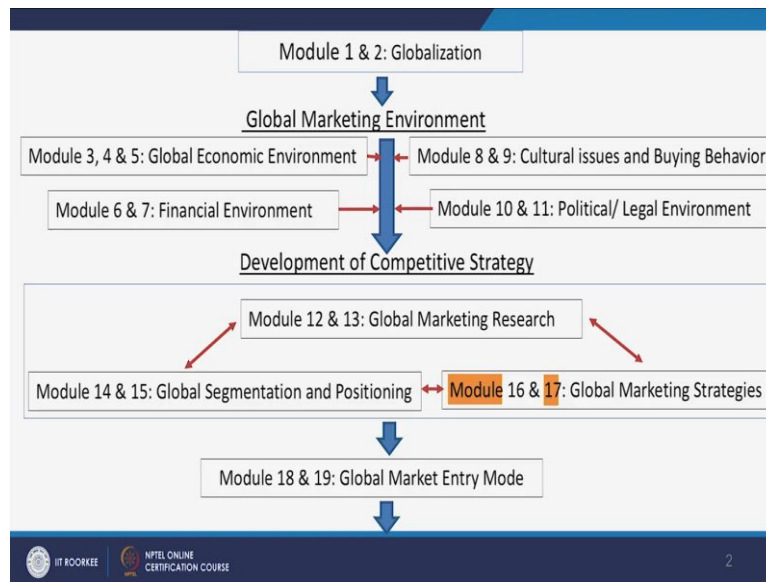


Global Marketing Management
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Module - 4
Lecture - 17
Global Marketing Strategies - Part II

Welcome to this course on Global Marketing Management. And we were talking about global marketing strategies that are which is spread over module 16 and 17. And now we will talk about module 17.

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In this, we will talk about global marketing strategy. The interface of R&D operations and marketing;

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Module Overview

1. Global Marketing Strategy
2. R&D, Operations, Marketing Interfaces
3. Regionalization of Global Marketing Strategy
4. Competitive Analysis



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Regionalization of global marketing strategy and how to go about doing competitive analysis. Now, to start with, just keep in mind that because of increased competition and reduced product life cycles, changing technology, now the global marketing managers they do not have the flexibility and time to look at these 3 functions, that is R&D, operations and marketing as 3 different functions.

They have to look at these 3 independent functions as a integrated seamless chain. Any global marketer which looks at these 3 functions as different functions, that is a sure shot recipe for failure. So therefore, in order, now, in with changing times, in order to be successful, global marketing managers have to look at this seamless integration of R&D operations and manufacturing.

Now, let us look at the benefits and the shortcomings of global marketing strategy. So, it is not only that global marketing strategy has only advantages. There are several disadvantages of global marketing strategy as well. But let us start with looking at the benefits of global marketing strategy.

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3. Global Marketing Strategy

- **Benefits of Global Marketing:**
 - Cost Reduction (Eco. of Scale)
 - Improved Products and Program Effectiveness
 - Enhanced Customer Preference
 - Increased Competitive Advantage
- **Limits to Global Marketing:**
 - Standardization vs. adaptation issues
 - Globalization vs. localization
 - Global integration vs. local responsiveness
 - Scale vs. sensitivity



Now, 1 is the cost reduction. Because now, because of economies of scales and scopes and scope that gives lots of advantage in terms of economies of scales. Now they are selling to a large number of people across the world. Second is because of standardization, it leads to improved product and program marketing program effectiveness. Now, when this brand is available across the world, everybody knows about it and that leads to increased customer preferences.

And all these 3 put together will give rise to increased competitive advantage. Let us move on to the limitations of global marketing. 1, problem here is of standardization versus adaptation issue. How much should be adapted and how much should be standardized. Globalization versus localization: what components of the strategy should be globalized and what components should be localized.

Global integration and local responsiveness: how far should we have global integration and where we should be locally sensitive. And then, the scale and sensitivity. You go in for more number of, more amount of economies of scales that leads to lesser sensitivity. More sensitivity means more local responsiveness, more localization, more adaptation and that, and then, you will lose on the economies of scales. Now, let us look at global marketing strategy. Keep in mind that global marketing is not about standardizing the marketing process on a global basis.

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Global Marketing Strategy

- Global marketing is not about standardizing the marketing process on a global basis.
- Although every element of the marketing process—product design, product and brand positioning, brand name, packaging, pricing, advertising strategy and execution, promotion and distribution— may be a candidate for standardization.
- Not every element need be standardized to the same degree.
- Degree of product standardization varies widely based on many factors.

It does not mean that we are standardizing the marketing process. It does not in any case means that we are standardizing the marketing process on the global basis. Although every element of the marketing process, for example, the product design, product and brand positioning, brand name, packaging, pricing, advertising and execution, promotion distribution, may be a candidate for standardization, but it does not mean that we will standardize all of them.

And not every element need to be standardized to the same extent. So, some may be standardized to a larger extent and some other elements may be standardized to a lesser extent. And this degree of product standardization is dependent on a variety of factors.

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Global Marketing Strategy

- Standardization is one part of a global marketing strategy and it may or may not be used by a company, depending on the mix of the product-market conditions, stage of market development, and the inclinations of the multinational firm's management.
- For instance, a marketing element can be global without being 100 percent uniform in content or coverage. Assume that this firm does not have a manufacturing facility in each country it serves.

So, standardization is just 1 part of global marketing strategy and it may or may not be used by the company. Depending on the mix of the product, market conditions, stages of market development and inclination of the multinational firm's management. So, keep in mind that it is just 1 part of the global marketing strategy. And it may not be necessary that the company is standardizing everything to the same extent.

How much is to be standardized will depend upon a mix of product and market conditions, how far is the market developed, stage of market development and inclination. What does the multinational firm want to do? For instance, a marketing element can be global without being 100% uniform in content or coverage. Assume that this firm does not have a manufacturing facility in each country serves. So, the manufacturing process may be global, but it may not be 100% uniform in the content or coverage.

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Global Marketing Strategy

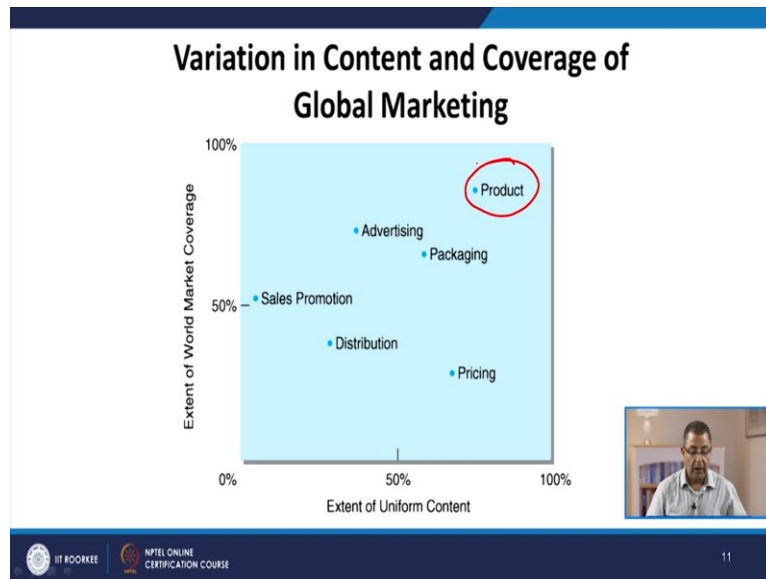
- The extent that various markets have a uniform content, and presumably similar operations, there is a requirement for coordination with manufacturing facilities elsewhere in the firm's global network.
- Also, where content is not uniform, any change requirements for the non-uniform content of distribution require corresponding changes in the product and/or packaging.
- Thus, a global marketing strategy requires more intimate linkages with a firm's other functions, such as research and development, manufacturing, and finance.

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The extent that various markets have a uniform content and similar operations. There is a requirement for coordination with manufacturing facilities across the world. Also where content is not uniform, any change requires non-uniform content of distribution. And therefore, a corresponding change in the product or packaging. Therefore, a global marketing strategy requires more intimate linkages with the firm's other function.

So, this is more important that global marketing strategy requires closed linkages with firm's other functions such as research and development, manufacturing and finance. Now, this figure shows the variation in content and coverage of global marketing.

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On the x-axis we have extent of uniform content and on the y-axis we have extent of worldwide coverage. Now, you see that this product; it is near to 100% of uniform content and it is also near to 100% of the world's market coverage. So, this company has a product that is nearly uniform across the world. But you see that the pricing is not the same across the world and similarly sales promotion is not same across the world.

So, the product is the only thing in the marketing process, in the marketing mix that is somewhat, that has, that is somewhat uniform in content and coverage across the world.

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Global Marketing Strategy

GMRs
GITS
GFS
GIT

Global marketing strategy is but one component of a global strategy.

- For an analogy, you may think of a just-in-time inventory and manufacturing system that works for a single manufacturing facility to optimize production.
- Extend this concept now to finance and marketing, and include all subsidiaries of the firm across the world as well.

And as for any strategy, global marketing strategy is 1 component of global strategy. So, from global strategy comes your global HR strategy and global technology strategy, global financial strategy, global IT strategy, etcetera, etcetera. So, from global strategy we have now

derived the global marketing strategy. So, you made just think of a just-in-time inventory and manufacturing system that works for a single manufacturing facility to optimize production. Extend this concept now to finance and marketing and include all subsidiaries of the firm across the world. One can imagine the magnitude and complexity of the task

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Global Marketing Strategy

- One can imagine the magnitude and complexity of the task when a manager is attempting to develop and implement a global strategy.
- One implication is that without a global strategy for R&D, manufacturing, and finance that meshes with the various requirements of its global marketing strategy, a firm cannot best implement that global marketing strategy.

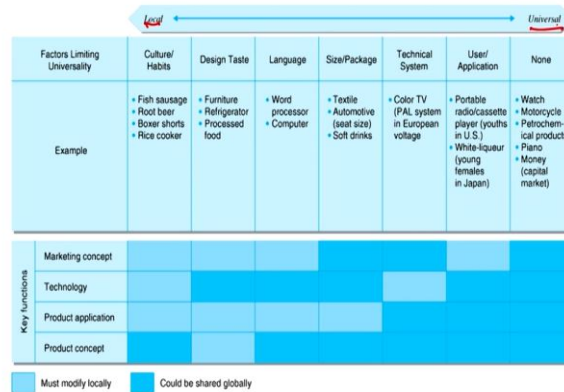
A handwritten diagram in red ink. At the top, the words "Global Strategy" are written and enclosed in a red oval. Five arrows point downwards from this oval to five separate terms: "GOS", "GFS", "GMS", "GIT", and "GHS". These five terms are also enclosed within a larger red oval.

when a manager is attempting to develop and implement a global strategy. Because there are so many functions and so many countries to look at. 1 implication is that, without a global strategy for R&D, manufacturing and finance, that meshes with various requirements of its global marketing strategy, a firm cannot best implement that global marketing strategy. So, now, the implication of this statement is that, the global strategy will lead to the global marketing strategy and it is not the other way round.

Because, when we are deriving global marketing strategy from global strategy, similarly we will be deriving the global HR strategy, global IT strategy, global finance strategy and operations strategy, etcetera. Now, these different strategies should be integrated. Therefore, there is a need to derive all these strategies from global strategy and not the other way round. Because, if you have independent global operations strategy, global financial strategy, global marketing strategy, then they will not come together and make a global strategy. So, this process has to be from top to down.

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Degree of Standardizability of Products in World Markets



Now, look at the degree of standardizability of products in world markets. In dark blue, it is could be shared globally. In light blue, it is must modified, it should be a modified locally. And on the left hand side it is local and on the right hand side we are universal. Look at the example. Cultural habits are local and therefore the marketing concept, technology, product application, they should be modified locally.

While the product concept can be global in nature. For example, fish sausages, root beer, boxer short and rice cooker. Similarly, as you move on to design taste, for example furnitures, refrigerators, processed food. Therefore, marketing concept and product applications should be modified locally, while technology can be global in nature. Moving on to language, word processors and computers.

The marketing concept should be localized, technology can should be globalized, again the product application can be localized and the product concept can be globalized. And let us move on to the size and packaging similarly to technical system and then to user application. So, portable radio cassettes players and white liquor, etcetera. The marketing concept has to be localized, while the rest of the things, the technology, the product application and the product concept can be globalized.

Watches, motorcycles, petrochemicals, piano, money, that is the capital market. Everything can be shared globally. It is to be shared globally, it does not mean that it is standardized. So, global and standardization does not goes hand in hand. Now, coming to the next concept of R&D, operations and marketing interface. As I had mentioned earlier, global manager should

look at these 3 functions as a integrated whole and not as 3 different functions. So, marketing managers cannot develop a successful marketing strategy without understanding how other functional areas;

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4. R&D, Operations and Marketing Interfaces

- Marketing managers cannot develop a successful marketing strategy without understanding how other functional areas, such as R&D and operations, influence the degree of their marketing decision-making as well as how those functions may be influenced by them.
- There are three most important interrelated activities in the value chain: **R&D** (e.g., technology development, product design, and engineering), **operations** (e.g., manufacturing), and **marketing activities**.

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Such as R&D and operations influence the degree of their marketing decision making as well as how this function may be influenced by them. So, in order to market, they have to first understand the interface of operations and R&D. So, what can be developed whether it can be manufactured and then they have to decide how it is to be marketed. There are 3 more most important integrated activities in the value chain.

The first is R&D. That is, the technology development, product development and engineering. The second is operations, that is manufacturing and the third is marketing activities. So, these are the 3 most important activities in the value chain. And we have talked about the value chain concept and we looked at a firm as a collection of value adding activities. So, these are the 3 value adding activities.

All 3 of them should work in conjunction adding value to each other, so that at the end of the day firm become a collection of value adding activities. So, marketing manager should understand and appreciate the important role that the;

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R&D, Operations and Marketing Interfaces

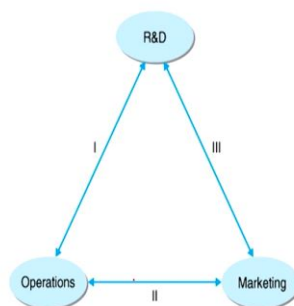
- Marketing managers should understand and appreciate the important roles that product designers, engineers, production managers, and purchasing managers, among others, play in marketing decision making.
- Marketing decisions cannot be made in the absence of these people.
- Management of the interfaces, or linkages, among these value-adding activities is a crucial determinant of a company's competitive advantage



Product designers, engineers, production managers and purchasing managers play in marketing decision making. Marketing decisions cannot be made in the absence of these people. So, management of the interface or linkages among these value adding activities is the crucial determinant of company's competitive advantage. When you are able to manage them, that leads to competitive advantage. If they are not properly managed the linkages between the 3, then you are losing out on competitive advantage.

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Interfaces among R&D, Manufacturing, and Marketing



- I. R&D/MANUFACTURING INTERFACE
 - Product innovation
 - Designing for manufacturability
 - Manufacturing process innovation
 - Components sourcing
- II. OPERATIONS/MARKETING INTERFACE
 - Product and component standardization
 - Product modification
- III. MARKETING/R&D INTERFACE
 - New product development
 - Product positioning



Look at the interface, these 3 interfaces. So, between R&D and operations, there is 1; between operation and marketing, 2; and between R&D and marketing it is 3. So, let us look at the first; that is, R&D and manufacturing interface. So, we are talking about things like product innovation, designing for manufacturability, manufacturing process innovation and component sourcing.

At 2, that is the interface between the operations and marketing, we are talking of product and component standardization and product modification. At 3, that is R&D and marketing interface, we are talking of new product development and product positioning.

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R&D, Operations and Marketing Interfaces

- R&D/Operations Interface
- Operations/Marketing Interface
 - Core Components Standardization
 - Product Design Families
 - Universal Products with all Features
 - Universal Product with Different Positioning
- Marketing/R&D Interface

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Now, R&D and operations interface means, these are the 3 interfaces: R&D and operation interface; operation and marketing interface, where we will talk about core component standardization, product design families, universal products with all features and universal product with different positioning. Here we will talk about what kind of product should be developed so that they can be manufactured.

In marketing and R&D interface, manufacturing marketing people, they give the customer inputs to R&D, so that they are able to come up with the products that satisfy the customer needs. And then, it goes to R&D and operations interface. The operations people will make that kind of product. We will talk about them in a moment.

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Interfaces among R&D, Manufacturing

- Technology is broadly defined as know-how.
- It can be classified based on the nature of know-how composed of product technology (the set of ideas embodied in the product) and process technology (the set of ideas involved in the manufacture of the product or the steps necessary to combine new materials to produce a finished product).



Now, look at the interface of R&D and manufacturing. What is technology? Technology is broadly defined as know-how. It can be classified based on the nature of know-how composed of product technology, that is a set of ideas embodied in the product; and process technology, that is set of ideas involved in the manufacture of the products or the steps necessary to combine new material to produce a finished product. So, we are talking of the product and the process innovation. Product technology and process technology.

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Interfaces among R&D and Manufacturing

- However, executives tend to focus solely on product-related technology as the driving force of the company's competitiveness.
- Product technology alone may not provide the company a long-term competitive edge over competition unless it is matched with sufficient manufacturing capabilities.



Executives tends to focus solely on product related technology as a driving force for the company's competitiveness and they and they lose focus on the process related technology. Product technology alone may not provide the company a long-term competitive edge over competition unless it is matched with sufficient manufacturing capability. So, 1 is the product technology should be backed by manufacturing technology and product technology may not

always lead to the competitive advantage. The companies, they also have to look at the process technology. So, a continual conflict exist between manufacturing, operations and marketing.

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Interfaces among Manufacturing and Marketing

- A continual conflict exists between manufacturing, operations and marketing divisions.
- It is to the manufacturing division's advantage if all products and components are standardized to facilitate standardized, low-cost production.
- The marketing division, is more interested in satisfying the diverse needs of customers, requiring broad product lines and frequent product modifications, which add cost to manufacturing.
- How have successful companies coped with this dilemma?

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It is to the manufacturing's division advantage, if all the product and components are standardized to facilitate standardized low-cost production. So, they have to just keep on making the same thing. And therefore, the cost is reduced. The marketing division is more interested in satisfying the diverse needs of the customers.

The they, customers have different needs. So therefore, they may need different kind of products. While manufacturing, people want that the same kind of product should be produced over and over again. Requiring, that requires broad product lines and frequent product modification which will add to the cost. So, they do not want the broad product lines and frequent product modifications.

Manufacturing people do not want this, while marketing people want this so that they can easily sell the product. How can successfully successful company cope with this dilemma? Marketing wants different products while manufacturing wants the same product to be produced over and over again. With aggressive competition from; now look at the interface of manufacturing and marketing. With aggressive competition from multinational companies across the world;

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Interfaces among Manufacturing and Marketing

- With aggressive competition from multinational companies emphasizing corporate product policy and concomitant manufacturing.
- Companies have realized that product innovations alone cannot sustain their long term competitive position without an effective product policy linking product and manufacturing process innovations.
- The strategic issue, then, is how to design a robust product or components with sufficient versatility built in across uses, technology, and situations.



Emphasizing corporate product policy and concomitant manufacturing. Companies have realized that product innovation alone cannot sustain their long-term competitive position without an effective product policy linking product and manufacturing process innovation. The strategic issue then is how to design a robust product or component with sufficient versatility built-in across uses, technology and situation. So, here we are talking of a product or component that can be used across different situations.

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Interfaces among Manufacturing and Marketing

- Four different ways of developing a global product policy are generally considered an effective means to streamline manufacturing operations, thus lowering manufacturing cost, without sacrificing marketing flexibility:
 - (1) core components standardization,] Computers
 - (2) product design families,] Automobiles
 - (3) universal product with all features, and] MS Office
 - (4) universal product with different positioning.



4 different ways of developing a global product policy are generally considered an effective means to streamline manufacturing and operation, manufacturing operations, thus lowering manufacturing cost without sacrificing on marketing flexibility. So now, how can we manufacture different products so that marketing people are able to sell it. And at the same time, we are manufacturing different product while keeping the cost low.

How that can be done? And these are the 4 options that can be used for that. First is core component standardization; the second is product design families; the third is universal product with all features and universal product with different positioning. Here we are standardizing the core component. Then here we have design families. Then you have a universal product with all features, that is sold to every customers across the world; for example, your Microsoft Office.

Then here you have core component standardization; for example, computers. Core components remain the same and then you can have different kind of combination and in automobiles they use product design families. And then, there are universal products with different positioning. So, the product remains the same. The positioning is changed depending upon the segment that the company is targeting.

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Interfaces among R&D and Marketing

- Both R&D and manufacturing activities are technically outside the marketing manager's responsibility.
- But, the marketing manager's knowledge of consumers' needs is indispensable in product development.
- Without a good understanding of the consumers' needs, product designers and engineers are prone to impose their technical specifications on the product rather than fitting them to what consumers want.

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Now, let us look at the interface of R&D and marketing. We have talked about the interface of manufacturing and marketing. Now, we will talk about the interface of R&D and marketing. Both R&D and manufacturing activities are technically outside the marketing manager's responsibility. But marketing manager's knowledge of the consumer need is indispensable in product development.

Without a good understanding of consumer needs, product designers and engineers are prone to impose their technical specification on the product, rather than fitting them to what consumer wants. So, what will happen is that, we will be putting the cart before the horse, if

there is no interface between marketing and R&D. The technical people they will make product according to their specifications.

And then, they will ask marketing people to sell those product, while it has to be the other way round. Now comes, we will shift on to the next topic in this module. That is, regionalization of global marketing strategy. So, now you think that we are talking of;

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5. Regionalization of Global Marketing Strategy

- Some firms may have difficulty in organizing, or may not be willing to organize, operations to maximize flexibility and encourage integration across national borders.
- Beyond various cultural, political, and economic differences across national borders, organizational realities also impair the ability of multinational firms to pursue global marketing strategies.
- Integration has often been opposed by foreign subsidiaries eager to protect their historical relative independence from their parent companies.

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Global marketing strategy on the 1 hand and at the same time we are talking of regionalization of that. So, some firms may have difficulty in organizing or may not be willing to organize operations to maximize flexibility and encourage integration across national borders. Beyond various cultural political and economic difference across national borders, organization realities also impair the ability of multinational firms to pursue global marketing strategy.

Integration has often been opposed by foreign subsidiaries, eager to protect their historical relative independence from their parent companies. So, now the subsidiaries, they want their independence because they have enjoyed the independence historically. Therefore, they do not want to follow global marketing strategy. In finding a balance between the need for greater integration and the need to exploit existing resources more effectively, many companies have begun to explore the use of regional strategies.

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Regionalization of Global Marketing Strategy

- In finding a balance between the need for greater integration and the need to exploit existing resources more effectively, many companies have begun to explore the use of regional strategies.

So now, we are not moving from regional to global but we are moving from global to regional. So, regional strategies can be defined as cross subsidization of market share battles in pursuit of regional production, branding and distribution advantage.

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Regionalization of Global Marketing Strategy

- Regional strategies can be defined as **the cross-subsidization of market share battles in pursuit of regional production, branding, and distribution advantages.**
- Regional strategies have been encouraged by the economic, political, and social pressures resulting from the development of regional trading blocs.

Regional strategies have been encouraged by economic, political and social pressures, resulting from the development of regional trading blocs. So, now you have different marketing strategy in different trading blocs. And trading blocs are generally regional. Therefore, now we have regional marketing strategies. So, regional trading blocs have had 2 favorable effects. The first is the volatility of foreign exchange is lower within the bloc. Second, the growing level of macroeconomic integration with regions.

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Regionalization of Global Marketing Strategy

- Regional trading blocs have had two favourable effects.
- First, the volatility of foreign exchange rates within a bloc seems to be reduced.
- Second, with the growing level of macroeconomic integration with regions, the trend is also toward greater harmonization of product and industry standards, pollution and safety standards, and environmental standards, among other things.
- These regional commonalities further encourage firms to develop marketing strategies on a regional basis.

The trend is also towards greater harmonization of product and industry standards, pollution and safety standards and environmental standards among other things. So, within a block, the foreign exchange fluctuations, they are lesser, 1. The standards of products, they are similar. And then, these regional commonalities further encourage firms to develop marketing strategies on a regional basis.

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Regionalization of Global Marketing Strategy

- Marketing strategy cannot be developed without considering competitive and other market forces from different regions around the world.
- To face those regional forces proactively, three additional strategies need to be considered at the firm level.
 - **Issues in regionalization of global marketing strategy:**
 - Cross-Subsidization of Markets
 - Identification of Weak Market Segments
 - Use of “Lead Market” Concept

So, marketing strategy cannot be developed without considering competitive and other market forces from different regions around the world. To face these regional forces proactively, 3 additional strategies need to be considered at the firm level. And they are: the cross-subsidization of markets, 1; identification of weak market segments, 2; and use of lead market concept, that is 3.

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Regionalization of Global Marketing Strategy

- **Cross-subsidization of markets** refers to multinational firms using profits gained in a market where they have a strong competitive position to beef up their competitive position in a market where they are struggling to gain foothold.
- The second strategy that firms should always keep an open eye for is, **the identification of weak market segments**, not covered by a firm in its home market.

Now, what does cross-subsidization of market means? Essentially, it is that you earn money in 1 market and then you invest it, invest the money in another market. Or you are earning profits in 1 market or and you are making losses in other market. Therefore, this is how you cross-subsidize the markets. So, this is, it refers to a multinational firms using profit gains in 1 market where they have a strong competitive position to beef up their competitive position in a market where they are struggling to gain a foothold. The second strategy that firms should allow or follow is the identification of weak market segments not covered by a firm in its home market.

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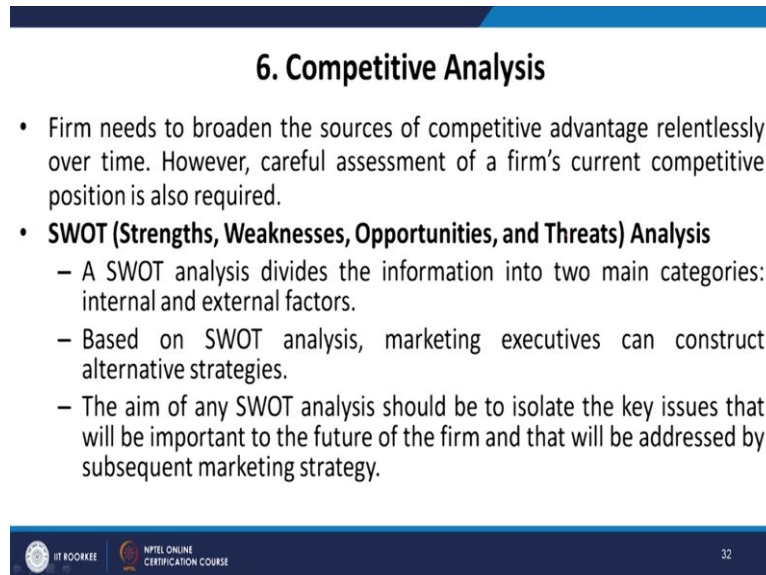
Regionalization of Global Marketing Strategy

- The solution may be to look at the main requirements of each lead market in turn.
- A **lead market** is a market where unique local competition is nurturing product and service standards to be adopted by the rest of the world over time.

The solution may be to look at the main requirements of each lead market in turn. And lead market is a market where unique local competition is nurturing product and service standards to be adopted by the rest of the world over time. So, where a new product is developing, that

is what a lead market is. Now, how to go about doing? That is the last component of this module. Competitive analysis, how to analyze competitors. So, firms need to need to broaden the sources of competitive advantage relentlessly overtime. However, careful assessment of a firm's current competitive position is also required.

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6. Competitive Analysis

- Firm needs to broaden the sources of competitive advantage relentlessly over time. However, careful assessment of a firm's current competitive position is also required.
- **SWOT (Strengths, Weaknesses, Opportunities, and Threats) Analysis**
 - A SWOT analysis divides the information into two main categories: internal and external factors.
 - Based on SWOT analysis, marketing executives can construct alternative strategies.
 - The aim of any SWOT analysis should be to isolate the key issues that will be important to the future of the firm and that will be addressed by subsequent marketing strategy.

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So, the firm should first assess the competitive, the current competitive position, so that they can work on the competitive advantage. And for that, we use SWOT; that is, strength, weaknesses, opportunities and threats analysis. A SWOT analysis divides the information in 2 main categories, internal and external factors. Based on SWOT analysis, marketing executives can constructs alternative strategies.

So, to strength to match strength with opportunities or to match strengths with threats. The aim of any SWOT analysis should be to isolate the key issues that may be important to the future of the firm and that will be addressed by subsequent marketing strategy. So, this is what we are talking about.

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SWOT Analysis

SWOT Analysis

		Internal Factors	
		Strengths	Weakness
External Factors		Brand Name, Human Resources, Management Know-How, Technology, Advertising, etc.	Price, Lack of Financial Resources, Long Product Development Cycle, Dependence on Independent Distributors, etc.
Opportunities	Growth market Favorable investment Environment, deregulation, stable exchange rate, patent protection, etc.	1 S'O Strategy Develop a strategy to maximize strengths and maximize opportunities	2 W'O Strategy Develop a strategy to minimize weaknesses and maximize opportunities
Threats	New entrants, change in consumer preference, new Environmental protection laws, local content requirement, etc.	3 S'T Strategy Develop a strategy to maximize strengths and minimize threats	4 W'T Strategy Develop a strategy to minimize weaknesses and minimize threats

On the x-axis we have internal factors, the strengths and weaknesses. On the y-axis we have external factors, that is opportunities and threats. Strength can be a brand name, human resources management, know-how, technology, advertising, etcetera. Weakness can be price, or the lack of financial resources, long product development cycles, dependence on independent distributors, etcetera.

Opportunity can be growth market, favorable investment environment, deregulation, stable exchange rates, patent protection, etcetera. While the threats can be the treats from new entrants, change in consumer preferences, new environmental protection laws, local content requirements, etcetera. Now, the 4 alternative strategies that comes up from SWOT analysis are when you match strengths with opportunities.

So, this is the first. Or you match weaknesses with opportunity. Then again, you match strengths with threats or you match weaknesses with threats. So, 1 plain simple first off-hand option is matching strengths with opportunities; that is, develop a strategy to maximize strengths and gain opportunities. Second can be to match your weaknesses with opportunities. Develop a strategy to minimize weaknesses and maximize opportunities. In the third, we develop a strategy to maximize strengths and minimize the threat. While in fourth, we develop a strategy to minimize weaknesses and minimize threats.

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Competitive Analysis

- The internal factors that may be viewed as strengths or weaknesses depend on their impact on the firm's positions; that is, they may represent strength for one firm but weakness, in relative terms, for another.
- They include all of the marketing mix (product, price, promotion, and distribution strategy); as well as personnel and finance.
- The external factors, which again may be threats to one firm and opportunities to another, include technological changes, legislation, socio cultural changes, and changes in the marketplace or competitive position.

The internal factors may be viewed as strengths or weaknesses depending on the impact of the firm position. They may represent strength for 1 firm but weakness for another. So, these are not standard things that can be taken for every company. External factors again may be threats to 1 firm and opportunities to another including technological change, legislation, social socio cultural changes and changes in marketplace or competitive position.

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Competitive Analysis

- SWOT is just one aid to categorization; it is not the only technique.
- One drawback of SWOT is that it tends to persuade companies to compile lists rather than think about what is really important to their business.
- It also presents the resulting lists uncritically, without clear prioritization, so that, for example, weak opportunities may appear to balance strong threats.

SWOT is just 1 aid to categorize, it is not the only technique. There are several other techniques also. 1 drawback of SWOT is that it tends to persuade companies to compile list rather than think about what is really important to their business. It also presents the resulting list uncritically without clear prioitization, so that for example, week opportunities may appear to balance strong threats.

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Competitive Analysis

- Furthermore, using the company's strengths against its competitors' weaknesses may work once or twice but not over several dynamic strategic interactions, as its approach becomes predictable and competitors begin to learn and outsmart it.

Furthermore, using the company's strengths against its competitors' weaknesses may work once or twice, but not over several dynamic strategic interactions, as its approach become predictable and competitors begin to learn and outsmart it. So, you cannot, a company cannot always keep on using it strength to counter the competitor's weaknesses. Because that strategy becomes predictable and then it loses out on the competitive advantage. Therefore, in this module we have learnt about global marketing strategy, its benefits and limitations. We saw that global marketing strategy cannot function in isolation.

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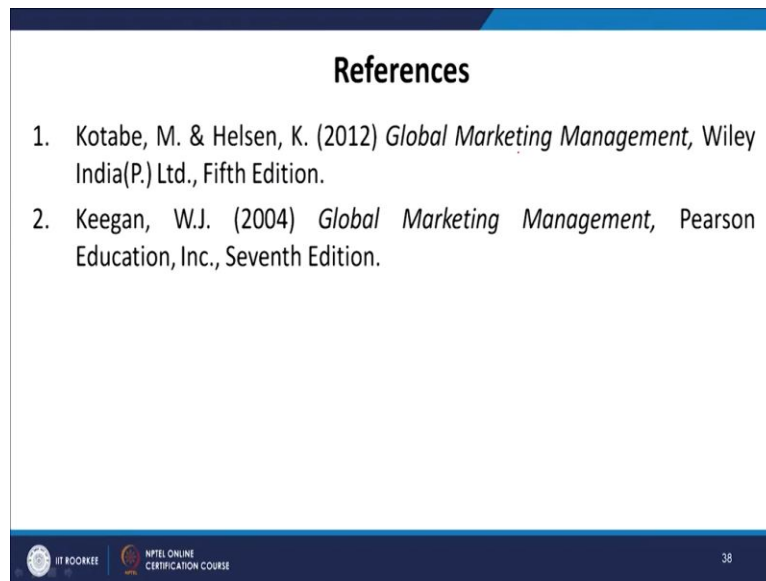
Conclusion

- In this module we learnt about global marketing strategy, its benefits and limitations.
- Moreover, we saw that global marketing strategy cannot function in isolation.
- Marketing managers should understand and appreciate the important roles R&D, manufacturing and operations, among others, play in marketing decision making.
- The trend towards regionalization of global marketing strategy was also dealt with.

It has to be in combination with other strategies that are derived from global strategy. The marketing manager should understand and appreciate the important roles of R&D, manufacturing and marketing and their integration. The trend towards regionalization of

global marketing strategy is also to be dealt with. And for further understanding these concepts, you can use these 2 books. Thank you.

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