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International Advertising and Promotion



Reasons for the importance of international markets

- Domestic markets for many products and services are stagnant
- Many companies rely on foreign markets to survive, particularly those with small domestic markets
- International markets offer growth opportunities for many companies
- Competition has become global and marketers must be able to compete globally

Markets such as China offer strong growth opportunities for many companies

玩得起
爽到底

亚洲 X Games 巡回资格赛唯一指定饮料

Asian X-tour Official Partner

Source: Courtesy of BBDO China

International Advertising

- The U.S. accounts for over half of the world's advertising expenditures
- Advertising expenditures outside the U.S. are growing more rapidly than inside
- Every country in the world has advertising of one form or another
- The more affluent the country, the more monies spent on advertising

The International Environment



Economic Environment

- Stage of economic development
- Economic infrastructure
- Standard of living
- Per capita income
- Distribution of wealth
- Currency stability
- Exchange rates

Demographic Environment

- Size of population
- Number of households
- Household size
- Age distribution
- Occupation distribution
- Education levels
- Employment rates
- Income levels

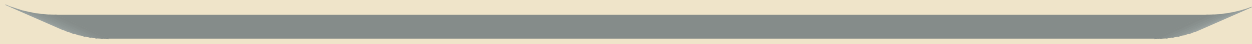


Cultural Environment

- Language
- Lifestyles
- Values
- Norms and customs
- Ethics and moral standards
- Taboos



Political/Legal Environment

- Government policies
 - Laws and regulations
 - Political stability
 - Nationalism
 - Attitudes toward multinationals
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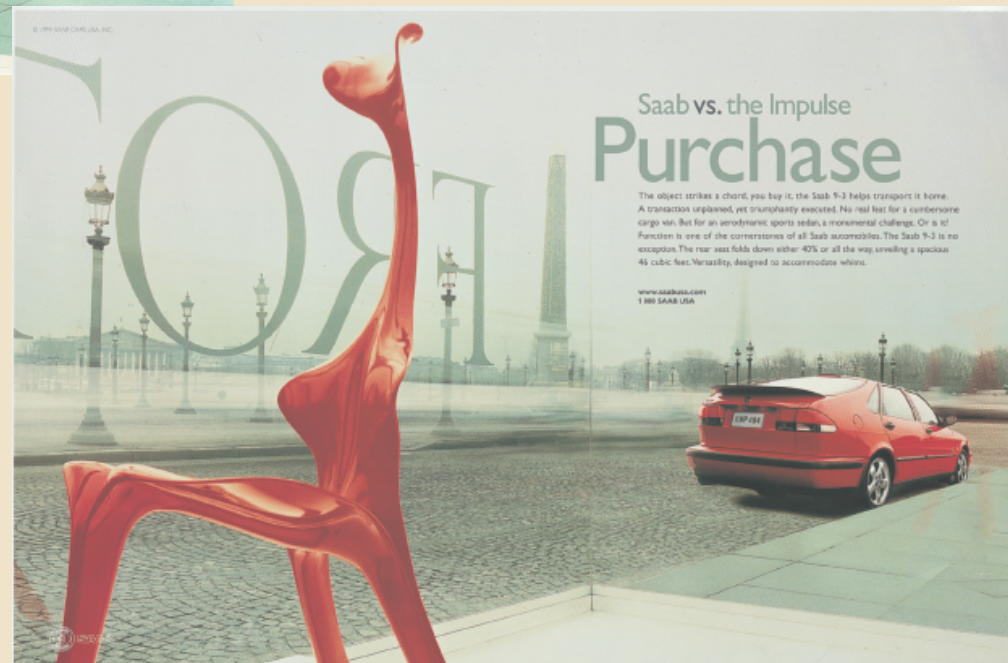
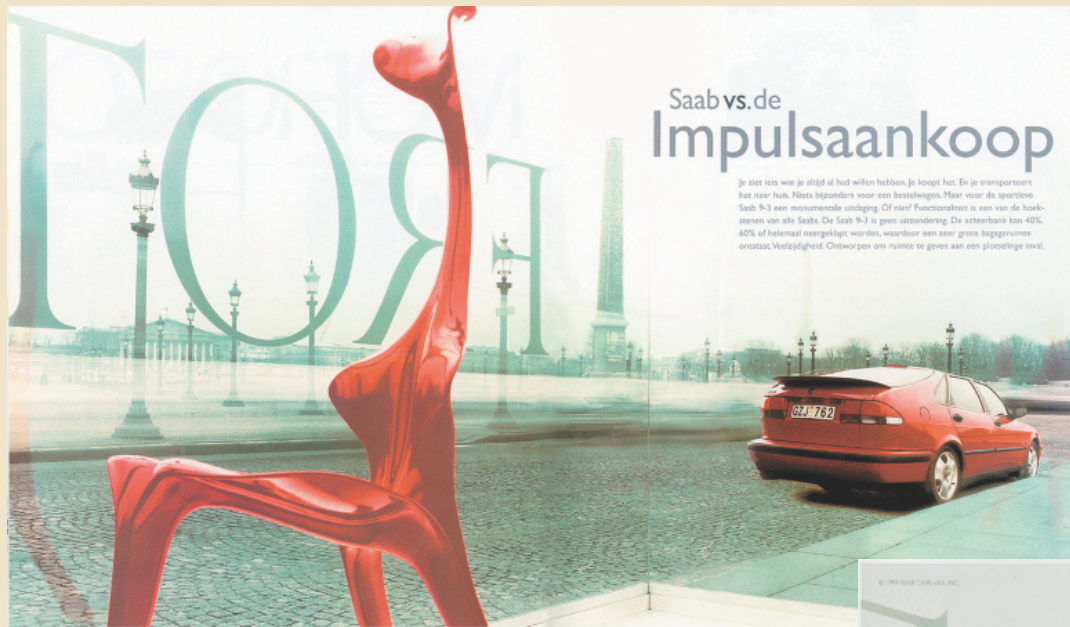
The Big Question . . .

Should the global marketer offer the same product, marketing, and advertising throughout the world?

OR...

Should the global marketer adapt the product, marketing, and advertising to individual markets throughout the world?

Saab used a global campaign since its customers are similar around the world



Source: Courtesy Lowe & Partners Worldwide (The Martin Agency, Lowe Brindfars for SAAB Automobile AB).



Global Marketing and Advertising Advantages

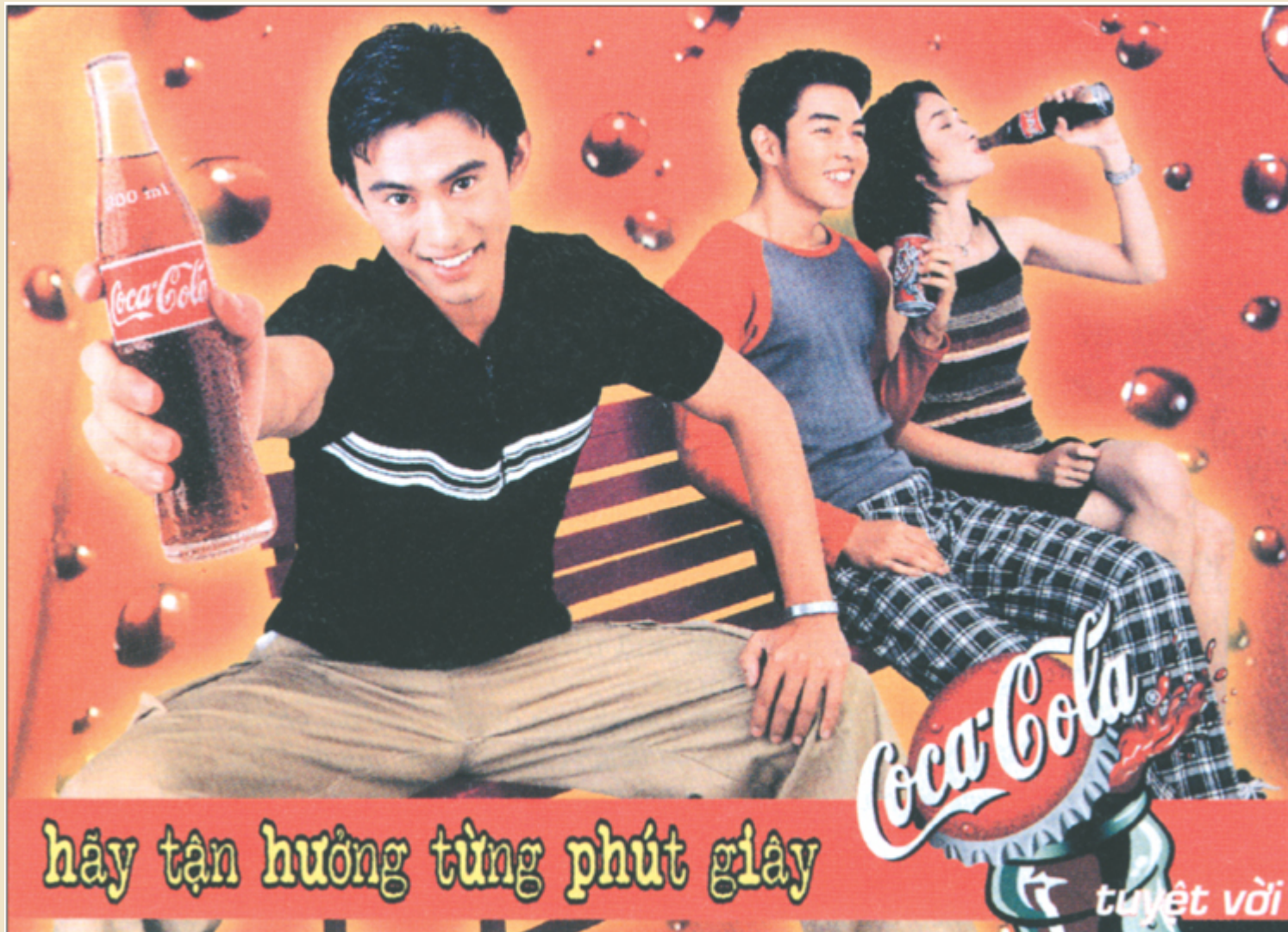
- Economies of scale in production, distribution
- Lower costs with less in planning and control
- Lower advertising and production costs
- Ability to exploit good ideas worldwide
- Ability to introduce products quickly, worldwide
- Consistent international brand, company identity
- Simplification of coordination and control



When is Globalization Appropriate?

- Brands can be adopted for a visual appeal, avoiding the problems of trying to translate words into different languages
- Brands that are promoted with image campaigns that play to universal appeals such as sex or wealth
- High-tech products and new products coming to the world for the first time, not steeped in cultural heritage of the country
- Products with with a nationalistic flavor if the country has a reputation in the field
- Products that appeal to a market segment with universally similar tastes, interests, needs, and values

Young people are a global market segment for many products



Source: Courtesy The Coca-Cola Company

- **An in-between approach:**
 - Standardizing products
 - Localizing advertising messages
 - “Think globally, act locally”

- **Adapt messages to respond to differences in language, cultural, and market conditions.**
 - Pattern advertising

Continental Airlines used pattern advertising to promote its BusinessFirst class

"Pasajeros de Business, embarquen en Primera"

VINDICATORIA PERSONAL
No van a nadie a menos que usted quiera. No se le va a nadie a menos que usted quiera. No se le va a nadie a menos que usted quiera. No se le va a nadie a menos que usted quiera.

RESTAURANTE Y BARRA DE PRIMERA CLASE.
No importa que estés en un avión, en un restaurante o en un bar, el servicio es el mismo. El mismo servicio que en un restaurante o en un bar.

SEDELEJO ELECTRONICO INTEGRADO SIN ABORTO.
Desde el momento que se presiona el botón de encendido del avión, el avión se pone a funcionar automáticamente.

ESCRIBIDOR RECONOCIDO DE PRIMERA CLASE.
Un escritorio que reconoce tu nombre y te permite escribir directamente en el avión. El mismo escritorio que en un restaurante o en un bar.

ASISTENTE JUMPER ELECTRONICO.
Un asistente que te ayuda a subir y bajar del avión. El mismo asistente que en un restaurante o en un bar.

REPOSICIONES GRADUABLES ELECTRONICAMENTE.
Se puede ajustar el asiento de manera que se adapte a tus necesidades. El mismo asiento que en un restaurante o en un bar.

BUSINESSFIRST: PRIVILEGIOS DE FIRST CLASS, PRECIO DE BUSINESS CLASS.

BUSINESSFIRST

Continental Airlines es un nuevo día en la vida de Barcelona, su confort y su servicio, lo mejor de Business class, a precio de Business class.

El nuevo día en su compañía viene acompañado de un servicio de primera clase, a precio de Business class. Solo así, se puede disfrutar de un servicio de primera clase, a precio de Business class.

Se garantiza un asiento de primera clase, directamente reservado y servido de manera gratuita, con el mismo servicio de primera clase, a precio de Business class.

Se garantiza la posibilidad de elegir el asiento de primera clase, a precio de Business class, en cualquier momento de la compañía aérea. El servicio de primera clase, a precio de Business class.

Para información y reservas llamar al número 91-50 27 11.

Continental Airlines
La línea inteligente.

COMODIDAD PERSONAL
El asiento de primera clase de Continental Airlines es el más cómodo del mundo. El mismo asiento que en un restaurante o en un bar.

ESPACIO PARA RECLINARSE
El asiento de primera clase de Continental Airlines es el más cómodo del mundo. El mismo asiento que en un restaurante o en un bar.

SEDELEJO ELECTRONICO INTEGRADO SIN ABORTO
Desde el momento que se presiona el botón de encendido del avión, el avión se pone a funcionar automáticamente.

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Se puede ajustar el asiento de manera que se adapte a tus necesidades. El mismo asiento que en un restaurante o en un bar.

LA DIFFERENCE

BusinessFirst, la nouvelle classe affaires qui n'a rien à envier à une première.

BUSINESSFIRST La différence, c'est d'être différent. La différence, c'est d'être différent. La différence, c'est d'être différent. La différence, c'est d'être différent.

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Continental Airlines
La compagnie qui fait la différence.



Decision areas in international advertising

- Organization
- Agency Selection
- Advertising and market research
- Creative Decisions
- Media Selection
- Coordination of other IMC tools




International Ad Agencies

- Many large, American general agencies operate internationally
- Foreign billings account for over a third of total billings by the top 10 American agencies
- Large multinational companies often deal with large, international agencies
- Overseas offices are usually staffed with multilingual, multinational personnel

Foreign Local Agencies

- Staffed with ***local*** talent who understand local attitudes, culture, media, and conditions
- Especially effective for launching consumer products in a ***single, new*** geographic area
- Poses some ***problems*** if a product is to be launched in multiple, local, foreign markets



Criteria for Selecting an Agency for International Advertising

- Ability of agency to cover relevant markets
- Quality of agency work
- Market research, PR, and other services offered
- Roles of company advertising department and agency
- Level of communication and control desired
- Ability of agency to coordinate internationally
- Size of company's international business
- Company's desire for local vs. international image
- Company organizational structure
 - Centralized vs. decentralized
- Company level of involvement with international operations



Advertising and market research areas

- Information on demographic characteristics of markets
- Information on cultural differences such as norms, lifestyles and values
- Information on consumers' product usage, brand attitudes, and media preferences
- Information on media usage and audience size
- Copy testing to determine reactions to different types of advertising appeals and executions
- Research on the effectiveness of advertising and promotional programs in foreign markets

Creative Decisions

Creative decisions involve determining the appropriate advertising message for each market and are similar in process and procedure to those for domestic advertising

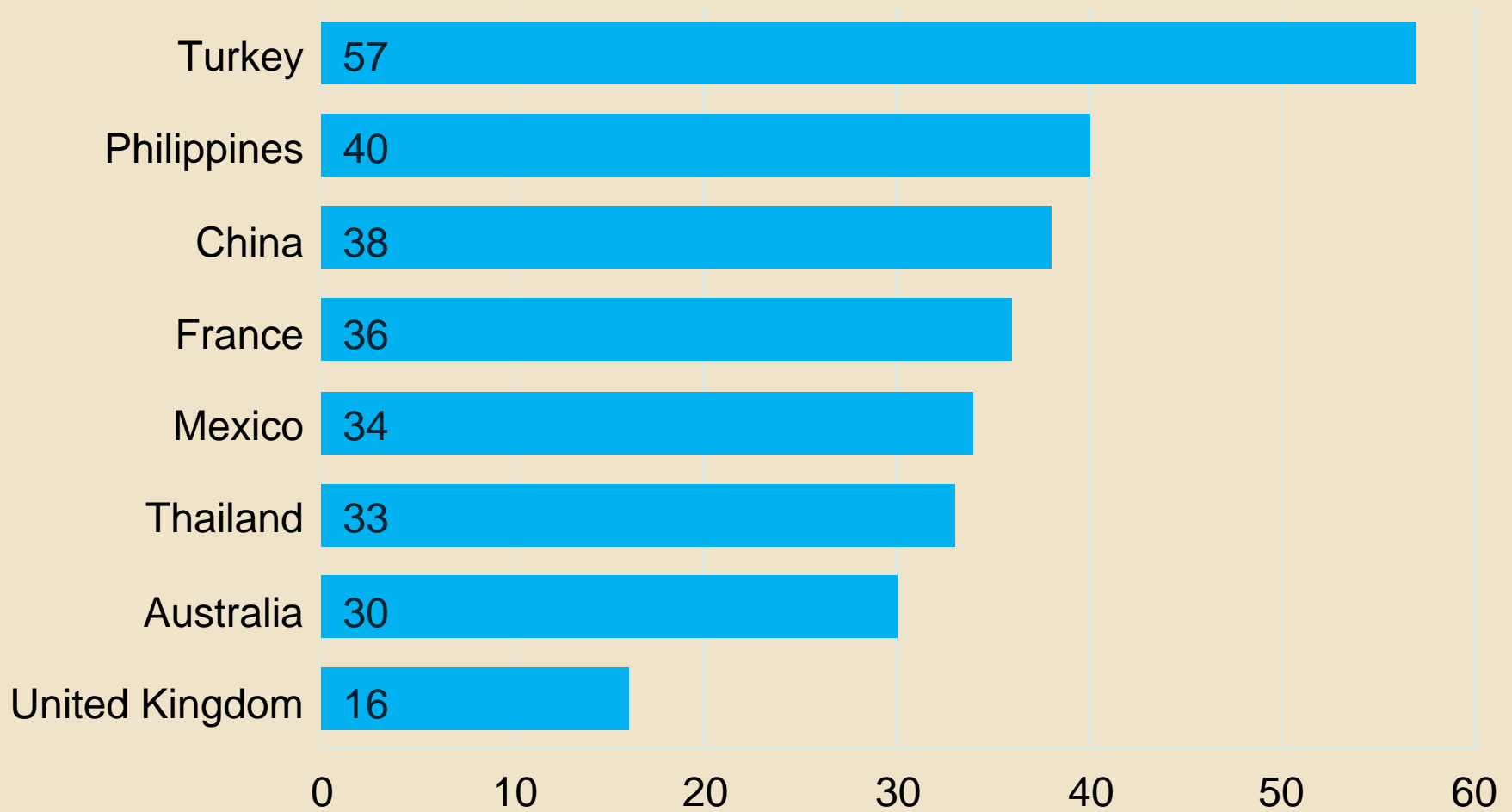
- Creative decisions should be based on advertising and communication objectives
- Copy platforms must be developed that include major selling ideas
- Specific appeals and execution styles must be selected
- Appeals may have to be adapted for local market conditions



Media Selection Decisions

- Media differ in various countries with respect to factors such as:
 - availability
 - cost
 - usage
 - quality
 - restrictions
- Media options include use of local, national or international media

Commercials Shown Per Hour in various countries





Factor to consider in developing sales promotion programs for foreign markets

- Economic development
 - Market maturity
 - Consumer perceptions
 - Trade structure
 - Regulations
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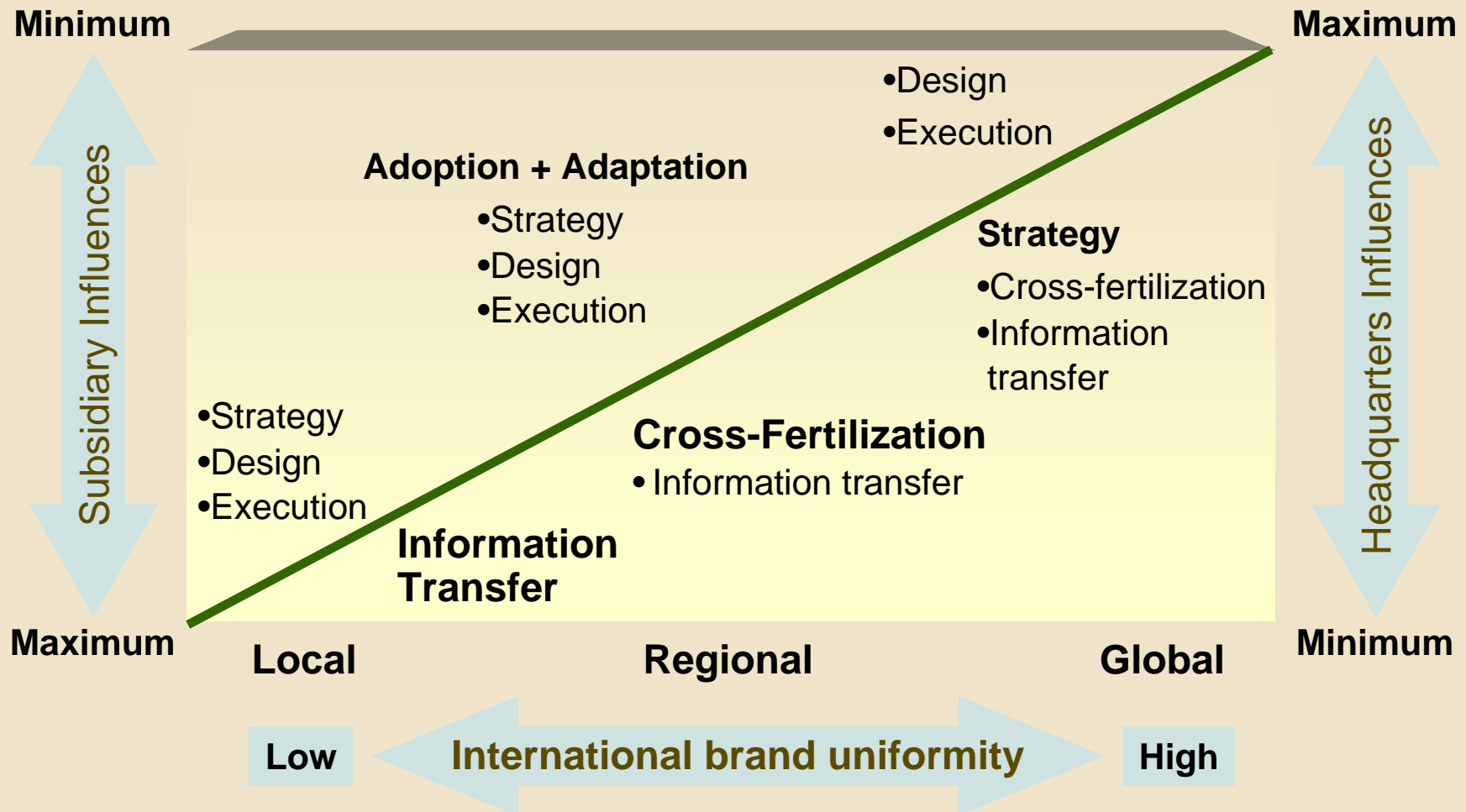
WD-40 used samples to introduce its product to Russia



Who Allows What Promotions

<i>Promotion</i>	<i>U.K.</i>	<i>Spain</i>	<i>Germany</i>	<i>France</i>	<i>Italy</i>
In-pack premiums	Yes	Yes	No	Maybe	Yes
Multi-purchase offers	Yes	Yes	Maybe	Yes	Yes
Extra product	Yes	Yes	Maybe	Yes	Yes
Free product	Yes	Yes	Yes	Yes	Yes
Mail-in offers	Yes	Yes	No	Yes	Yes
Purchase-with-purchase	Yes	Yes	No	Yes	Yes
Cross-promotions	Yes	Yes	No	Yes	Yes
Contests	Yes	Yes	Maybe	Yes	Yes
Self-liquidating premiums	Yes	Yes	No	Yes	Yes
Sweepstakes	Maybe	Maybe	No	Maybe	Maybe
Money-off coupons	Yes	Yes	No	Yes	Maybe
Next-purchase coupons	Yes	Yes	No	Yes	Maybe
Cash rebates	Yes	Yes	Maybe	Yes	No
In-store demos	Yes	Yes	Yes	Yes	Yes

Central vs. Local Roles in International Sales Promotion





Role of public relations in global marketing

- Deal with local governments, media, trade associations and the general public
- Present the company as a good corporate citizen
- Serve as part of the IMC program and help market the product or service
- Deal with specific issues and problems the company may face in foreign markets

Gillette products have web sites for many different countries such as Italy

The screenshot shows a Microsoft Internet Explorer browser window titled "Meet Venus - Microsoft Internet Explorer". The address bar is empty. The browser's menu bar includes Back, Forward, Stop, Refresh, Home, Search, Favorites, Media, History, Mail, Print, Edit, and Discuss. The main content area displays the "Venus" website for Italy. The page has a blue background with the "Venus" logo and "Gillette Pour Elle" text. Below the logo, there are several navigation links: "Scopri Venus", "Fai il tuo test sulla bellezza", "Il Gioco delle Dee", and a link with a woman's face. The main heading is "Scopri Venus" with the subtext "Clicca qui sotto per conoscere meglio Venus". To the left of the product images is a list of benefits in Italian: "La pelle resta più morbida, più a lungo.", "No alle irritazioni", "Resta comoda. La lama di ricambio è a portata di mano nella doccia.", "Facile sulle ginocchia.", "Cambiare le lame è più semplice. Niente errori, zero problemi.", and "Quando cambiare la lama. Ah, l'eterno dilemma.". To the right are two product images: a Venus razor in its packaging labeled "2" and a Venus razor in its packaging labeled "4". Below the images is the text "Vuoi saperne di più? Visualizza la lista completa delle caratteristiche." with a link icon. At the bottom of the page are three links: "Chiedi a Venus", "Venus nel mondo", and "The Gillette Company". The browser's status bar at the bottom shows "Done" and "Internet".