

# TAHAPAN PEMASARAN GLOBAL

# Global Marketing Management

- Stages of development of the transnational corporation
- Stage one - domestic
- Stage two - International
- Stage three - multinational
- Stage four - global
- Stage five - transnational

# Stage one - Domestic

- Domestic in focus, visions and operations
- focus on domestic markets
- environment scanning is local
- ‘if it’s not happening in the home country, it’s not happening’
- often conscious decision
- can develop to be stage two company

# Stage two - International

- Extends marketing, manufacturing and other activities outside the main country
- remains ethnocentric (home country orientated)
- groups people together in an international division
- strategy of 'extension'

- Global development always begins in stage two
- it would be a mistake to simultaneously jump into new customer and new product/technology markets

# Stage three - Multinational

- Discover that different markets need some degree of adaptation
- e.g Toyota first entered US in 1957 as Toyopet
- ‘overpriced, underpowered, built like tanks’
- no such thing as failure, only learning
- ‘multidomestic’ focus

Discover that different markets  
need some degree of adaptation -  
Toyopet

- Polycentric orientation
- adapts domestic marketing mix to suit the differing international markets



# Stage four - Global

- Major strategic departure
- global marketing and/or sourcing strategy
- focus globally and supply from domestic market e.g Harley Davidson
- supply domestic market from global sources e.g. Gap
- Must understand the limitations of competitive advantage (not too ambitious!)
- focus globally and supply from domestic market e.g Harley Davidson

# Stage five - Transnational

- Sales, investments and operations in many countries
- integrated world enterprise that links global markets and global supplies
- geocentric - recognises similarities and differences and adapts to them
- adaptation adds value
- key assets are dispersed, interdependent and specialised e.g. R&D

- E.g. Caterpillar - manufactures and assembles in many countries
  - components are shipped-in from many countries
  - they are assembled
  - then despatched to different countries
- experience and knowledge are shared globally
- scans the world for information
- ‘grow or die’ - aspirations are global
- global bias for key functions e.g. finance, NPD, supply chain management

# Caterpillar - manufactures and assembles in many countries

- Businesses & Brands
- As a global leader with a broad portfolio of leading products, technologies and brands, Caterpillar is forever setting higher standards by maintaining a watchful eye on the ever-changing shift in regional dynamics and responding with new product innovations and manufacturing flexibility.

# Strengths at each level

- **International**
  - exploit's the parent company's knowledge and capabilities through worldwide diffusion of products
- **Multinational**
  - flexible ability to respond to national differences
- **Global**
  - cost advantage through centralised operations
- **Transnational**
  - combines above in an integrated network, which leverages worldwide learning and experience

# Global Marketing Objectives

- Exploiting market potential and growth
- gaining scale and scope returns at home
- learning from a leading market
- pressuring competitors
- diversifying countries (adding new countries!)
- learning how to do business abroad

**Johannson 1999**

# The global plan must consider

- the global environment
- Johansson's 'underpinning' objectives
- which of the five stages is the company at?
- global marketing strategies (and their selection)
- the implications of controlling global strategies

# Seminar: ‘Where do we go from here?’

- Philip Kotler’s view of marketing in the 21st - Century
- Summarise the key points described in Kotler’s article.
- Do you agree with his points? Evaluate.