three very important ingredients of the 4 P's we have discussed and I hope you have understood this is a very complex one, very, very complex. As I said preparing a very good dish also depends on a very good chef a very good marketing manager should prepare the mix of all these 4 P's shown in a very creative fashion to gain a market share and gain the profitability of the company.

So, the last one as I have said about the communication of the promotion and the communication which is the last P the promotion and the communication strategy. As you

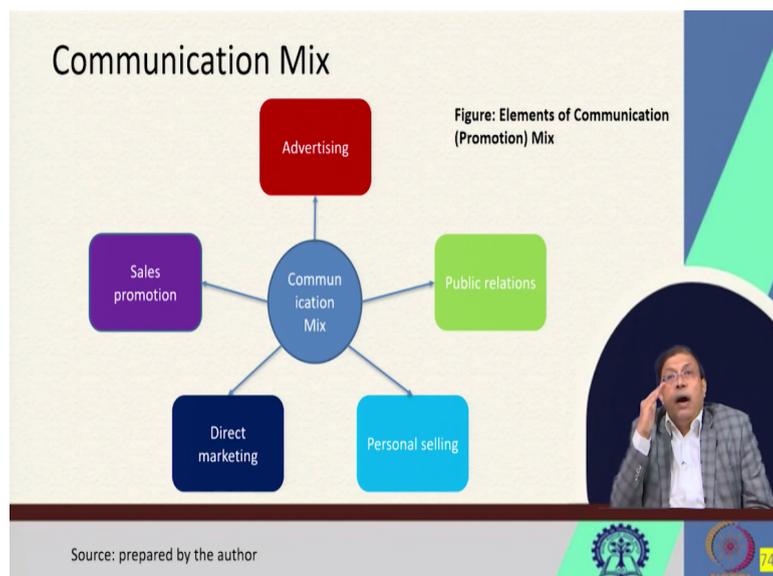
know the promotion is basically cost to the company so how effectively and how you can manage the promotion that is all very, very crucial. So, the first of all why it is challenging. In India as you know the different states, we have different languages in most of the states.

So, the communication strategy are different in certain products may be used in the local communication language and some are in national in Hindi or English and the communications are done. So, imagine now you are in a global market where the languages are totally different and then economy of the country are totally different and then socio cultural differences are there.

So, of course the communication will be very, very challenging for you and then regulatory conditions these are very important what you can communicate legally all those things are very, very important and then competitive differences are also there, so how do you affect these are the factors which affected. So, legal and regulatory conditions are very, very important for preparing your communication in an international market.

You need to check with your legal partners or the lawyers and the advising agencies what you can ethically and legally you can promote in a country. So, they communicate in a country so that should be very, very important because what is legal allowed in country x may not be legally allowed in country y so that is very, very important for you.

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So, the communication mix so what can be the various communication mix? So, in the center as I have kept very simple one is a communication mix and then there can be various ways

advertising you can put print media advertising, you can make the advertising in the television media, you can put the advertising in the digital media, Facebook, LinkedIn, Twitter all these advertising you can do.

You can do the personal selling of course the product can have a personal selling. You can have your own companies personal selling network there. You can have your direct marketing for company you can have a direct marketing like the several couple of products I will come to that little example give you the direct marketing, you can have the sales promotion scheme, various sales promotion schemes.

And then like various discounting scheme and you can come up with the sales promotion scheme like bundling the service, bundling the spares, bundling the consumables, bundling all those things can be sales promotion and then obviously the public relations of your department of your company which is also plays a very crucial role in public relations and public relations you remember play a very crucial role in a large multinational company because these people they will communicate.

They will send the communication to the place and the media so that it also creates a positive publicity at the marketplace. So, public relations are very, very important function and especially if there is a problem with your company product due to God forbid, due to some reason there is a product quality problem or there is a product somewhere the product has faced some legal problems or something product got banned for certain time.

Then public relations can be a very big rescuer for you in that difficult time public relation can help the company to really communicate with the customers, with the government authorities, regulatory bodies and then prepare and then resolve the situation and they know professionally how to communicate and what to communicate all those are known by the public relations people.

So, they are very, very crucial in a large organization especially a large multinational or transnational organization public relations play a very, very important role both when the company is making a foray into that new market or a company is already into the market and having some new product coming up or maybe the company is applying for a new expansion in the factory.

New production facility expansion or something so public relation or maybe company has faced some legal issues or product related issues or there was a product recall maybe certain parts maybe you are selling a car and maybe a certain maybe a break lining was not correct or may be some component in the car had a problem and then you have to product recall is there and then public relation there can be some negative sentiments with your customers.

Public relations can communicate accordingly with the customers and in the media so that all these negativity can be taken care. So, I am harping public relations is very, very important in a communication mix apart from regular communication which is advertising, personal selling, direct marketing and sales promotion.

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**Advertising**  
Communication Mix

- Advertising is a non-verbal form of communication, conducted through mass media, under a clear sponsorship.
- Important decisions related to advertising:
  - Objective setting: communication or sales
  - Budget setting: various methods
  - Message decisions: USP, standardization vs. adaptation
  - Media decisions: reach, frequency, impact, media type
  - Agency selection: local agency, international agency
  - Advertising evaluation: communication impact/ sales impact

So, advertising what type of an advertising? Advertising is a non verbal way of communication conducted through the mass media under a clear sponsorship, important decisions in advertising, objective setting, communication or sales what is your communication FL as you know so that is a communication where Hindustan Unilever **on this surf**.

So, the communication how are you communicate so that is the way how the smart companies are doing the communication to the customers, to the consumers so how the objective setting communication, budget setting, various methods of budget what you have, message decision what is your USP or unique selling proposition of the product as I said every product should have a unique selling proposition.

So, what is the unique selling propositions, standardization versus adaptation, what is your standardized communication throughout the world, what is your adaption for that particular country. So, based on the decision your communication will be there, you want to communicate one decision, one standardization throughout the world of the communication or you will adapt country specific communication.

Media decision which media you do based on the TRP you can take a decision which media you want to use and then what type of a frequency, what is the impact, what is the type of the media all those thing you have to ensure that decisions agency selection whether you want to get a local agency who is very strong in that country or whether you can take an international agency for your product advertising.

Advertising evaluation the communication impact and sales impact because you know at the end of the day every communication you make, every advertisement you make there is a huge cost there. So, then people, the company will always look what is the impact on the sales. So, that is the very, very crucial for you so advertising how you advertise and then evaluation of that advertisement is also very important for you.

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**Public Relations**  
Communication Mix

- PR is very credible compared to paid/sponsored methods of communication.
- It is useful in image building for the company.
- Negative PR may result in heavy customer churn and revenue fall.
- Internal PR required to win confidence of internal parties.
- External PR helps in social image building.
- PR is done using methods like donations, charity, sponsorship etc.

The slide features a photograph of a man in a grey blazer speaking into a microphone. At the bottom, there are logos for IIT Bombay and WIPAC.

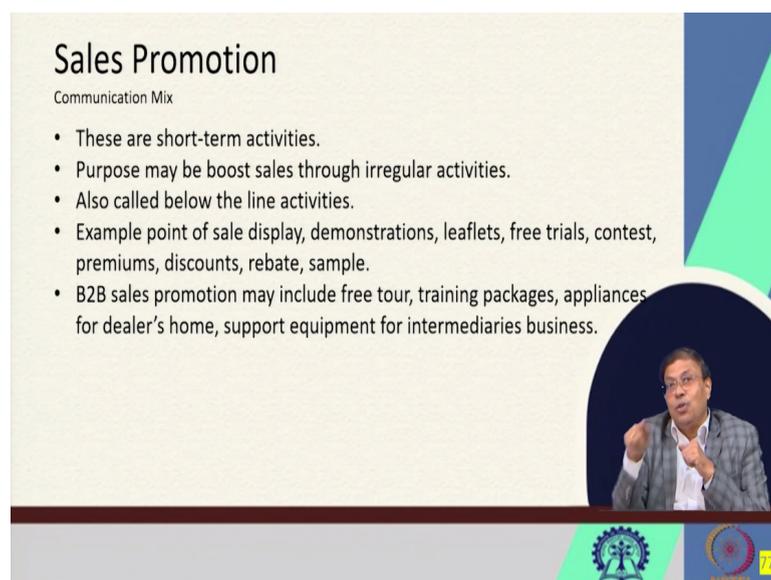
Public relation as I have said once again I am repeating many times based on my long experience in international marketing with a large corporation PR is a very, very crucial function in a company. PR is credible compared to paid and sponsor methods of

communication. It is useful to image building of a company. They help a lot believe me, trust me they help a lot to build your image to the company.

They will continue to give the message in the media, in various smart ways to give the information in the media so that they create a very good image about your company. Negative PR may result in heavy customer churn and revenue fall if there is a negative PR about your company, if there is a product failure, there is some issue related with product is a negative PR might have a problem and then it tends to be resolved.

Internal PR required to be in confidence of internal parties, external PR helps in social image building. People relation is done using methods like donation, charity, sponsorship all these things can help you to make a good public relation.

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The slide is titled "Sales Promotion" and is categorized as "Communication Mix". It lists several key points about sales promotion activities:

- These are short-term activities.
- Purpose may be boost sales through irregular activities.
- Also called below the line activities.
- Example point of sale display, demonstrations, leaflets, free trials, contest, premiums, discounts, rebate, sample.
- B2B sales promotion may include free tour, training packages, appliances for dealer's home, support equipment for intermediaries business.

The slide also features a video inset of a speaker in the bottom right corner and logos for IIT Bombay and NPTEL at the bottom.

Sales promotion you can make it from the name itself is always a short term activity typically during Christmas day, Black Fridays typically in India like Diwali like what is called in Chinese New Year in China or Singapore these are the time when you come up with the huge sales promotional activities and which will boost up the sales there, these are all irregular activities.

And also called below the line activities example point of sale display which is say BTL point of line display that you display demonstration, leaflet, free trails, contest, premiums, discount, rebate, sample all those things are there in the sales promotion and typically these happens sales promotion happens twice. First of all in various events like typically the cultural events

like Diwali or Durga Puja or Christmas or Eid all those time there is a special discount promotional structures goes on.

Typically in Black Friday in US there is a special discounting goes there, sales promotion goes there and these are all below the line that means point of display special demonstrations, leaflets all those free trails all those things are there and in B2B promotion business-to-business in that it might include free tour, all the training packages or you can do the appliances for dealer's home and then support equipment for the intermediary business.

So, B2B promotion can also happen you can invite your dealers also for a training them at some other country you may include them a free you will see lot of companies they take their dealers annually in a trip for a business conference and then followed by some leisure and then maybe a sea side or hill side trip and others may be you can give dealer some good nice gifts to the dealers.

And then this way how you can promote your intermediaries so that is also very, very important because those intermediaries are finally your seller. So, remember you are in this case you are not directly selling to your consumer you are selling through an intermediary so how you promote, how you have a different sales promotion not only for your consumer, but you have a sales promotion for your distributors also that is also very important here.

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**Direct Marketing**  
Communication Mix

- Solicit direct response from the target audience.
- Methods: direct mail, telephone
- Direct marketing is effective in B2B products.
- Useful when cost of advertising and personal selling is high.

The slide features a video inset in the bottom right corner showing a man in a grey jacket speaking. The slide has a light beige background with a blue and green geometric design on the right side. At the bottom, there are logos for a university and a channel named 'WUOLAH'.

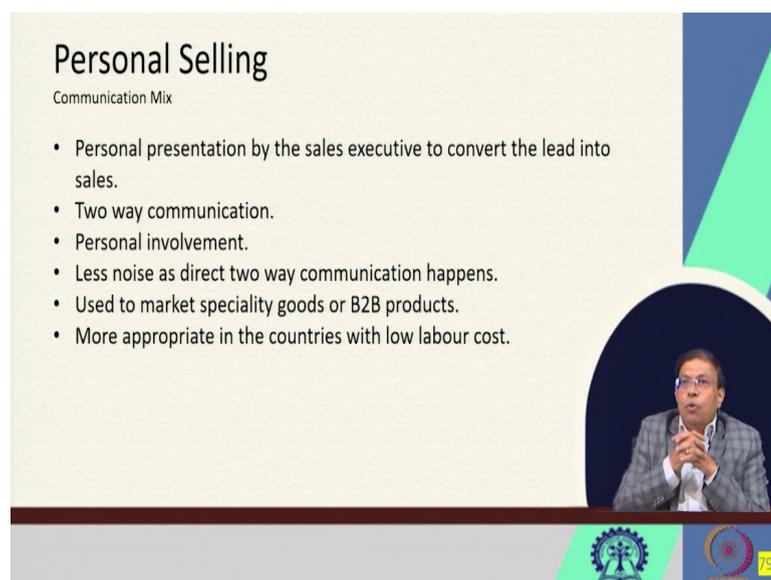
Direct marketing as you know solicit direct response from the target audience methods direct mail and telephone, direct marketing is affecting in B2B product typically business to

business product normally direct marketing is not much into B2C products it is only B2B products. So, direct marketing will be useful in B2B like you are selling a product to an industry say you are selling the product in a very high tech equipment to a steel plant.

Maybe you are selling a blast furnace to the steel plant or maybe you are selling some R and D equipment in the steel plant or maybe you are selling a medical equipment in a healthcare facility like in hospital or maybe you are selling the engine or maybe the gear box or maybe the steering or maybe the crucial component like battery or tyres to the car company so there typically you will have a direct marketing network in B2B.

And useful when the cost of advertising and personal selling is high here the personal selling is very, very high.

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**Personal Selling**  
Communication Mix

- Personal presentation by the sales executive to convert the lead into sales.
- Two way communication.
- Personal involvement.
- Less noise as direct two way communication happens.
- Used to market speciality goods or B2B products.
- More appropriate in the countries with low labour cost.

The slide features a video inset in the bottom right corner showing a man in a suit speaking. The slide also includes a decorative blue and green geometric shape on the right side and logos for 'SUSTech' and 'SUSTech' at the bottom.

Personal selling, personal presentation by sales executive to convert the lead two way communication, personal selling is in various methods, the personal selling is very, very crucial and they follow the two way communication that means you communicate with the consumers. Personal and the consumers also may have several questions about your product and you answer that.

So, there is a two way communication not in advertisement where you only communicate customer cannot communicate back to you their feeling on that, but in this personal selling customer can say okay I like the product, but with feature I prefer some other feature in the

product, but this feature may not be useful. So, there should be two way communication. Personal selling helps in that two way communication.

Personal involvement, less noise as direct two way communication happens, used to market specialty goods or B2B products. Typically, personal selling in B2B products or very, very specialty goods you will have these type of a personal selling. More appropriate in the countries with low labour cost where low labour cost is there it is more appropriate for those countries.

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One-way communication				Two-way communication
Advertising	Public relations	Sales promotion	Direct marketing	Personal selling
Newspapers	Annual reports	Rebates and price discounts	Direct mail/database marketing	Sales presentations
Magazines	Corporate image	Catalogues	Internet marketing	Sales force management
Journals	House magazines	Samples, coupons and gifts	Telemarketing	Trade fairs and exhibitions
Directories	Press relations	Competitors	Viral marketing	
Radio	Public relations			
Television	Events			
Cinema	Lobbying			
Outdoor	Sponsorship			

Source: Hollensen, S. (2007). Global marketing: A decision-oriented approach. Pearson education.



So, one way communication, two way communication I have two extremes I have put it. So, one way communication is the advertising newspaper, magazines, journals, directories, radio, television, cinema, outdoor these are all one way communication. The extreme right is the two way communication, personal selling, sales presentation, sales force management, traditional trade fairs and exhibitions.

These are also very, very crucial trade fairs and exhibitions for international market entry, trade fairs are very important because these exhibitions if it is an international exhibition and I can tell you **in Dusseldorf** there is an healthcare exhibition happens, Medica throughout the world people go and attain these exhibition there. So, the participation in that exhibition for the medical equipment and medical devices companies are very, very important because if you can participate in that exhibition it helps you to reach the customers globally.

All the global customer, all the customers from various parts of the world will visit Medica to see the latest products and then get the features understand their requirement there so that exhibitions. So, there are two extreme ways in between the public relations, annual reports of the company, corporate image, house magazines, press relations, public relation, events, lobbying, sponsorship then next is a sales promotion.

Rebates, catalogues, samples, competitors next further two way towards two way communication is a direct marketing, direct mail, internet marketing, telemarketing and viral marketing these are two way approach towards the two way. So, we are this is the two extreme and in between the public relation, sales promotion and direct and this is taken from the Hollensen book a decision oriented approach.

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**Viral Marketing**

- It's like a grapevine.
- To spread information about a product or service from person to person by word of mouth or sharing via the internet or email.
- The goal of viral marketing is to inspire individuals to share a Marketing message to friends, family, and other individuals to create exponential growth in the number of its recipients.

**Viral Marketing**

This Photo by Unknown Author is licensed under [CC BY-NC](#). Accessed from MS Office Online Pictures.

So, what is viral marketing? Now the last very important what is viral you must have heard this word very, very frequently what is viral marketing? It is like a grapevine to spread information about the product or service from a person-to-person, word of mouth by sharing via internet or email. So, the goal of viral marketing is to inspire individuals to share a marketing message to friends.

So, I get a message about a new product, new technology I shared with all my friends group of my institute, **my alma matter**, all my batch mate in turn they sent it to their family, their friends in this way it goes to a reach to a large people. So, the marketing message to friends, family and other individuals to create an exponential growth in the number of recipient. So,

this is very become vital today in typically in this WhatsApp then Facebook and LinkedIn all those through this viral marketing is becoming very, very popular.

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**Marketing Mix: B2C vs. B2B Vs. Services**

- Originally, the 4Ps are derived from research on the manufacturing companies in the B2C domain.
- Idea is centred towards persuasion to influence the customers.
- However, in the business to business marketing, the marketing mix is influenced by process of interaction .
- Influence process in the B2B is based on negotiation not the persuasion.
- Classic 4Ps do not account for the characteristics of the services.
- Characteristics of the services include:  
Intangibility, perishability, heterogeneity (variability), inseparability, ownership.

\* Therefore, 7Ps are suggested for the services rather the classic 4Ps (Booms and Bitner, 1981)<sup>(1)</sup>

(1) Booms, B.H., Bitner, M.J. (1981), 'Marketing strategies and organization structures for service firms', in Donnelly, J.H., George, W.R. (eds), Marketing of Services, American Marketing Association, Chicago, IL, pp. 47-51.

So, the last one is the marketing mix between B2C versus B2C versus the services. So, there are three different segments. The first one is business to consumers B2C or business to customers. The next one is B2B business to business and the third one is a services typically the restaurant hotel services, insurance services all these services are coming under that. So, what is B2B, B2C as you know when you sell directly to the consumer products.

We sell the product which goes finally for the consumers consumption so that is typically known as a consumer products B2B the products which was selling to the business. So, that means you are selling a product to a hospital or he is selling a product towards car manufacturing unit or a product to a steel plant they will use this product to make the final product and sell it to the consumers.

So, your product is sold to the inter business they will use that product to make the final product which will go to the customer or the consumers. So, this segment is known as B2B and third is a services segment which can be the various type of healthcare services, insurance services, the restaurant, hotel services and then airline services various types of services industries are there.

So, originally the 4 P's are derived from the research on manufacturing companies in B2C domain. So, the 4 P's product, price, promotion and placement were decided on B2C domain.

Idea is centered towards the persuasion to influence the customers. However, in the business to business marketing the marketing mix is influenced by process of interaction. Influence process in B2B based on negotiation not the persuasion.

In B2B this is a negotiation and not the persuasion. So, classic 4 P's do not account for the characteristics of the services. In the 4 P's are not really for the services as I have said there is a 7 P in the services segment which we have discussed previously. The characteristics of the service include intangibility, perishability, heterogeneity, inseparability and ownership. So, why it is perishability?

As you know in the hotel industry why it is perishable because you have 100 room nights say you have 10 rooms in that. You have sold 8 rooms in a particular day the 2 rooms you could not sell on that particular day. So, that means the loss the room rent for the two nights are lost is a perishable. So, in this way if the hospital beds or the hotel beds are not full on a particular sold so that particular day you lost the revenue against the two beds or the three beds or five beds whatever maybe the situation.

So it is perishable for there. So, the characteristics of the service industry is there that is intangible service, perishability, heterogeneity, variability, inseparability and ownership therefore 7 P's are suggested for the services rather than classic 4 P's. So, in the 4 P's in that instead of 4 P's 7 P's are very important in the services so that is why remember 4 P's are typically used for consumer marketing,

B2C marketing or to some extent in B2B marketing, but in services the 7 P's which I have explained are important for you that is all from my side. Thank you thanks a lot. Thank you very much. So, we learned entire 4 P's of marketing and also the 7 P's for the services sector and these are very important in how you take these from domestic market to international market.

How different the product strategy, pricing strategy, placement strategy and promotion strategy in international market I have explained to you. I have also explained how crucially you have to change the other 3 P's in case of services in international market. So, please study these sessions from the session it starts from the 20 to 24 sessions. So, these are the very important session for you.

So, please understand that and we do have referred couple of books there and in the below the slides each of the slides are referred the slide reference and I would suggest encourage you to go through the slides which will help you to understand much more in detail that is all from my side. Thank you very much. Thanks a lot.