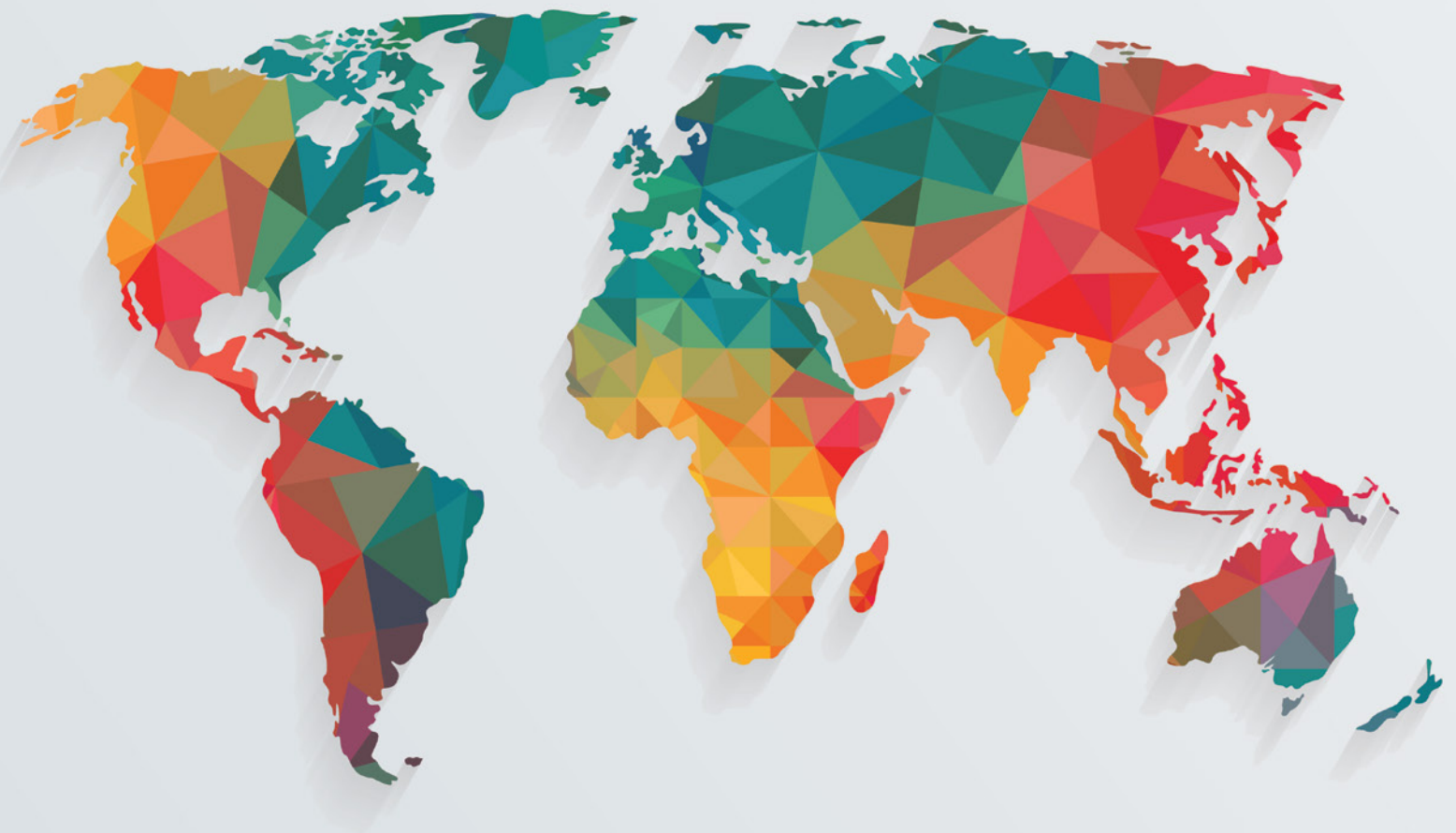


7E

International MARKETING

An Asia-Pacific Perspective



Richard FLETCHER Heather CRAWFORD

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PREFACE

Aims of this textbook

In 1997, the initiating author of this textbook complained—based on his experience as a practitioner of international marketing and more recently as a marketing academic—that the international marketing texts available in Australia were of limited relevance to students of international marketing. This was because such texts focused on multinational corporations (of which Australia had very few), and used anecdotes, cases and statistics with a US or European orientation. The response was ‘put-up or shut-up’ so Richard Fletcher ‘put-up’ and *International Marketing—an Asia-Pacific Perspective* was born in 1999. This has become the largest selling international marketing text in Australia and New Zealand and is also used in a number of Asian markets.

Competitive texts focus for the most part on the needs of the transnational company. Their treatment of the problems faced by small and medium-sized enterprises (SMEs) in undertaking international marketing is cursory and does not reflect the circumstances faced by firms in Australasia. Yet it is these SMEs that make up the vast bulk of firms involved in international business in this region. To address this shortcoming, this text focuses on the needs of such SMEs as they endeavour to go international. In addition, there are very few transnational firms but many branches or subsidiaries of such firms. This text also has as a focus on the needs of Australasian subsidiaries of transnational firms and the role in international activities of managers of their local subsidiary or branch operations. Although there is some coverage of international marketing from the perspective of the multinational company (MNC), the perspective of this text in relation to the MNC is mostly on the role of the multinational firm as an international competitor.

The issues of focus outlined above cannot be addressed simply by adapting an American text. An adaptation cannot fully reflect the unique characteristics of undertaking business in the region. For this reason it was decided to write a totally new textbook. The perspective in this seventh edition of the book is that of firms in Australia and New Zealand looking outwards, principally, but not exclusively, towards the Asia-Pacific region, as this is the major focus of their international business activities. As many of the case studies and examples used in this text involve countries in Asia, the text is also relevant for courses in international marketing delivered in Asian countries.

A problem encountered with many current texts in international marketing is that almost all the examples, case studies and anecdotes relate to foreign firms doing business with other foreign firms, and few of the firms involved are based in the region, let alone in Australia or New Zealand. This makes it difficult for students to identify with and learn from the issues involved. In this text there are a large number of new cases written from the perspective of firms in the region and several international marketing highlights are included in each chapter, most of which relate to Australian or New Zealand firms. These are supplemented by a number of International Marketing Snapshots in each chapter that illustrate points made in the text with examples drawn from real-life international marketing activities. In addition, concepts are illustrated by anecdotes relating to experiences of managers undertaking international marketing activities in the region.

Since the first edition in 1999, successive editions of *International Marketing—an Asia-Pacific Perspective* have concentrated on blending the rigour of various theories of international marketing and international business with their relevance to the continually changing international marketplace. The seventh edition is no exception and continues this approach—an approach that equips the student with an appreciation of the pragmatic realities of international marketing.

The seventh edition

The writing of the seventh edition was preceded by a rigorous review of the sixth edition by academics at other universities in Australia and New Zealand actually engaged in the teaching of international marketing. A consensus of their views is reflected in a number of changes in the

seventh edition. These are reflected in the structure of the book. After the introductory chapter, which explores what international marketing is, the book is divided into three parts, each of which has an introduction. The linking between the parts is reflected in the figure below, which connects the international environment with planning and strategy, and planning and strategy with implementation.

Other changes in this seventh edition include having case studies at the end of each chapter, many of which are new to this edition. Sixty-four additional cases are also available on the website to supplement the text, and a list linking these to the chapter they are most likely to be appropriate to is on page xix. Many of the examples used previously have been replaced with more recent illustrations, and statistics have also been updated.

The focus on Asia has been retained. However, in a number of instances where theories of international marketing are discussed, there is an emphasis on the fact that theories developed on the basis of research in Western/developed countries need to be viewed with circumspection before they can be applied to emerging markets, most of which are in developing, rather than developed, countries. More examples of doing business in countries outside Asia have been included to better reflect the changing market conditions faced by Australian and New Zealand firms in the international domain due to the enlargement of the European Union and the signing of an increased number of free-trade agreements by Australia and New Zealand and their proposed participation in new regional trade groupings.

Structure of the book

Introduction The first chapter by way of introduction concentrates on the rationale for international marketing.

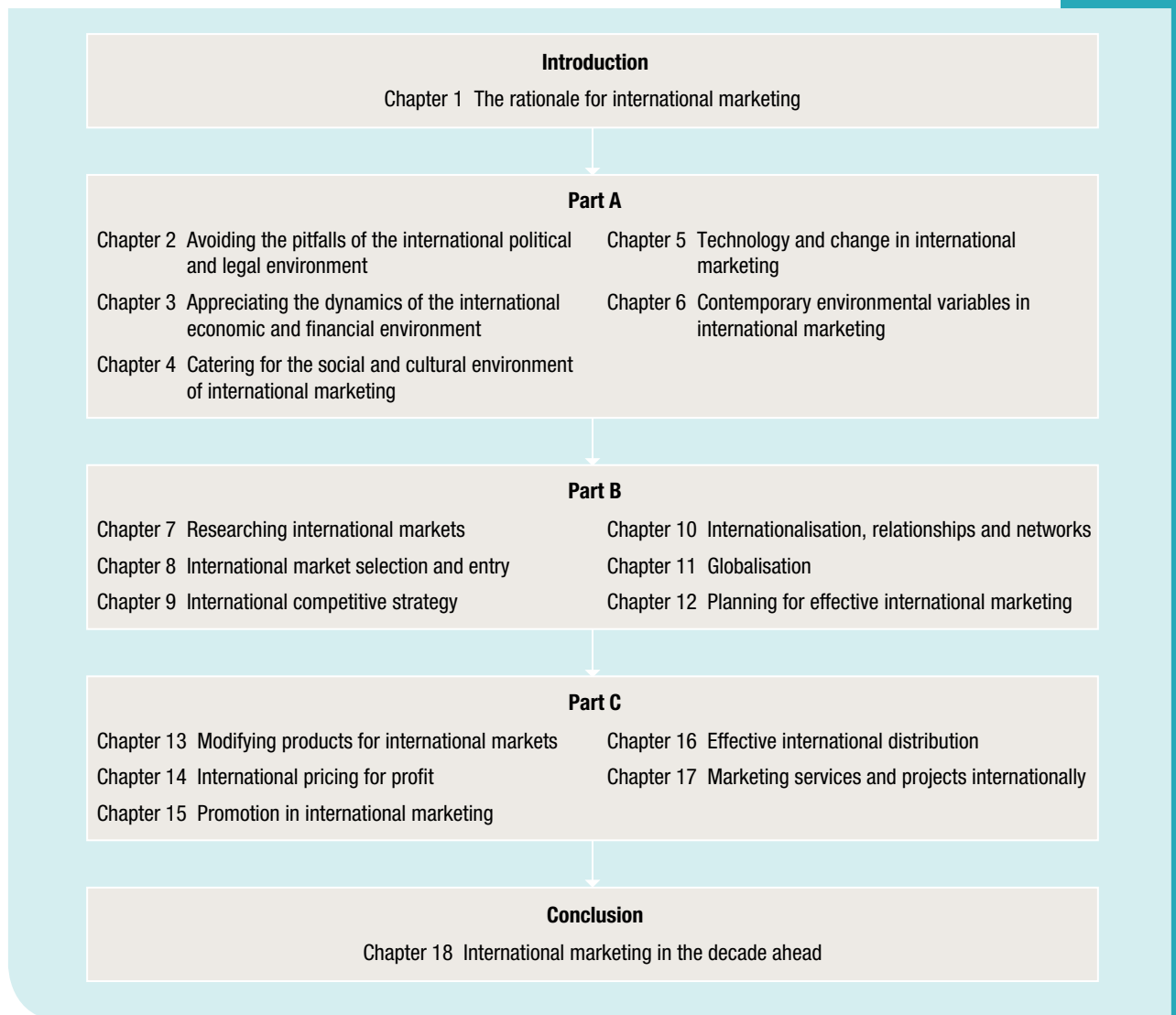
Part A covers international environmental analysis and contains chapters on the various environmental variables that impact on international marketing. These include political and legal variables, economic and financial variables, social and cultural variables, technology variables and contemporary variables in the international environment, such as ethics, environmentalism, terrorism, health, infrastructure, climate and geography.

Part B covers international planning and strategy. It commences with a chapter on researching international markets. This is followed by a chapter in which selecting and entering foreign markets is discussed. The next chapters contain discussion of strategies for gaining international competitive advantage, aspects of internationalisation including the formation of relationships and the building of international networks, and issues involved in globalisation. Part B concludes with a chapter on planning for international marketing.

Part C relates to international marketing implementation and considers ways in which each of the marketing mix variables needs to be modified when doing business internationally. Included in Part C are chapters on modifying products for international markets, international pricing for profit, promoting in international markets, and effective international distribution. Part C concludes with a chapter on the marketing of services internationally and winning major projects in other countries.

Conclusion The last chapter by way of conclusion raises issues concerned with the likely direction of international marketing in the decade ahead and a number of megatrends that the international marketing practitioner needs to take into account.

At the end of each chapter there are a number of discussion questions which can be used either for self-testing or for examination purposes. In addition, at the end of each chapter, there is an IMEdge research exercise that requires the student to go online and research a specific issue related to the content of the chapter. Moreover, the structure of the chapters—the introductory paragraphs, the international marketing highlights, IMEdge, the anecdotes and the new case studies—help to bring the real world of international marketing from an Asia-Pacific perspective directly into the classroom.



Alternative ways of using this textbook

Because this seventh edition has been augmented, it contains much more material than is needed for a basic unit in international marketing. This allows the instructor to select those aspects that suit the course requirements and to use the remainder of the book as additional reading for students. The structure of the book is such that, through the selection of different parts or chapters, it can be used as a tertiary text at different levels. The book can be used as (1) a basic text for international marketing, (2) an advanced text for international marketing management or (3) a text for contemporary issues in international marketing.

As a basic text for international marketing

Those proposing to use the book for this purpose might consider the combination of Chapter 1 (The rationale for international marketing) with Chapter 2 (Avoiding the pitfalls of the international political and legal environment), Chapter 3 (Appreciating the dynamics of the international economic and financial environment), Chapter 4 (Catering for the cultural and social environment of international marketing), Chapter 5 (Technology and change in international marketing) and Chapter 6 (Contemporary environmental variables in international marketing) from Part A; Chapter 7 (Researching international markets) and Chapter 12 (Planning for effective international marketing) from Part B; Chapter 13 (Modifying products for international markets), Chapter 14

(International pricing for profit), Chapter 15 (Promotion in international marketing) and Chapter 16 (Effective international distribution) from Part C.

As an international marketing management text

Those proposing to use the book as an international marketing management text may consider the combination of Chapter 1 (The rationale for international marketing) with Chapter 7 (Researching international markets), Chapter 8 (International market selection and entry), Chapter 9 (International competitive strategy), Chapter 10 (Internationalisation, relationships and networks) and Chapter 11 (Globalisation) from Part B; Chapter 13 (Modifying products for international markets), Chapter 14 (International pricing for profit), Chapter 15 (Promotion in international marketing), Chapter 16 (Effective international distribution) and Chapter 17 (Marketing services and projects internationally) from Part C. Students could also be required to familiarise themselves with the content of Part A as part of their background reading.

As a text in contemporary issues in international marketing

Those proposing to use the book for a contemporary international marketing unit as a follow-on to one of the above units may consider a combination of Chapter 1 (The rationale for international marketing), Chapter 5 (Technology and change in international marketing) and Chapter 6 (Contemporary environmental variables in international marketing) from Part A; Chapter 7 (Researching international markets), Chapter 8 (International market selection and entry), Chapter 9 (International competitive strategy), Chapter 10 (Internationalisation, relationships and networks), Chapter 11 (Globalisation), Chapter 12 (Planning for effective international marketing) from Part B; and Chapter 17 (Marketing services and projects internationally) from Part C; and the concluding chapter, Chapter 18 (International marketing in the decade ahead).