

**International Business**  
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**Lecture – 51**  
**International Marketing, Segmentation, Positioning**

Welcome friends, welcome to the class of International Business. So, till date we have covered a different aspects of the subject right. So, we have talked about the various theories involved in international business. We have discussed about the different you know aspects which affect international business like culture, legal, political factors so all these.

So, we have seen how you know international business goes through a very rough patch sometimes and goes through a very good patch you know; that means, so there are times which are very difficult. For example, when there are disturbances like wars between nations or we have seen when there are trade wars. For example, like which happened between China and US in the recent past. And it has been an ongoing process you know because of political rivalries and all these things.

So, business has been a very very challenging tasks right. And when you talk about international business we have also discussed you know largely about like. For example, how currency affects business right and then the different financial factors involved in international business.

Today we will be discussing about some of the other aspects, which also are a part of integral part of international business, which include the international marketing or marketing globally right. When you talk about after all at the end of the day, a company has to sell its products in across the globe right and that is what is called would be called as international marketing.

So, international marketing and then international, human resource management, then international supply chain and logistics or international production. So, these are also the key parts of international business. So, to start with today we will discuss about, how do firms market globally and what factors do they keep in mind while do they while marketing globally right.

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The slide is titled "International Marketing" in a large, bold, black font. Below the title, there are two bullet points. The first bullet point states: "The American Marketing Association defines the term: 'International marketing is multinational process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchange that satisfy individual and organisational objectives.'" The second bullet point states: "At its simplest level, international marketing involves the firm in making one or more marketing mix decisions across national boundaries. At its most complex level, it involves the firm in establishing manufacturing facilities overseas and coordinating marketing strategies across the globe." (Doole and Lowe, 2001). The text "marketing mix decisions" and "establishing manufacturing facilities overseas and coordinating marketing strategies across the globe" are underlined in red. To the right of the second bullet point, there are handwritten red notes: "Europe" and "Asia" with arrows pointing to the underlined text. At the bottom of the slide, there are two logos: "IIT ROORKEE" and "NIEL ONLINE CERTIFICATION COURSE".

## International Marketing

- The American Marketing Association defines the term: "International marketing is multinational process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchange that satisfy individual and organisational objectives."
- "At its simplest level, international marketing involves the firm in making one or more marketing mix decisions across national boundaries. At its most complex level, it involves the firm in establishing manufacturing facilities overseas and coordinating marketing strategies across the globe." (Doole and Lowe, 2001)

Europe  
Asia

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So, the American marketing association defines international marketing as the multinational process of planning. And executing the conception, pricing, promotion and distribution of ideas, goods and services to create and exchange that satisfy individual and organizational objectives.

So, basically what marketing says is it is a concept, which says that whenever the company or a organization tries to make a product or idea or service. And which is which helps in satisfying the needs of people, then it would be termed as marketing right.

So, international marketing the only thing that differs is it is now being extended to different countries or different boundaries across the globe right. At it is simplest level international marketing involves the firm in making one or more marketing mix decisions. Now, what is marketing mix decisions? We talk about when we talk about marketing mix we say the marketing mix involves the, you know basically the 4 P's of marketing; the product, price, place and promotion.

So, what kind of products that the manufacturer make or the firm makes? And what kind of pricing will it do? Right. How would it like to promote the products and how would it like to distribute the products? Right. So, these 4 P's basically are involved.

So, the marketing mix decisions across the national boundaries. At it is most complex level it involves the firm in establishing manufacturing facilities overseas and

coordinating marketing strategies across the globe right. So, marketing in a local you know level is much simpler right.

Because the manufacturer or the firm understands the needs of the consumers much more in a simpler manner because there is not much of complexity in there, but when one tries to sell a product. Suppose for example, take any product for any company for that.

For example if let us say Marico Marico's want us to sell its products in two different markets for example, the European market and the Asian market, which is already it is doing.

So, now the cultures of these two places are very different right. So, the culture is different, their needs are different, the climatic conditions are different there so there are several differences. So, it becomes very complex and it is very likely that if one by not understanding and just trying to forward the product or move the product to another market.

A firm may face you know criticism it may face even negative bias, because you know the culture of one place varies to the culture from another place. So, in such a condition what can happen is what one would feel is good, may be taken in a different spirit in another place just because of the cultural differences. Why is international marketing important? Let us talk about it.

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Why International marketing is important?

- **Saturation of domestic market:** Domestic-market saturation in the industrialized parts of the world and marketing opportunities overseas are evident in global marketing. (Japan-1.9%, Germany-0.6%, Singapore-0.7%, U.K-1.8%, U.S-2.3%)
- **Unfavorable Domestic Economy:** The ongoing global economic downturn has forced businesses to outsmart unfavorable economies in their domestic markets and to venture abroad to fast growing markets in some regions of the world such as Asia, in search of marketing opportunities.

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There are several reasons because the simplest reason is every firm wants to go across the globe and tries to sell as much as it can. So, that it can increase its profits because one market is not sufficient. And today with you know with the markets being more unified because of the different you know agencies like a world trade organization, World Bank the IMF and all, trying to bring in the markets together.

So, and concept of globalization and liberalization has come up. So, the marketers have found it has become easy to go other places. And there is also a need because the domestic market is not sufficient enough, to cater to the needs of the firm right.

So, some of the reasons why firms are going international or international marketing is growing is; the first is the saturation of the domestic market. So, you see domestic market saturation in the industrialized parts of the world especially I am talking about and marketing opportunities overseas are evident in global marketing.

So, what has happened? The countries which are already the developed once, they are finding it difficult to grow in there right. So, the you can see some of the growth levels of these developed countries for example, Japan only 1.9 percent, Germany 0.6 percent, Singapore 0.7, UK 1.8, US 2.3.

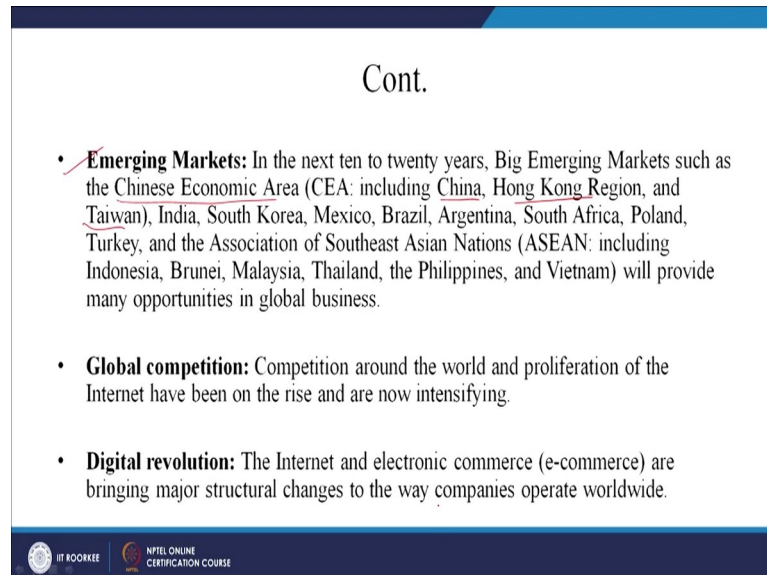
And on the other hand if you see India which is whose GDP is growing at a rate of almost 5 to 6 percent right. And even China is growing much ahead of that ah you know all maybe now we have a tough time because of the corona virus going on. And the world is finding you know a great slump in the trade. And because of this economy has it is you know really in a crisis in every almost all countries.

But otherwise if you see in the normal situation, the developed countries are not growing well in comparison the domestic the developing ones are doing much pretty well right. So, this advantage has to be taken second is the unfavorable domestic economy. So, the ongoing global economic downturn has forced businesses to outsmart unfavorable economics in the domestic markets and to venture abroad to fast growing markets in some regions of the world such as Asia right.

So, why are most of the companies trying to come to India or China largely because these are huge markets and they have a huge potential right. And with the growing economics with the growing incomes in these countries, these company these countries

are becoming very good you know grounds for the international firms to sell their products.

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- **Emerging Markets:** In the next ten to twenty years, Big Emerging Markets such as the Chinese Economic Area (CEA: including China, Hong Kong Region, and Taiwan), India, South Korea, Mexico, Brazil, Argentina, South Africa, Poland, Turkey, and the Association of Southeast Asian Nations (ASEAN: including Indonesia, Brunei, Malaysia, Thailand, the Philippines, and Vietnam) will provide many opportunities in global business.
- **Global competition:** Competition around the world and proliferation of the Internet have been on the rise and are now intensifying.
- **Digital revolution:** The Internet and electronic commerce (e-commerce) are bringing major structural changes to the way companies operate worldwide.

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In the next then the concept of emerging markets. In the next 10 to 20 years big emerging market such as the Chinese economic area. So, which is China, Hong Kong and Taiwan. Then India, South Korea, Mexico, Brazil, Argentina, South Africa, Poland, Turkey and the Asian right, which includes Indonesia, Brunei, Malaysia, Thailand, Philippines and Vietnam.

These are the countries which will provide the opportunity for the developed economies and the other economies right in the global business. So, these are the huge markets that are going to be un-list and where the firms can sell their product. Another important reason why international marketing is growing is, that competition around the world and proliferation of the internet has been on the rise and this has made business become very simpler right.

So, just imagine the you know the ability of you know because of internet there has been a growth in the e-commerce businesses companies like Amazon, Flip kart or Snap deal or such kind of e-commerce companies they largely they do their business online right. So, this is all been possible due to the you know growth in the internet right space.

Digital revolution the internet and the electronic are the bringing the major structural changes to the way companies are operating worldwide. So, even if you see the way advertisements were being made earlier and today how the advertisement systems have changed, it is very different because of this reason the digital revolution has become a big issue or a big has made a brought in a big change. Now, these are the factors. So, let us see what are the factors affecting international marketing decision.

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So, there are some for example, as you can see these blocks right. So, these are called the environmental uncontrollable elements. For this is for market A, this is market B, market C. So, these are the uncontrollable which something you cannot control. Now, what are they? For example, the political and legal forces.

Now, we cannot control the political forces right. So, what is happening in Africa, we do not have a control on that or what is happening in Asia Iran; we do not have a control. So, nobody has a control in the political or the legal forces.

The economic forces, the competition in the market, the level of technology, the distribution structure in the economy, the kind of geography you know, the climatic condition and the infrastructure of the country and the cultural forces.

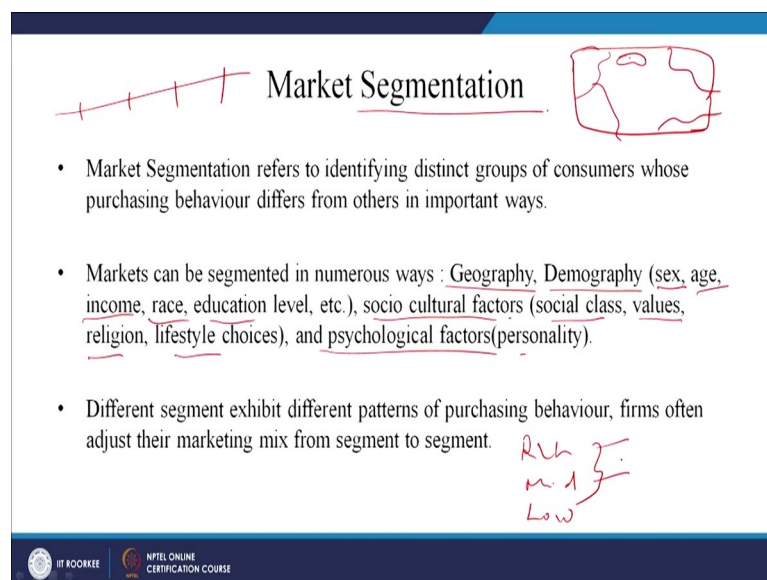
So, these are some of the forces which we have also studied in the past in our earlier lectures that, you do not have a control over such variables. But what do you have a you

know for example, you see some you know the domestic environment competitive structure as it says here.

So, these are some of the uncontrollable forces. Now, what can you control? A company can control the product that it makes, the price it can it wants to keep on it is products, what kind of promotion it wants to make right and finally, what you know kind of research is required to develop this product and price and promotion.

And what is the finally, the channel of distribution how do they want to sell and reach the market. So, these are something that a company can have a control right. So, these are the factors on basis of which a company decides how to go forward or how to get into the international markets ok.

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Market Segmentation

- Market Segmentation refers to identifying distinct groups of consumers whose purchasing behaviour differs from others in important ways.
- Markets can be segmented in numerous ways : Geography, Demography (sex, age, income, race, education level, etc.), socio cultural factors (social class, values, religion, lifestyle choices), and psychological factors(personality).
- Different segment exhibit different patterns of purchasing behaviour, firms often adjust their marketing mix from segment to segment.

High  
Mid  
Low

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So, while studying marketing it is the one term which is very important is called segmentation. Now, what is segmentation and how it affects in international marketing the, let us understand that. First of all what is segmentation? So, segmentation refers to identifying distinct groups of consumers, whose purchasing behavior differs from others in important ways.

Now, for example, you know why it is said what is segmentation? Let say the whole world is one market, but the point is a company for example, let us say Coca Cola being

a very huge company and it has a global presence, but still this company may be unable to target every customer in the world.

So, there are 700 billion people. So, 700 billion people may not be the company may not be able to target right. So, in such when a company cannot target every person or every you know consumer possible consumer. So, what it does is it tries to divide the consumers on basis of certain traits or certain parameters, certain condition, certain criteria right.

So, that what happens is then they try to fix up which is the one they want to target. For example, you see a Mercedes for example; when it sells it is cars. Mercedes would not target everybody right because it is a high end car and it is only for the luxurious or the rich people.

So, they would target a small may be segment a small segment right possibly, but this is the one which is the influence able or the segment which has the money to pay right. So, segmentation is very important for marketers, so that they can divide the market into different segments, basically a segment.

So, when you have a line, you can divide the line into different segments. So, when you divide this into when you create these segments and then the company can target one of the segment or two segments out of these, right.

So, market segmentation, markets can be segmented then it says is a numerous ways. How can you segment the market? On basis of the climatic condition the geography, then you can also do it on basis of demography. So, demography includes what is the sex you know, what is the gender proportion, age proportion, income, race, educational level etcetera. So, these are some of the ones which are called the demography variables.

Then socio cultural factors such as social class, values, religion, lifestyle choices. So, these are also some of the factors that can help a company to segment the market that is divide the market into different parts and so that it can finally, think which is the most profitable segment so that they can go for it.

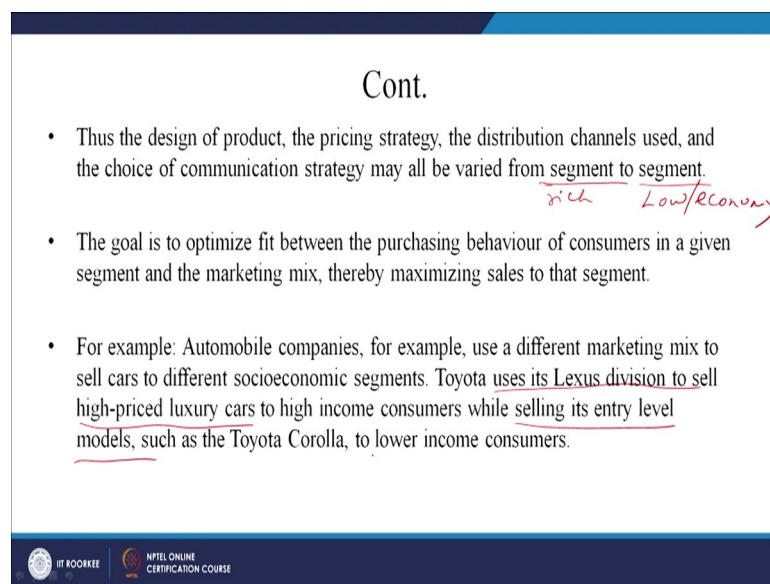


And psychological factors like personality right. Different segment exhibit different patterns of purchasing behavior right; obviously, firms and the firms often adjust their marketing mix from segment to segment right.

So, for example, if let us say the United Colors of Benetton is selling it is garments right. So, they are targeting different customers for example, the rich and the middle income group and the low income group. So, for example, let say they are targeting the rich and the middle income group let say right.

So, when they target the segments automatically their strategies also would differ. And it is said that no country no company can ever target to everybody. So, the best thing is they need to target segment the market and then fix the target to a few ones.

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- Thus the design of product, the pricing strategy, the distribution channels used, and the choice of communication strategy may all be varied from segment to segment. *rich Low/economy*
- The goal is to optimize fit between the purchasing behaviour of consumers in a given segment and the marketing mix, thereby maximizing sales to that segment.
- For example: Automobile companies, for example, use a different marketing mix to sell cars to different socioeconomic segments. Toyota uses its Lexus division to sell high-priced luxury cars to high income consumers while selling its entry level models, such as the Toyota Corolla, to lower income consumers.

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So, thus the design of the product, the pricing strategy, the distribution channels used the choice of communication strategy may all be varied now from segment to segment. So, what is therefore, a rich or premium customer may not be there for a poor or a economic customer right, economy one right.

The goal is to optimize the fit between the purchasing behavior of the consumers in a given segment and the marketing mix, thereby maximizing the sales to that segment this is what the companies want to. Let us see this example for example; automobile

companies use a different marketing mix to sell cars to different socio economic segments.

Toyota uses its Lexus division to sell high priced luxury cars to high income consumers right. And on the other hand they sell its entry level models such as the Toyota Corolla to lower income consumers.

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**International Segmentation and Positioning**

The process of identifying countries and/or consumers that are similar with regard to key traits, such as product-related needs and wants, that would respond well to a product and related marketing mix.

Reason for International market segmentation:

- Variation in consumer wants and demands ✓
- Wide divergence in cross border consumer lifestyle ✓
- Global Market Research ✓
- Entry Decisions ✓
- Positioning Strategy ✓
- Resource Allocation ✓
- Marketing Mix Policy ✓

Handwritten notes on the right side of the slide:

- India (with a bracket underneath)
- Australia (with a bracket underneath)
- Belgium (with a bracket underneath)
- Iran (with a bracket underneath)
- U.S (with a bracket underneath)

Logos at the bottom: IIT ROORKEE and NPTEL ONLINE CERTIFICATION COURSE

So, this is how companies try to fix their strategies right. How does the segmentation in the international marketing happen, international segmentation and positioning? So, positioning we have not discussed what is positioning is basically how does the company want to make a presence in the mind of the consumer, that is called as positioning right.

So, we will look into that also the process of identifying countries or consumers that are similar with regard to key traits. Such as product related needs and wants that would respond well to a product and related marketing mix right.

So, you see when you are talking about let say segmenting in the Indian market. So, when India is one market. So, you can divide the market into different states may be or maybe on basis of the climatic condition. For example, the North is little cold, the South is little hot or the East is more you know has lot of rainfall that is one way.

Or let say the people with higher income group are in the North zone in India. So, that is still easier, but when you want to suppose a company wants to get into different markets. For example, India now Australia, let us say Belgium right.

So, now you see let say Iran right the US. So, when somebody wants to enter into these kind of the different markets. Now, each market this was itself complex, because of the south north all these things. So, similar to complexity also stays here in this market all these markets right.

So, that is why international marketing becomes very very complex right. And a segmenting in the international market is still more a challenging task right. So, how do they do it may be on basis of the needs and wants again and the similar traits.

Now, why do you do, why do what is the reason for international market segmentation? First of all it says talks about the variation in consumer wants and demands right. So, there is a large difference in the consumer wants and demands. So, the demands of people are moving up and thanks to internet and technology, digital evolution. Now, anybody sitting anywhere in the globe can ask for any product from any place right.

There is a wide divergence in the consumer lifestyle. So, today you may find a (Refer Time: 18:32) leather jacket in my house also right because if I like it I would buy it there are no issues.

So, similarly global marketing research has helped in understanding the traits and behaviors of each, you know local place or in a each nation or each you know country in a much better way right. In a deep understanding has been possible, which earlier was not possible it was not there when this marketing research was still in a infant stage.

Then entry decisions, now how do you enter into the market? Suppose, suppose tomorrow I want to sells my products in Philippines is it. So, easy can I enter directly or there has to be some kind of medium or what should I do. In earlier some of our earlier lectures we have discussed about entry decisions right, how do companies decide on to which market to enter and all.

So, this also help in understanding segmenting the markets, then positioning strategy, resource allocation and marketing mix policy. So, there are many factors right which

affect the international segmentation and positioning. So, how do I allocate my resources, I have limited resources how do I allocate. So, there are 5 market suppose for example, here.

Now, how do I allocate which market should I allocate how much? So, that also helps in deciding suppose I want to allocate a m I have only less amount of resources to be allocated to this. Let say this market should I do it is it justified if I it is not going to give me enough returns then why should I do it maybe I will divert the resource to a market which may be is more profitable right.

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**Global segmentation**

- Segments ideally should possess the following set of properties:
  1. Identifiable (capable of being identified) ✓
  2. Sizable (large in amount)
  3. Accessible (capable of being reached) ✓
  4. Stable (subject to little fluctuation) ✓
  5. Responsive (the quality of being responsive)
  6. Actionable (affording grounds for action)

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So, how does the marketer understand, right? So, when you talk about this international segmentation, global segmentation right generally the word global please understand, global is used in a little larger sphere right or context than international. So, international is can be sometimes understood as some people use it as a synonym, but sometimes some people state that it international marketing is a subset of the global marketing.

So, segments ideally should possess some properties. So, when you say you have divided the market into some segments. So, the segments on basis of we said could be geography, demography anything right similar traits, which the marketer would like to target.

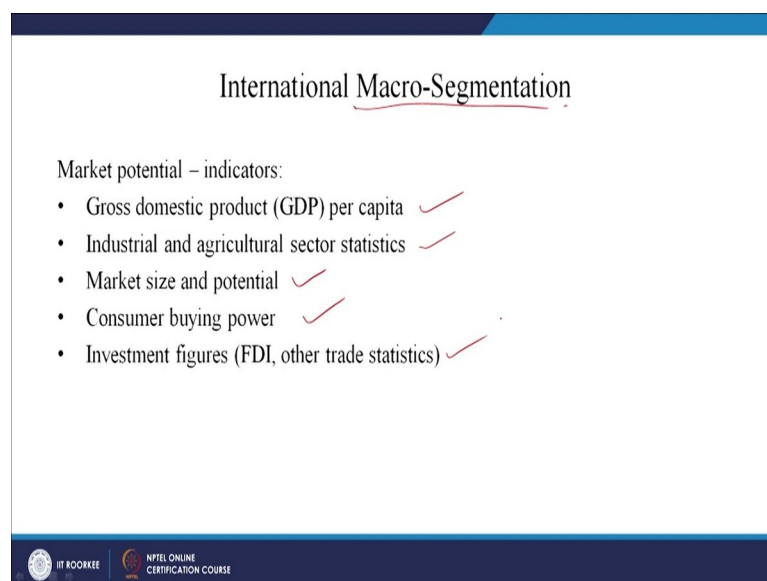
So, how it should be what should be the properties? Now it should be identifiable. So, these are some of the general properties for segmentation, that is segment should be identifiable; that means, you can easily identify the on basis of certain traits and behavior, this is a fitting market right. That this market is somewhere I can easily go in right sizeable; that means, it has a potential for example, today, China and India are very huge markets. So, they have a large potential is it accessible.

For example you wanted to do business, suppose North Korea is also an untapped market, but then is it accessible that is the question stable. How, stable is the economy, how stable is the political climate. So, is it affected by is there a lot of fluctuation in this country.

So, that also will affect my segmentation, I would will I go for that market or not right. Responsive, how responsive are the supplier relation, the cultural factors, the people you know are they responsive enough would they try out a new product or not.

So, what is the kind of behavior the people have. So, there are several psychological factors also which have a impact. And finally, the actionable, can I really get into to this market and really make it big, is it possible or not. So, these are the basis on which these are the properties on basis of which a market is largely segmented.

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The slide is titled "International Macro-Segmentation" and lists five indicators for market potential, each with a red checkmark next to it. The indicators are: Gross domestic product (GDP) per capita, Industrial and agricultural sector statistics, Market size and potential, Consumer buying power, and Investment figures (FDI, other trade statistics). The slide is part of an NPTEL Online Certification Course, as indicated by the logo and text at the bottom.

International Macro-Segmentation

Market potential – indicators:

- Gross domestic product (GDP) per capita ✓
- Industrial and agricultural sector statistics ✓
- Market size and potential ✓
- Consumer buying power ✓
- Investment figures (FDI, other trade statistics) ✓

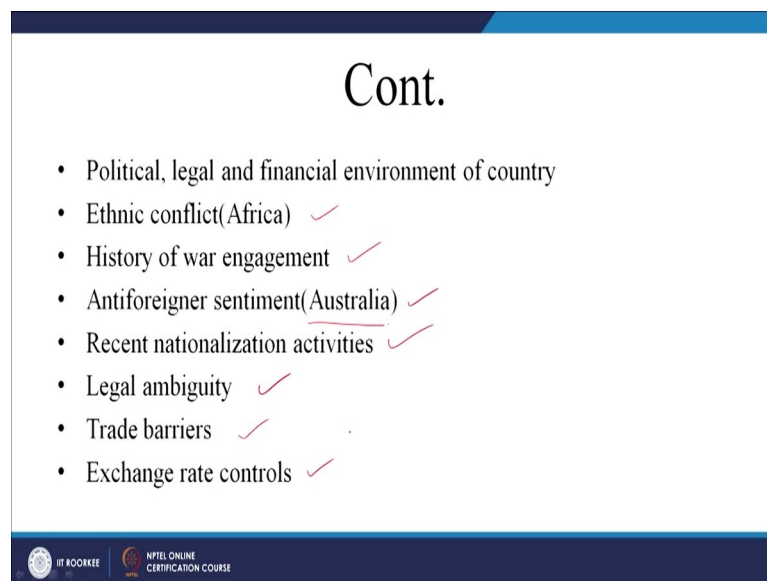
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So, when you talk about segmentation again the macro segmentation factors, there are many factors. In fact, I will show you all of them may be we will not be able to discuss at length with all, but let us see. So, some of the market potential indicators for example, when a marketer when a firm want us to segment the globe right.

So, he can use the gross domestic product per capita right. He can use the indicators like industrial and agricultural sector statistics right. Market size, what is the size and potential the buying power of the consumer, then how much of invest, what are the investment figures?.

For example the infrastructural figures, the wholesale price index, the inflation in the country, so and the FDI. So, what is the statistics is it a pro, is it a very appealing statistics, is it like you know it is conducive and it is like positive in nature or not that is very important.

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The slide is titled "Cont." and lists eight factors that affect macroeconomic segmentation. Each factor is preceded by a bullet point and followed by a red checkmark. The factors are: Political, legal and financial environment of country; Ethnic conflict(Africa); History of war engagement; Antiforeigner sentiment(Australia); Recent nationalization activities; Legal ambiguity; Trade barriers; and Exchange rate controls. At the bottom of the slide, there are two logos: "IIT ROORKEE" and "NPTEL ONLINE CERTIFICATION COURSE".

Cont.

- Political, legal and financial environment of country
- Ethnic conflict(Africa) ✓
- History of war engagement ✓
- Antiforeigner sentiment(Australia) ✓
- Recent nationalization activities ✓
- Legal ambiguity ✓
- Trade barriers ✓
- Exchange rate controls ✓

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Some of other factors which affect the macroeconomic, you know macro segmentation is the political legal and financial environment of the country right. For example, ethnic conflict now some of the countries, you know in Africa they are going through an ethnic conflict right. So, there is a fight among the tribes right.

So, now these factors may be you know and create an adverse effect. Somebody might not be interested to go into such countries because it is very difficult to manage in there. History of war engagement. So, some places we have seen this.

Antiforeigner sentiment for example, recently although I should not be given this example is not very bright example, but recently Indians were targeted in Australia right. So, Indian youths were targeted in Australia. So, there has been racial you know acquisitions around in some countries.

So, these are some of the also problems which people face right. Recent nationalization activities how some countries may be trying to nationalize or trying to you know taken over the for a private firms also.

Legal ambiguity now India is itself a classic case of legal ambiguity because the legal complexities in India are so high, that many times firms are unable to understand the legal complexities. For example, the legal complex complexities could be the social laws and all it could be also related to the economic laws and all right.

The trade practices right the competitive and monopoly's. For example, the trade practices the acts that you have been made that has been made all these create lot of legal complexity. For example, you must have heard recently how Vodafone and how Vedanta like companies have gone through a lot of trouble because of the complexities in the legal procedures right.

Then trade barriers, exchange rate controls. So, many a times these are the factors, which you know are part of the macro segmentation right. And they have a lot of influence in the segmentation process, while you suppose you segment the markets you may use these features to segment the market right.

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The slide is titled "Cont." and lists several factors for market segmentation. The factors are:

- Marketing support infrastructure ✓
- Availability and reliability of distribution and logistics providers
- Availability of competent partners for strategic alliances
- Quality of telecommunication and transportation infrastructure
- Availability of other service providers:
- Marketing research firms
- Financial firms
- Management consulting firms...
- Degree of market fit with company policies, goals, and resources

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Marketing support infrastructure right, does it have enough infrastructure. So, that also becomes one of my important points to consider whether I should you know go into this market or not, I should I target this market or not. Ability and reliability of distribution logistics providers right, competent partners for strategic alliances, are there enough competent partners for alliances, because I might not have the local knowledge right.

Quality of telecommunication and transportation infrastructure right, availability of service providers like marketing research firms, financial firms, consulting firms, degree of market fit with the company policies goals and resources. So, these are several such points which help in the macro segmentation process right.



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### Basis for Micro-Segmentation

- Demographic ✓
  - Age ✓
  - Occupation ✓
  - Education ✓
  - Income ✓
  - Ethnicity ✓
  - Race ✓
  - Nationality ✓
  - Life-cycle stage ✓
  - Social class ✓
  - Urbanization ✓

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Then you have some micro segmentation processes for example, we talk about the we talked about the demographic variables age, occupation or education, income ethnicity, race, nationality social class, life cycle, urbanization. So, these are some of the micro segmentation helps in the micro segmentation.

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### Cont.

- Psychographic: lifestyles, values, attitudes, interests, opinions

Hofstede dimensions:

- Power-distance ✓
- Masculinity-femininity ✓
- Uncertainty avoidance ✓
- Individualism-collectivism ✓

Global segments:

- Global teenagers ✓
- Global elite ✓

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So, macro is large and micro is small as the meaning goes while right. So, psychographic lifestyles, values, attitude right, Hofstede gave some dimensions. If you remember we had covered this in culture Hofstedes dimensions, Hofstede had given some dimensions,

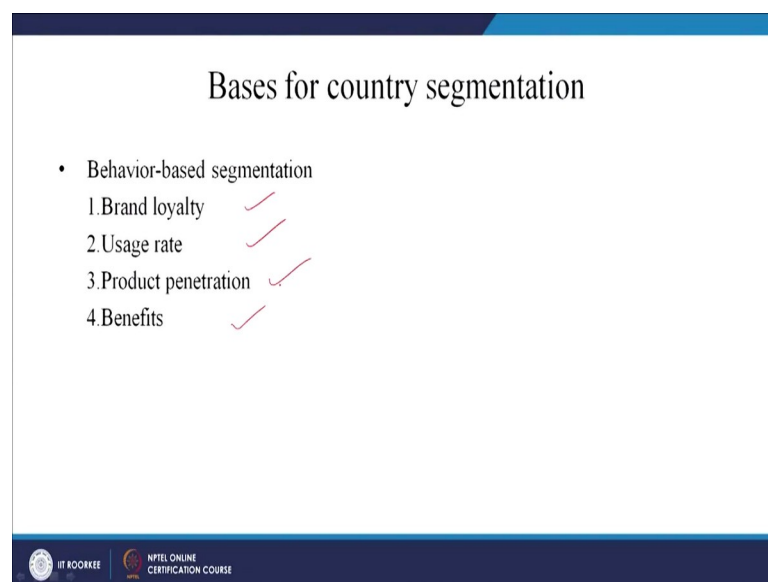
which he said that these are some of the characteristics you find in common to every country right.

For example power distance he talked about masculinity, femininity uncertainty avoidance, individualism and collectivism. Now, he talked about the power distance for example, may be very high in a country like India and it could be very low in a country like for example, let say Netherlands.

So, with and similarly masculinity, femininity, so these are some of the variables. So, for example, suppose tomorrow a Swiss company wants to enter into let say an Indian market. So, today we might be feeling that everybody knows about India, but it is not true it might not be true right, they might be only knowing it from a superficial level.

So, what is the mark, how are the people, what is the behavior of the people, how is the gender difference there in this country, how are the peoples mind set is they, are they more individualistic in nature or is it a collectivist society? So, these factors help in very greatly while segmenting the international markets right.

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Global segments like teenagers, elite class of people and all right. So, behavior based segmentation also for example, talks about brand loyalty, how loyal people are, what are the usage rate, how much usage for example, interestingly this is not a great example to

be given, but then India is one of the lowest consumers, Indians are the lowest spenders on when it comes to alcohol or beverages of that kind right.

So, any beverage alcohol manufacturing company might come to India on a basis of a because it is a large market, but if you look at the spending habits of people of Indians on alcohol and all it has been very very less. So, they might not find it very attractive right.

Penetration of the product and what kind of benefits it gives. So, these are some of the important points that we discussed right, how the markets would be international market has have to segment the market, what features they have to consider right. So, after you segment the market.

Then once the segmentation is done on taking all these different parameters into mind, then the marketer targets a few market he does not target everybody right. So, he targets a few market which it finds suitable. After targeting the market the marketer then goes for a positioning strategy.

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The slide is titled "Global positioning strategy" in a large, black, serif font. Below the title, it states "The formulation of a positioning strategy (local or global) includes the following steps:" followed by a bulleted list of six steps. The slide has a blue header and footer. The footer contains the logos of IIT Roorkee and NPTEL, along with the text "NPTEL ONLINE CERTIFICATION COURSE".

### Global positioning strategy

The formulation of a positioning strategy (local or global) includes the following steps:

- Identify the relevant set of competing products or brands.
- Determine current perceptions held by consumers
- Develop possible positioning themes.
- Screen the positioning alternatives and select the most appealing
- Develop a marketing mix strategy.
- Over time, monitor the effectiveness of your positioning strategy

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So, what I will do is I will just brief you about the positioning strategy, we will continue from here in the next lecture. Positioning as it says is a way of where a marketer tries to position or place the product in the mind of the consumer right.

So, for example, if I say a Tata steel for example. So, Tata steel when I say people might get a positioning you know, the positioning is like something very useful it is very

trustworthy. So, that is kind of positioning Tata has done right, which is highly connected with its image right.

Every product every company, in order to differentiate its products in the market because in the same product category there might be 100 of products. So, how do you differentiate to differentiate they need to position the product. So, the positioning is done through repeated advertisements promotions and all.

So, that when that particular product comes into the mind of the consumer, the consumer immediately thinks about it as that as the way the marketer wants it to be thought right, what it says is the formulation of a positioning strategy includes these steps.

For example identify the relevant set of computing products or brands, how many products are there or brands are there in this category, determine the perceptions held by the consumers, develop possible positioning themes screen the positioning alternatives and select the most appealing one right.

Then develop a marketing mix strategy accordingly. And finally, monitor the effectiveness of the positioning strategy. Anyway today we will wind up here right, we will continue from here in the next lecture right. So, I think whatever has been discussed today has been clear to you.

Thank you very much for the day.