A PROJECT REPORT

ON

A STUDY AND RESEARCH IN INTERNATIONAL MARKETING ON MICROMAX MOBILE

SUBMITTED BY

(FULL NAME IN CAPITAL LETERS)

(YEAR)

Enrollment No:

UNDER THE GUIDANCE OF:

GUIDE NAME:

SUBMITTED TO

(UNIVERSITY NAME AND ADDRESS IN CAPITAL LETERS)

DECLARATION

I,____________________Student of **M.B.A (Stream-----------------------)** (UNIVERSITY NAME) ________________________hereby declare that the Project Report **A STUDY AND RESEARCH IN INTERNATIONAL MARKETING ON MICROMAX MOBILE** is been result of my own work and has been carried out under supervision of___________________ (GUIDE NAME)

I declare that this submitted work is done solely by me and to the best of my knowledge; no such work has been submitted by any other person for the award of post graduation degree or diploma.

I also declare that all the information collected from various secondary sources has been duly acknowledged in this project report.

PLACE: (NAME)

DATE:

CERTIFICATE

This is to certify that (__________________NAME) has satisfactory completed the project work entitled, **A STUDY AND RESEARCH IN INTERNATIONAL MARKETING ON MICROMAX MOBILE** is based on the declaration made by the candidate and me association as a guide for carrying out this project work, I recommended this project for evaluation as a part of the MBA programme of _________(UNIVERSITY NAME)

Place: _____________

Date: _____________ PROF: _____________

ACKNOWLEDGEMENT

My debts are many and I acknowledge them with much pride and delight. This project Report was undertaken for the fulfilment of MBA Programme pursuing at (________________________University Name) I would like to thanks my institute and **MICROMAX MOBILE**, which has provided me the opportunity for doing this project work.

I am extremely great full to (________________Guide Name) (__________________________Designation and College/institute name), for his invaluable help and guidance throughout my work. He kindly evinced keen interest in my work and furnished some useful comments, which could enrich the work substantially.

In fact it is very difficult to acknowledge all the names and nature of help and encouragement provided by them. I would never forget the help and support extended directly or indirectly to me by all.

(__________FULL NAME)

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CHAPTER NO. 1

INTRODUCTION OF MICROMAX MOBILE

Micromax is an Indian consumer Electronics Company headquartered in Gurgaon, Haryana, India. Micromax started as an IT software company in 2000 and worked on embedded platforms. It entered the mobile handset business, and became one of the largest Indian domestic mobile handsets company operating in low cost feature phone segments by 2010. As of Q3 2014, Micromax is the tenth largest Smartphone vendor in the world.

Micromax Informatics Limited is one of the leading consumer electronics company in India and the 10th largest mobile phone player in the world. Over the past decade, Micromax has pioneered the democratization of technology in India by offering affordable innovations through their product offerings and removing barriers for large scale adoption of advanced technologies. Micromax is currently the 2nd largest smartphone company in India. Micromax is a brand which is close to the heart of the youth and celebrates the vibrancies of life and empowerment

Products:

Micromax products have become an extension of the Indian youth's lifestyle and dynamism. The company has many firsts to its credit when it comes to the mobile handset market including the 30-day battery backup, Dual SIM Dual Standby phones, QWERTY keypads, universal remote control mobile phones, first quad-core budget smart phone etc. The brand's product portfolio embraces more than 60 models today, ranging from feature rich, dual-SIM phones, 3G Android smartphones, tablets, LED televisions and data cards. Micromax sells around 2.3 million Mobility Devices every month, with a presence in more than 560 districts through 1, 25,000 retail outlets in India.

Network & reach:

With sales presence across India and global presence in Russia and SAARC markets, the Indian brand is reaching out to the global frontier with innovative products that challenge the status quo that Innovation comes with a price

OBJECTIVES OF THE STUDY

- To understand the company position in the World.
- To understand the customer satisfaction level in other countries through company online support system.
- To study the problem faced by the customer.
- To provide product information to the customers.
- To study the factors that influences the buying decision of Micromax Mobile.
- To study the role of brand image in buying decision of Micromax Mobile.
- Simplify marketing and sales process.
- To help backend team to update correct data in the system for easy customer support.
- Fast solutions of customer's complaint within service level agreement.
- Provide better worldwide services to the customers

SCOPE OF THE STUDY

- The study has aimed at finding out the customer relationship level product and other customer benefit.

- The scope is confirmed only to examine the "Customer relationship management with reference to Micromax online Support System.
- Study is to fine possible remedies to counteract their competition in the market.

- To study the customer requirement in the market.

- To study the new Mobile Handset and other Product launch by competitors.

- To study the market share of Micromax.

- To study the new services given by the Company to their customers to improve customer relationship level.

DATA COLLECTIONS

The statically method needs the collection of data in two forms

1. Primary data
2. Secondary data

1. PRIMARY DATA

The primary data are those, which are collected afresh and for the first time, and thus happen to be original in character. The data on the required information is collected from actual persons using the product/ services. This data is more suited for the objectives of the project.

2. SECONDARY DATA

Secondary data is collected with the help of internet, company website, books etc. The data which have already been collected by someone else or taken from published or unpublished sources and which have been already been passed through the statistical process.

MODE OF DATA COLLECTION

The study is based on Secondary data which includes:-

Secondary Data will be gathered from books and journals on Micromax, Company websites, financial statement of the company, Company product brushers, Sales representative etc.

LIMITATIONS OF THE STUDY

- Major limitation is time; we have very less time to prepare the project report.
- Company rules and regulation is also a limitation to get the entire data.
- Most of the Customers are also not interested to answer our questions.
- The respondents were too busy to give exact answer to all questions.
- Primary resources of data collection are very low.
- The findings of the survey are based on the opinion of respondents and there is no way of assessing the truth of the statements.
- Secondary data is available in company website but same is mismatch with primary data collection.

CHAPTER NO. 2

OVERVIEW OF INTERNATIONAL MARKETING RESEARCH

What is International Marketing?

Marketing is the process that allows you to direct your organization's goods and services to consumers in order to make a profit. The main difference between domestic marketing and international marketing is that the process takes place in more than one country.

The international market is incredibly diverse, providing business managers with untapped potential and a huge range of profitable opportunities. However, this diversity can make international marketing operations quite complex, requiring the coordination of a variety of processes in order to be successful.

In most cases, the basic marketing principles are applicable to all markets around the world. The difference is that you need to be able to apply those principles in environments that could be significantly different to what you are used to dealing with. Many of the issues international marketers face are outside of their direct control, so they need to be prepared to adapt their strategies to cope with unfamiliar situations and problems.

Some of the issues that can make international marketing difficult include the varying political, economic, cultural, technological and social situations experienced in different countries. As an international marketer, your task is to take the marketing elements that you have control over (research, product, price, promotion and distribution) and adapt them so that they work within your target market.

One of the most important factors to remember is that each market you enter is different. There is no guarantee that what works in one country or region will work in another. This is the reason that many international marketing attempts fail to achieve their desired results. The key to success is your market research and how you use it to effectively adapt your products and services.

The Marketing Process

Marketing is an ongoing business process that consists of four distinct stages; analysis, planning, implementation and control. An understanding of the basic fundamentals of marketing is important if your international marketing activities are to be successful.

The first stage of the process, analysis, involves collecting qualitative and quantitative data about your products and potential markets. This information is generated by conducting extensive market research using techniques such as surveys, audits, observations and can be compared with data you have collected in the past. This information should be compared and contrasted against your businesses objectives and resources to determine whether or not there are any viable opportunities to expand into new markets.

If a competitive advantage is found during the analysis stage, the marketing process moves on to the planning stage. Planning involves creating strategies that you can implement to achieve results in your target market. You should consider both your short term strategies and long term goals in the planning stage, paying particular attention to comparing the risks with the potential rewards.

Once you have developed a clearly defined marketing plan, you can begin the implementation phase. The success or failure of the implementation stage depends almost entirely on the work you have done in the analysis and planning stages. If your plans are realistic, well thought out and based on sound analysis, the implementation stage should result in success for your business. It is important to remain focused on your target objectives during the implementation stage and be prepared to adapt your plans to suit changing conditions.

After the successful implementation of a product or service into a new market, you must be able to monitor and control the performance of the product in the market. You need to be aware of changing market conditions, your competitors and your customers and adjust your marketing strategies accordingly.

These basic principles of marketing apply to all markets around the world. However, you must adapt your strategies to suit the market in which you are trying to enter or compete within to reflect the specific circumstances.

International Trade

Countries have been trading goods with each other for more than one thousand years, originally between China, India and the Roman Empire and then later including the rest of Europe and North America. Different produce originated in different parts of the world and trading companies were established to trade aromatics, spices, coffee and silk.

Today, different nations are linked by international trade more than ever before in history. The global economy has benefited significantly from the ever increasing growth of international trade. Many organisations have become dominant forces in the world economy and have made huge profits by expanding their operations into as many places as they can.

Improvements in transport and communication have been the biggest drivers of international trade. Rather than it take weeks, months or even years to transport goods from one side of the world to the other, logistics firms specialise in delivering products to anywhere within just a day or two by plane. Managers are also able to organise and direct global operations from a central location almost instantaneously.

Organisations are able to specialise in what they are best at and then export their products to the rest of the world, rather than just in their domestic market. This improves efficiency and reduces costs for both the organisations and the end consumer. Without international trade, each country would need to support an industry to produce each type of product or service that they consume.
Globalisation has allowed organisations to shift their entire operations to countries where the price of labour is lower, greatly assisting people from the developing world improve their standard of living. As the standard of living in the developing world improves, so does their demand for products and services, furthering the growth of the world economy.

Another important factor to consider is that international trade has brought people and nations from around the world together. World trade has form global linkages that encourage countries to work together to achieve what is best for their domestic economy. It has lead to the formation of free trade agreements and forced nations to put aside their historical and cultural differences. However, international trade has also raised many issues that require consideration. Different countries and economies are now more reliant on each other than they ever were in the past. For example, a recession or crisis in one country can have a significant negative impact on other countries throughout the world. The closer the trade linkages become between nations, the greater the impact on the world economy.

Other international trade issues include the repercussions of labour outsourcing, the difficulty in making domestic and international policies work, the trend away from traditional culture, environmental impact and the ongoing issue of terrorism. These can all have a significant influence on international trade as governments around the world will always endeavour to protect the interests of their people and economy.

Developing your Global Awareness

An awareness of the cultural, political and historical issues that separate different parts of the world is important for personal development. The opportunities for those who are prepared to learn and open their minds to the rest of the world are almost limitless. Any businessperson who is interested in competing internationally needs to increase their understanding of foreign markets and the way they operate.

To be a globally aware person, you need to have a tolerance of cultural differences and a good understanding of the history, economy, politics and social trends of different countries around the world. You can then use this knowledge to work out the market potential that each nation holds.

Ethnocentrism is the tendency to view your own culture as superior to that of others. The self-reference criterion is the tendency to sub-consciously judge other people by your own standards and values. You need to be acutely aware of these factors and the impact that they could have on your behaviour when working internationally.

A tolerance for cultural differences is the key for anyone who wishes to conduct business outside of their home nation. Cultural tolerance is about accepting that other people have different ways of doing things that aren't necessarily better or worse than yours. The best way to increase your cultural awareness is by going out and visiting different cultures or by working with people from different backgrounds. You may not agree with the way other people conduct business, but you need to be acknowledge their right to behave differently.

To improve your global awareness, you should also aim to improve your knowledge about the history of different countries around the world. An understanding of historical issues and events is important as people's behaviour is influenced by their homelands history and culture.

A general understanding of the varying political and economic climates around the world will greatly improve your level of global awareness. The behaviour of many people and organisations throughout the world are significantly influenced by political and economic conditions. Remember that these conditions are constantly changing and you should aim to remain up to date with any relevant movements or issues.

A good hold on the different social situations in different places is very beneficial to any globally aware person. Look at how the different generations in each country behave to gauge how the social environment is or isn't changing over time. An understanding of social conditions will also help you to identify emerging markets and growing trends in foreign countries.

Finally, you should look at implementing a culture of global awareness into your organisation. Ensure that your employees are aware of globally important issues and encourage them to be culturally aware. Employing a team of people from different backgrounds or who have international experience can also help to increase the level of global awareness in your organisation.

INTERNATIONAL MARKETING CHALLENGES

The nature of conducting international business results in many challenges for marketers. In this chapter, we look at some of the common issues faced, including the influence of culture on marketing, the political, economic and legal considerations as well the issue of protectionism. There is also information about international business ethics.

Cultural Impact on Marketing

Business people need to be careful that they never underestimate the impact that culture can have on consumer buying behaviour. Developing your understanding, tolerance and acceptance of cultural differences is crucial if your international marketing objectives are to be accomplished.

There are a number of key cultural elements that international marketers need to take into consideration when designing products, developing promotions and implementing distribution systems in foreign markets. These elements include values, beliefs, thought processes, symbols, traditions, religion and language.

It is generally assumed that people are not born with a culture, but are born into a society in which they develop certain cultural traits and beliefs. Culture has an impact on people right from when they are born all the way into adulthood, which gives it a highly persuasive quality. In many countries, cultural traits will prevent a person from doing something that is common in another culture or encourage behaviour that is uncommon elsewhere.

It is important that international marketers pay particularly close attention to the persuasive nature of culture. You can't simply assume that people will disregard their culture just because a product you have introduced will make their life easier. Many aspects of culture have survived thousands of years and are likely to continue so long as they are being taught to children from a young age. Many countries are reluctant to let go of their culture and actively try to preserve it against foreign influence.

Language is a particularly important factor to consider when developing international marketing campaigns. It might not seem like a problem at first; all you need is a good interpreter. However, language is extremely complex with significant differences occurring not just between countries, but across different regions. The best way to deal with language issues is to deal with people who grew up in your target market. They are far more adept at recognising potential issues than translators who learnt a second language later in life.

Religion, tradition and local customs are also important considerations. You need to make yourself aware of the local culture to ensure that you don't accidently or carelessly offend people. It is important that you remain sensitive and tolerant to different points of view and ensure that your brand doesn't contain any symbolism that could be offensive in the local culture.

Cultural Management Issues

Culture has an influence on the way people operate and manage their businesses. It also plays a significant role in the way managers negotiate and interact with other business people, organisations and consumers. It is important that you adapt your management style to reflect the market in which you are working.

An understanding of the common management styles used in different countries is important if you want to be successful at an international level. A lack of knowledge about international business practices is one of the most common causes of conflicts and misunderstandings between managers from different nations. Another significant problem is a lack of tolerance to different management styles, resulting in disagreements and missed opportunities.

There are three main classifications of business customs that marketers and managers need to be conscious of when working internationally. They are cultural imperatives, cultural electives and cultural exclusives. Cultural imperatives are business customs that are essential for foreign managers to adhere to. They apply all over the world and include factors such as building trust, forming friendships and developing rapport.

Whilst cultural imperatives are seen as critically important before serious business can be conducted, cultural electives are customs that are considered optional to outsiders. Cultural electives are behaviours that are common amongst locals and may be participated in by foreigners but participation is not vital. However, if done respectfully, participating in certain local customs can help to build rapport and business relationships.

Cultural exclusives are the opposite of cultural imperatives. They are reserved for local people only and it is considered disrespectful, ignorant or even unacceptable for foreigners to become involved in. Typically, foreign managers should avoid commenting on local politics, religion or traditions even if the local people do so. If you do or say the wrong thing, be prepared to apologise for your mistake.

Gender equality and inequality can become an issue when conducting international business. Whilst it is becoming less prevalent all the time, there are still some situations where women may not receive sufficient respect or recognition in international business meetings. It is important that you make yourself aware of any potential issues beforehand, express to other people that you have the full support of your organisation and then demonstrate your ability confidently.

Different cultures operate on different levels of formality and place varying emphasis on time constraints. In some parts of the world, more value is placed on a meeting resulting in positive outcomes than if it begins or ends on time. It is important that you accept that as long as you achieve your objectives, the way a meeting takes place is not so important.

It is important to remember that much of the information you read or hear about foreign markets is based on stereotypes and traditional ways of doing business. As the level of global business increases, business people become more aligned with what their foreign counterparts expect to get out of a meeting and are prepared to make compromises. The best way to improve your international business skills is to go out and experience working in a foreign business environment.

Political Environments

International marketing operations are affected by the varying political environments that exist around the world. An effective manager needs to be fully aware of the circumstances they are getting themselves and their organisation into when approaching foreign markets.

Before attempting to enter into a new market, managers should take the time to carefully observe the political environment from a distance. Political environments can be highly volatile and can change significantly in a short period of time, so it is vital that you commit a reasonable amount of time to ensuring that know what to expect from the market.

Ideally, you will be looking at entering a market that is politically secure and stable. However, often emerging markets that present significant business opportunities feature governments that are far from stable. You need to carefully weigh up the potential for problems that could adversely affect your business with the opportunities that the market presents before implementing any sort of marketing plan.

Political risk is the risk of loss that occurs as a direct result of the actions of a government or changes in the political structure in a particular country. The level of political risk varies depending on the past history and consistency of a country. In most cases, organisations should try to avoid engaging in business in nations that are considered to have a high level of political risk.

The biggest contributor to political risk is the potential for nationwide conflict, war or violent change. If conflict broke out in a country you were operating in, you would need to be prepared to deal with violence directed at your property and employee's. Conflict is also likely to have a significant negative impact on your customer base and sales potential.

Your business can be severely affected by changes in the political stance of the government and by changes to policies and regulations. Effectively, you could find your products or even your organisation banned overnight if the government decides that you are no longer welcome. The influence of the political environment highlights the need for careful planning prior to market entry as well as the need for a well thought out exit strategy.

A commonly overlooked issue that relates to the political environment is nationalism. This has become an increasingly relevant issue as many countries attempt to preserve their local culture and industries. Nationalism is the level of pride that people hold for their country and exists to some extent in all countries. It becomes a problem for international marketers when governments or local groups of people discourage the use of products and services originating from overseas. The level of nationalism can change dramatically over time as conditions and attitudes change.
You can save yourself serious hardship in the future if you fully understand the political environment of a country prior to entering into it. The research and planning you do now will make it easier to deal with future changes, or may prove to show that a market isn't such a great opportunity after all.

Economic Considerations
There are a number of economic issues that international marketers need to take into consideration. Thorough research and planning early in the development of your marketing strategies will make it much easier when it comes to entering an unfamiliar market.

The first issue to consider is the overall stability of the local economy in relation to the rest of the world. Ideally, you should be aiming for markets that have strong growth potential and are economically stable. A look at past trends over a reasonably long period of time should give you a good indication of the economic health of a country.

There are other indicators of economic health that you should take into consideration as well. The level of employment can be a good indicator when trying to determine a potential customer base as people who are employed have more disposable income than those who aren't. The minimum wage can also be factored into your analysis of market potential. Look for countries where the employment level and minimum wage are currently on the increase.

You should also look into local employment conditions and restrictions. You will often need to employ local people in your international operations, so you need to be aware of labour union involvement as well as labour and skills shortages.

Foreign currency exchange rates are an important factor when determining the viability of a new market. You need to remember that your investment may gain or lose value depending on the value and volatility of the exchange rate. Governments may also place limits on currency exchange in a bid to prevent inflows and outflows of capital into a country, potentially impacting on your business operations.

A good manager will carefully analyse the local market to determine how much demand there is for their product and how demand could be influence, as well as identifying any supply issues. This will allow you to generate a sound business plan based on realistic and timely information. Taxation can also be an important economic consideration. Government imposed tax levels can often be welcoming to foreign investment and encourage businesses to enter then market. However, in other cases, they can be set to severely disadvantage foreign organisations and even price them out of the market altogether. Make sure that you investigate the stability of tax rates rather than just looking at their current levels.

A thorough economic analysis will significantly improve your chances of success internationally and can save you from making costly mistakes. By combining your findings with your political analysis of your potential target markets, you can develop a broad understanding of the country you are planning on dealing with.

International Legal Issues

Countries differ in their laws as well as in their interpretation of their laws. Some countries place a greater emphasis on the role of the court and litigation system, whereas others encourage alternate dispute resolution wherever possible. It is crucial that you have an understanding of international and local legal issues prior to entering into a new market.

Anyone who is engaged in business should have a basic understanding of the basis of law around the world. Legal systems are split into two groups; common law and statutory law. Common law relies on precedent and tradition to arrive at decisions. It is based on past decisions of similar cases to determine rulings. As common law is not always clearly defined or definite, it is open to interpretation and care must be taken when working under an unfamiliar foreign legal system.

Statutory law is based on a set of written statutes and legislation that set out legal rules. It is a more inflexible legal system and less open to interpretation. The benefit of statutory systems is that you can generally get a clear definition of what is and is not allowed. Many legal systems around the world use a combination of common law and statutory law to decide cases.

When engaging in international marketing, it is vital that you ensure you understand the local laws that apply. In most cases, foreigner organisations will not be able to use ignorance as a viable defence for failing to follow the local law. If you are unsure about anything, get the advice of a local, experienced legal professional.

If a legal dispute involving your organisation arises in a foreign country, it can place a significant burden on you and your business. You may need to stay within the country until the issue is resolved and pay numerous legal expenses. Dispute resolution processes vary, with many countries encouraging out of court settlements for disputes between organisations.

Intellectual property protection is another issue that needs to be considered when entering new markets. Products, designs and trademarks that you have registered in one country may not apply internationally, leaving your organisation open to exploitation from other businesses. It is important that you seek legal advice and ensure you have the necessary protection prior to entering a new market.

The consequences for breaking the law vary depending on which country you are in. This is an important consideration that is overlooked by many international businesspeople. They sometimes find themselves in legal disputes where the consequences for being found guilty of breaking the law are far more severe than what they would encounter in their home country. Ensure that you have a thorough understanding of not only international laws, but the ramifications for breaking them as well.

Conducting a thorough legal analysis will help you to develop your understanding of potential international markets. You can combine your analysis with your research on the political and economic climates and make an informed decision about entering a foreign market.

Protectionism & Trade Barriers

Organisations face many government-imposed barriers when trying to conduct business internationally. Protectionism is still a significant problem despite the efforts of many to encourage free trade between different countries. An understanding of protectionism and the various trade barriers in place around the world is vital for any international businessperson.

Protectionism is the term given to government policies that are implemented to protect local industries from foreign organisations. Governments resort to protectionist policies to protect their local market, keep investment within the country, maintain the standard of living, maintain national security and in some cases to protect nation culture. Policies can also be the result of ethical issues, retaliation or bargaining.

There are a number of common trade barriers utilised by governments all around the world. Import quotas limit the import of products based on their monetary value or total number of units. They are enforced by either banning imports that exceed the quota limit or by charging fees for any imports that are above the quota limit. By limiting the import of products, local industry is able to secure the rest of the markets demand without foreign competition.

Tariffs are popular as they are a tax on imports that generate income for governments whilst also protecting local industry from foreign competition. Tariffs increase the cost of importing, either making it not worthwhile or causing the price of the products to increase to a level close to the locally established price.

Trade embargoes and boycotts effectively ban trade between certain countries or organisations. They are implemented by governments when there is a concern about the impact that trade with those countries could have for national or international security, ethical issues or because of ongoing disputes. Boycotts are generally less formal than embargoes and are often only participated in by individual industries or organisations.

Subsidies are still used in many countries to assist local industry compete with international organisations. Subsidies are financial assistance or tax breaks provided to local businesses by the government so that they can either lower their prices to compete or use the funds to remain operational and financially viable.

There are also a range of non-tariff barriers imposed on importers that are intended to make trading impossible, infeasible or overly difficult. These techniques are not usually officially recognised by governments and can be difficult to importers to recognise and prepare for. These barriers include campaigns that discourage people from buying imported goods, imposing national standards that don't conform to international standards or by setting overly complicated regulations that products must conform to. Increasing the amount of paperwork and slowing bureaucratic procedures has also been used as an effective non-tariff trade barrier.

Protectionism and trade barriers are generally considered to cause inefficiency in the global economy and increase prices for consumers. International marketers must take into consideration the impact that trade barriers will have on their strategies during their assessment of a markets potential.

International Business Ethics

International business ethics is a particularly complex issue as ethical standards are different depending on where you are. Corporate governance, bribery, corruption, working conditions and targeted marketing are all issues that require organisations to establish an ethical standpoint from which they can work on.

There is an increasing emphasis on the corporate responsibility of large organisations from developed nations and the way they operate in third world countries. Many nations now impose their ethical standards on developing countries even though they themselves have been guilty of arguably unethical practices in the past. For example, the poor working conditions suffered in the third world were commonplace during the industrialisation of many western economies.

Some of the most common international ethical issues surround the environment, child labour, working standards and conditions, targeting marketing to vulnerable individuals and corruption.

Corporate governance is the trend towards large organisations developing their own systems of dealing with ethical issues and setting strategic direction. Ethical corporate governance is concerned with encouraging organisations to be transparent in their operations, finances and behaviour in domestic and international markets. It is believed that this transparency forces organisations to act in a way that is popular with the wider consumer market rather than just the stakeholders in a company.

Social responsibility is a current issue being debated by the public, government, organisations and critics. Organisations who claim to be socially responsible ensure that their business practices don't impede on human rights and increase the global standard of living. Many also claim to be reducing their impact on the environment through a variety of strategies. However, critics argue that such policies can make it difficult for developing nations who don't have the systems and social structures in place to meet the high demands placed on them.

Bribery and corruption is another critical ethical concern for international organisations. Whilst it may seem like a clearly defined legal issue at first, it becomes more complex when you realise that it is far from illegal in some countries and can even be part of the business culture. International organisations are encouraged to not participate in such business practices. Any payments made should be within the law of both the local country and the home country and should be fully disclosed to the public.

Whilst the temptation to help the process along in many countries can be high, it is important to be aware of the consequences for doing so. Unsavoury and unethical business practices and payments can be used against you or your organisation at a later stage. For example, bribes may go unquestioned for a period of time, but the record of them could be used against you later as an act of extortion, bargaining or retaliation.

When conducting international business, you should make yourself aware of the different business practices and ethical standpoints around the world. Whilst you should always maintain a high ethical standpoint yourself, you should also be prepared to acknowledge the different standards and expectations of others and their reasons for them.

INTERNATIONAL MARKET OPPORTUNITIES

There are many opportunities open to organisations in the international market. In this chapter, we take a look at the drivers of international marketing, globalisation, emerging and developing markets and free trade.

Drivers of International Marketing

There are a number of factors that increasingly drive international trade and marketing efforts. There is the potential to increase customer base and market share, the opportunity to reduce the reliance on any single market and the benefits that becoming a multi-national corporation can provide.

The main driver of international marketing is the increase in customer base that it provides to organisations. Whilst many domestic markets are quite large, they fade in comparison with a truly global market. An increased customer base allows for the sale of far more products and services and can increase the profitability of an organisation. The global customer base is growing all the time as the living standards and levels of employment increase in developing nations.

A widespread customer base removes the risks associated with only selling to one market. For example, if you only market to domestic consumers and there is an economic downturn, your entire customer base may fall out of work and not be able to afford your product. However, if your customer base is spread over many markets, the impact of the domestic market failure is less of an issue.

International marketing can also help you to increase your total market share in a particular industry and allow you to develop a globally recognisable brand. By not engaging in internationally marketing, you are instantly giving away part of the total market share to those that do. Holding a market share is important as it gives you a better foundation to compete with other large and established organisations. Small businesses with little in the way of market share often find themselves priced out of the market and unable to compete.

Developing a globally recognisable brand provides you with almost limitless opportunities when capturing emerging markets and gaining customer loyalty. People are naturally drawn to and trust brands that they clearly recognise and are more inclined to purchase from those brands.

Internationally organisations are able to develop networks and linkages with foreign supply chains. This can help them to negotiate for better deals, reduce their overall costs and improve efficiency. Whilst many of these drivers sound like they only apply to huge, multi-national corporations, they have an impact on small business as well. Many large organisations around the world remain small until they open themselves up to the global market through international marketing.

The Impact of Globalisation

Globalisation has had an increasingly significant impact on international marketing. More and more markets become open to international organisations as the cost and complexity of operating overseas is reduced by globalisation.

One of the key drivers of increased international marketing has been reduced costs as a result of globalisation. Organisations are able to access cheap resources and labour in developing countries. This not only allows them to price their products lower, but also opens up a broader market of people with the disposable income to buy more goods and services.

New and ever improving communications technology has spread throughout the world, allowing international marketing campaigns to be coordinated all from a domestic base. The internet and mobile phones have opened up entirely new international industries with endless potential. Globalisation has changed the way people shop. Consumers are better able to shop around for good deals and are prepared to buy from overseas without necessarily viewing products first hand.

Globalisation has also increased market competition, in turn increasing the importance of effective international marketing. Many organisations cannot rely on the fact that they are the only player in a long held domestic market, there are new competitors from overseas appearing all the time.

Transport and distribution systems are more efficient than ever before, making it easier, faster and cheaper for businesses to get their products to consumers. Electronic transfers have also made making and receiving international payments faster and more secure.

Finance is more readily available to both consumers and organisations, thanks to the globalisation of many financial providers. Investors are interested in spreading their investments over a wider range of markets to reduce their overall level of risk. An increased availability of capital makes it easier for organisations to finance their international marketing efforts.

Globalisation will continue to bring more and more buyers and sellers together into the future. The organisations that are able to make the most of the opportunities globalisation provides stand to the best chance of succeeding in their international marketing campaigns.

Emerging & Developing Markets

In the past, marketers have capitalised on the demand stemming from the developed regions of the world; North America, Europe and Australasia. Demand in these markets remains strong, however, growth has slowed significantly in the recent past. International marketers are now turning to the developing regions of the world where there is still huge potential for market growth.

The emerging markets with the highest growth potential are located in Africa, South America, Asia and Eastern Europe. More specifically, international marketers are focusing their efforts on gaining entry into South Africa, Brazil, India, China, and Russia. As these markets become more industrialised, workers are able to earn a more stable and higher income.

There are a few key factors that you can look at to identify the emerging markets with the most potential. Population and population growth forecasts are useful indicators of total market size. The population of India and China combined is over 2.5 billion people, clearly indicating why international marketers are interested in entering these markets.

The level of infrastructure in an emerging market is another good indicator of market potential. When engaging in international operations, you rely heavily on services provided by the local market. You are likely to utilise transportation systems, communication systems and energy infrastructure to sell and distribute your products and services. It will be easier and more cost effective to work in countries that already have reasonably well developed and reliable infrastructure.

Income and spending behaviour are also important factors to consider when analysing an emerging market. When looking at income figures, ensure that you look at the median income rather than the average income. This is because many developing countries feature a small amount of the population who hold the majority of the countries wealth. This can cause average income figures to overestimate what the majority of the population actually earns in a year.

Spending and consumption behaviour takes into account the way that people spend their income. For example, is all of a family's income spent on basic necessities (food, clothing, shelter) or is there enough left over to be spent on luxury goods (electrical appliances, cars, computers)? You also need to look at the culture of spending. For example, do families save their disposable income or do they like to spend it on products that define status in the developing world, like brand name clothes, a car or a mobile phone?

By carefully analysing all of the issues and factors that influence market potential, you can work out which markets you should target and what marketing strategies you can use to gain a market share. There are barriers to entering many of the world's emerging economies, however, the potential for achieving international marketing success in these regions should not be ignored.

Free Trade

The economic concept of free trade is increasing in popularity around the world. Many countries have relaxed their protectionist policies and removed trade barriers. The push towards global free trade has resulted in the establishment of many free trade agreements between countries, the developed of regional trading groups and the creation of the World Trade Organisation.

It is generally believed that opening up trade between nations and regions is better for consumers as it allows prices to be set based on actual supply and demand. Protectionist policies generally set prices at an artificial level. By preventing fair competition from international suppliers, they keep prices inflated at a higher point than they would be under a free market.

Once international competitors are freely able to enter markets, their costs are reduced. These cost savings are largely passed on to consumers driving demand for products and services. This can have a positive impact on the local economy as more people are able to afford a wider range of consumer goods.

However, free trade can have a negative and significant impact on local industries. Many local organisations are only able to compete against international organisations due to the trade barriers put in place by their government. When these barriers are removed and the market is flooded with cheaper, superior or even equal products compared to those being produced locally, the domestic businesses are unable to compete. This can lead to business closures, unemployment and reduced demand.

The World Trade Organisation (WTO) was established in 1995 to supervise and encourage international free trade. It assists countries with the formation of free trade agreements and aims to stimulate economic growth. The WTO does not force any countries into free trade agreements, it only acts as a mediator during negotiations instigated by the countries involved.

Free trade is an especially important issue for the world's developing economies. They are often able to produce products at a lower cost than in other countries, and the income they earn from exports allows their economies to grow rapidly and improves the living standards of the population. It also provides them with access to technology and expertise from the developed world that would otherwise take them years to develop.

From a global perspective, it is clear that the benefits of free trade are significant for consumers and organisations. Whilst some industries move to capitalise on the cheap labour in the developing world, new industries with a focus on innovation and technology are created. The increase in free trade around the world will continue to drive growth in the global economy into the future.

International Marketing Strategies

This chapter contains information that will help you to develop and implement successful international marketing strategies. Topics covered include market research, product adaptation, market entry, pricing, promotion and public relations.

Market research involves working out what customers have a need for and why they need it. You can then determine how they are most likely to go about fulfilling their needs. To enter a market without conducting market research places organisations and their operations at serious risk of failure.

Many of the issues and risks encountered by international marketers can largely be avoided if enough effort is put into market research prior to market entry. Unfortunately, many organisations fail to recognise the differences between domestic market research and international market research. Many managers incorrectly apply their domestic market research to foreign market analysis, resulting in critical mistakes being made.

Market research campaigns require a commitment of time and money in order to be effective. When determining how much to commit to market research, you need to compare the total costs with the value of the information you stand to gain. Also take into account the value and importance of the decisions that you will make with the information you compile from the research.

There are a number of sources that you can use to develop your market research. International organisations commonly provide useful and up-to-date data about a region's demographic. You can also ask for information from the local government of the region for information. This data is often accurate and comprehensive, with most governments willing to help anyone interested in investing in their economy.

Conducting primary (first hand) research with your intended consumer market is also important. This can be far more difficult than when conducting similar domestic research as you have less direct access to the consumer market. Costs are increased as you will need to either use the services of a local market research company or visit the country and conduct research yourself. There are other cost effective options such as online and telephone surveys, although the reach and usefulness of these methods may be limited.

Product Adaptation & Branding

In order to meet the needs of international customers, you may need to adapt your product to suit individual or regional markets. You will also need to establish a brand that can be applied globally or tailored to fit into local markets.

Your success internationally depends on how well your product or service is received by customers in each market. Many organisations make the mistake of simply taking their successful product out of their domestic market and dropping in a foreign market. Their attitude is that products that have proven successful in the local market are bound to do well in other markets where there is little competition. This is clearly a cheap and easy market entry strategy but the results can be hit and miss.

A more effective international marketing strategy is to adapt your product to the market you intend to enter. You first need to define what your core product is. Essentially, your core product will be the aspect of your product that won't change from market to market. You can then work from this and add or remove the product features to make the product more attractive or practical to different customer wants and needs.

In some cases, you may need to go further than just adding or removing features from your products. Larger scale modifications may be required to have your product accepted by the local market. The important thing to determine is whether or not the extra effort and expense involved in modifying your product will be offset by potential for increased sales. You also need to make sure that you don't dilute the product or change it so that it no longer fits within your organisational objectives.

When small businesses start up, they work hard at developing their brand in their local market. However, they don't often think about how their brand might be used internationally in the future. By the time a business is ready to expand into international markets, their brand is already well established in the local market. Unfortunately, many organisations run into problems when they try to apply their brand in foreign markets.

Due to local history, tradition, customs and tastes, some brands, logos and packaging do not sit well in foreign markets. Certain colours, symbols, words and imagery can be offensive or inappropriate in different countries. This means that in order for organisations to be accepted by local customers, they first need to adapt their branding. Ideally, any conflicting problems should be resolved prior to entering the market to avoid potentially detrimental public relations issues. The key is to avoid diluting your organisational image by changing it too much. Aim to only change the part of you brand that is likely to offend or turn away potential customers.

Organisations that are able to effectively modify and adapt their products and branding to local tastes rely heavily on their market research. It is the only way that you can avoid costly mistakes that could harm your opportunities for success well into the future. International marketing success is possible if you clearly define what the market is looking for, appreciate the various cultural issues and are prepared to adapt accordingly.

Market Entry Strategies

There are numerous market entry strategies that organisations can utilise when establishing international operations. Your choice will depend on which market you are aiming to enter and your organisational objectives. Each strategy carries with it different levels of risk and various advantages and disadvantages.

The path that most businesses take is to establish a relationship with a foreign agent or distributor. A partnership like this can be useful as experienced agents have local contacts and have a thorough understanding of the local conditions and regulations. A distributor should be able to handle the sourcing of retailers or buyers and the distribution of your products. The main issue with this method is the lack of control over operations as you have to manage the process from a distance and rely on your agent to get the job done.

Another common strategy is to set up a local office in your intended market. The advantage of this is that you have greater control over marketing and distribution and direct contact with your customers[1]. The problem with setting up a local office is the added expenses of rent and employing at least one person to operate it.

A larger scale operation may be able to make effective use of a strategic alliance with another organisation. Joint ventures involve your business agreeing to merge with an already established business in your intended market. Joint ventures are a great way to gain access to skills, resources and finance when entering into a new market. However, there are risks involved and you need to ensure that you can rely on your business partner to work with you to achieve the objectives of the venture.

Organisations can also look at the option of an acquisition or merger with a well established local business. Buying into an established business can give you instant access to a customer base and can help you to avoid some of the barriers of opening your own business in an unfamiliar market. However, there is a significant amount of financial investment involved and the risks will be carried entirely by you.

Although not applicable to all business types, franchising can also be an effective market entry strategy. If you can demonstrate an effective business model and have a proven brand in your domestic market, you could try and sell a franchise in selected markets around the world. Some of the most successful multi-national corporations have used franchising to increase their international market share.

This is far from all of the international market entry strategies that you could utilise. The main point to weigh up is the risk versus reward. How much do you stand to lose if your market entry strategy fails to work? Also remember that you may need to use different market entry strategies for different markets, as one success won't necessarily translate into another without adaptation.

International Market Pricing

One of the challenges that international marketers face is trying to set prices for their products and services in foreign markets. There are many variable factors that influence international pricing, such as currency exchange rates, economic conditions, production expenses, your competitors and the consumers in your target market. International pricing strategies require careful planning and ongoing management in order to be effective.

The production expenses associated with your products will depend on where your production facilities are located. If you produce all of your goods in your domestic market and only export overseas, these costs could remain quite high. The cost of production and distribution will put a limit on the minimum price you can set in the international market to still generate a profit.

However, if you set up production in the foreign market you plan to sell to, you may be able to take advantage of low cost, easily accessible labour and low cost raw materials. This allows you to set a lower price in the foreign market than you would in your domestic market and still make positive returns.

Your competitors can be a useful guide when setting prices in unfamiliar markets. If you are up against only local competition, you may be able to set a premium price and compete on the basis of better quality or innovative features, however, you need to establish what value your customers place on these features. If you are competing against other international organisations, your prices and product features will need to be very competitive with what they offer the market.

Another significant factor that international organisations need to take into account is the impact of fluctuations in currency exchange rates. If your domestic dollar is valued low, it can help you as exports will be cheaper for foreign buyers to purchase. However, an increase can make your exports expensive and less accessible to foreign markets. Exchange rate fluctuations also make it difficult when setting up foreign operations because the price of labour and materials can change dramatically over relatively short amounts of time. Ideally, you should look for markets where the economy and currency value have proven to be stable over a long period of time.

When setting prices internationally, you also need to consider the standard of living and income levels in your target market. You need to look at how much people are willing and able to spend on your goods and services and set your prices accordingly. International marketers should also consider the buying behaviour of the population to determine what value people perceive certain products and services to be worth.

Getting your international pricing strategies right is crucial to the success of your marketing efforts. The more you understand about your target market, the better you will be able to set your prices at a level that will appeal to consumers whilst still generating a positive return for your business.

Promotions & Public Relations

In international marketing, promotions are used as a way of stimulating demand for your products and services to drive sales. They can be applied as global campaigns or targeted and adapted to suit specific markets. Maintaining a good relationship with the public will also help you to drive sales and encourage customer loyalty.

There are a number of common promotional campaigns used by organisations upon entering new markets. These include product demonstrations, samples, competitions, coupons and tie-ins with related products. Advertising campaigns on television, radio, internet, newspapers and in the community are often linked to these promotional strategies. Sponsorship at local community events or of local services is also used to gain exposure in new markets.

The aim of these promotions is to make consumers aware of your business and brand and the benefits that you can provide to them through your products and services. Promotional efforts are particularly important when your brand is new to the market or when you are marketing a product that consumers have never seen or used before.

Once your product has been in the market for a while, you can use strategies such as discounts and sales to encourage further customers to try your product. They can also be used to entice customers back to your product if the market is competitive or drive sales during periods of low turnover. However, use sales and discounts sparingly, otherwise customers will come to expect a discount and the positive effects will wear off.

There are also some potential issues that you need to consider when promoting in foreign markets. The laws and culture in each country are different so it is important that you ensure your promotions don't violate any local regulations or expectations. For example, in some countries it is illegal for organisations to hand out free samples and or offer prizes to consumers.

Maintaining good relations with your customers, the media and the wider community is very important to long term international business success. Getting involved in community projects can be a great way to improve your public relations and promote your business at the same time. Many organisations have successfully got involved in projects that help out the local community such as building youth centres, subsidising health programs and providing scholarships to local students.

Public relations management is more important than ever in the modern business environment, with negative issues being broadcast around the world on television and on the internet. It is impossible to cover up any public relations mistakes these days, so the best policy is for organisations to quickly own up to their errors, apologise and fix the problem as soon as possible.

Positive public relations can take some time to develop, but organisations that persist with these types of programs benefit in the long term as people are loyal to businesses that they believe are doing the right thing for the community. Positive public relations campaigns can improve your image with the public all around the world irrespective of where the good work is done.

Sales Management

Effectively managing the sale of your products and services becomes more difficult as your organisation spreads into international markets. The success of your business and marketing efforts will depend on the way that you coordinate your team of sellers and distributors, who are located in different parts of the world and who may all be facing different market conditions.

In order to achieve international marketing success, you need to be able to rely on your sales team, retailers and distributors to get the job done with minimal assistance and supervision. There are two main options that managers can use when recruiting an international sales team, each with different advantages and disadvantages. Managers can use a team of their own employees and send them into the foreign market, or they can recruit the help of a local team who reside in your target market.

Using your own team has a number of obvious benefits. The first is that you can trust them to do a go job as you have worked with them before and understand their strengths and weaknesses. You know they will be inclined to work hard for the business to achieve results and it should be easy to communicate with them via the internet or telephone. However, the problem is that they usually lack experience in the foreign market, they don't understand the culture or language very well and they may struggle to form partnerships with other businesses and customers in the market.

Alternatively, you can try hiring a team of locals in your target market who have a thorough understanding of the various cultural issues and who speak the language very well. They may have good business contacts and a relationship with local retailers and customers, which they can use to drive sales for your business. However, the issue is that you lack control over how they operate in the foreign market. It can also be difficult to assess their level of business experience and communicating your strategies to them may be difficult.

These issues mean that many successful organisations use both domestic representatives and local salespeople to create an international sales team. By employing the services of local distributors, salespeople and retailers, you can ensure that you are able to operate effectively in a foreign country. By sending your own representatives, you can ensure that you maintain a level of control and supervision over your international operations.

The role of your representatives shouldn't be to run the business for the local salespeople, but to encourage and guide them into achieving objectives for the business. Implementing results driven incentive schemes will help you to encourage and reward both the local sales teams and your organisation's representatives.

A tracking and reporting system is another important part of international sales management. You need to be able to track where your products have been distributed and receive reports about what has and hasn't been sold. This will help you to manage your inventory, recognise good sales performances and develop strategies for improving sales in regions that may be struggling.

CHAPTER NO 3

PROFILE OF THE COMPANY MICROMAX

Micromax is an Indian consumer Electronics Company headquartered in Gurgaon, Haryana, India. Micromax started as an IT software company in 2000 and worked on embedded platforms. It entered the mobile handset business, and became one of the largest Indian domestic mobile handsets company operating in low cost feature phone segments by 2010. As of Q3 2014, Micromax is the tenth largest Smartphone vendor in the world.

Micromax Informatics Limited is one of the leading consumer electronics company in India and the 10th largest mobile phone player in the world. Over the past decade, Micromax has pioneered the democratization of technology in India by offering affordable innovations through their product offerings and removing barriers for large scale adoption of advanced technologies. Micromax is currently the 2nd largest smartphone company in India. Micromax is a brand which is close to the heart of the youth and celebrates the vibrancies of life and empowerment

Products:

Micromax products have become an extension of the Indian youth's lifestyle and dynamism. The company has many firsts to its credit when it comes to the mobile handset market including the 30-day battery backup, Dual SIM Dual Standby phones, QWERTY keypads, universal remote control mobile phones, first quad-core budget smart phone etc. The brand's product portfolio embraces more than 60 models today, ranging from feature rich, dual-SIM phones, 3G Android smartphones, tablets, LED televisions and data cards. Micromax sells around 2.3 million Mobility Devices every month, with a presence in more than 560 districts through 1, 25,000 retail outlets in India.

Network & reach:

With sales presence across India and global presence in Russia and SAARC markets, the Indian brand is reaching out to the global frontier with innovative products that challenge the status quo that Innovation comes with a price

History

Micromax was incorporated as Micromax Informatics Ltd. on 29 March 2000. They started selling mobile phones in 200 with a focus on low pricing, in order to compete with international brands. Because of the issues of power in Dewas,Rahul Sharma saw a PCO being powered by a truck battery and decided to launch a feature phone with longer battery life. Micromax launched its first phone with a month-long battery back-up known as X1i. In 2014, Micromax surpassed Samsung to become the mobile phone manufacturer shipping the most number of phones in a single quarter in India. On 24 January 2014, Micromax became the first Indian mobile company to start sales in Russia. Micromax became the second largest smartphone company in India after the launch of its Canvas 2 A110.

Products

In 2011, Micromax entered the tablet market with the Funbook series. Micromax launched its first Octa Core flagship smartphone named as Canvas Knight A350, under the tagline 'Can be Furiously Fast' in January 2014 in Russia. In 2014, Micromax launched its Android One smartphone known as Canvas A1. In November 2014, Micromax partnered with Cyanogen Inc. to provide Cyanogen-based smartphones in India, under the brand name YU. The first mobile under this brand 'YU' happens to be a 4G phone running on cyanogen mod named 'Yureka'. Yu Yureka has created a record time for Lightning Sales, 15000 Units sold withind 3 seconds. Every Sales of YU is within first 3–4 seconds. Recently, Micromax has released a new phone in canvas series named Canvas HUE which has a HD Amoled Screen at a very low price of Rs. 10,999.

Manufacturing

Since April 2014, they have started manufacturing LED TVs and tablets at their facility in Rudraprayag, Uttarakhand.

in Feb'2015, MMX to make a Rs.500 crore manufacturing plant is all set to come up in Rajashtan`s Alwar district following the signing of an MoU between the state government and Bhagwati Products Ltd. on 20th Feb'15. Spread across 25 acres, it would be the second manufacturing plant in the country by Bhagwati Products Ltd. for production of mobile handsets, LED TVs, LED Lights etc. for Micromax Brand. It will be set up at Karoli near Bhiwadi town, about 200 km from here. The memorandum of understanding (MoU) for the plant was signed by Rajesh Agarwal, chairman of Bhagwati Products Ltd. and co-founder of the Micromax Informatics Ltd., and Veenu Gupta, principal secretary industries, Rajasthan and managing director, Rajasthan State Industrial Development and Investment Corporation (RIICO) Ltd. CS Rajan, Rajasthan chief secretary and RIICO chairman, was also present on this occasion. The company plans to invest Rs.500 crore in the project initially and it is expected to provide direct employment to 5,000 persons.

CHAPTER NO. 4

CONCEPTUAL FRAME-WORK OF THE TOPIC

SEGMENTATION, TARGETING, AND POSITIONING

The importance of STP:

Segmentation is the cornerstone of marketing—almost all marketing efforts in some way relate to decisions on who to serve or how to implement positioning through the different parts of the marketing mix. For example, one's distribution strategy should consider where one's target market is most likely to buy the product, and a promotional strategy should consider the target's media habits and which kinds of messages will be most persuasive. Although it is often tempting, when observing large markets, to try to be "all things to all people," this is a dangerous strategy because the firm may lose its distinctive appeal to its chosen segments.

In terms of the "big picture," members of a segment should generally be as similar as possible to each other on a relevant dimension (e.g., preference for quality vs. low price) and as different as possible from members of other segments. That is, members should respond in similar ways to various treatments (such as discounts or high service) so that common campaigns can be aimed at segment members, but in order to justify a different treatment of other segments, their members should have their own unique response behavior.

Approaches to global segmentation:

There are two main approaches to global segmentation. At the macro level, countries are seen as segments, given that country aggregate characteristics and statistics tend to differ significantly. For example, there will only be a large market for expensive pharmaceuticals in countries with certain income levels, and entry opportunities into infant clothing will be significantly greater in countries with large and growing birthrates (in countries with smaller birthrates or stable to declining birthrates, entrenched competitors will fight hard to keep the market share).

There are, however, significant differences within countries. For example, although it was thought that the Italian market would demand "no frills" inexpensive washing machines while German consumers would insist on high quality, very reliable ones, it was found that more units of the inexpensive kind were sold in Germany than in Italy—although many German consumers fit the predicted profile, there were large segment differences within that country. At the micro level, where one looks at segments within countries. Two approaches exist, and their use often parallels the firm’s stage of international involvement. Intra-market segmentation involves segmenting each country’s markets from scratch—i.e., an American firm going into the Brazilian market would do research to segment Brazilian consumers without incorporating knowledge of U.S. buyers. In contrast, inter-market segmentation involves the detection of segments that exist across borders. Note that not all segments that exist in one country will exist in another and that the sizes of the segments may differ significantly. For example, there is a huge small car segment in Europe, while it is considerably smaller in the U.S.

Inter-market segmentation entails several benefits. The fact that products and promotional campaigns may be used across markets introduces economies of scale, and learning that has been acquired in one market may be used in another—e.g., a firm that has been serving a segment of premium quality cellular phone buyers in one country can put its experience to use in another country that features that same segment. (Even though segments may be similar across the cultures, it should be noted that it is still necessary to learn about the local market. For example, although a segment common across two countries may seek the same benefits, the cultures of each country may cause people to respond differently to the "hard sell" advertising that has been successful in one).

The international product life cycle suggests that product adoption and spread in some markets may lag significantly behind those of others. Often, then, a segment that has existed for some time in an "early adopter" country such as the U.S. or Japan will emerge after several years (or even decades) in a "late adopter" country such as Britain or most developing countries. (We will discuss this issue in more detail when we cover the product mix in the second half of the term).

Positioning across markets:

Firms often have to make a tradeoff between adapting their products to the unique demands of a country market or gaining benefits of standardization such as cost savings and the maintenance of a consistent global brand image. There are no easy answers here. On the one hand, McDonald's has spent a great deal of resources to promote its global image; on the other hand, significant accommodations are made to local tastes and preferences—for example, while serving alcohol in U.S. restaurants would go against the family image of the restaurant carefully nurtured over several decades, McDonald's has accommodated this demand of European patrons.

ENTRY STRATEGIES

Methods of entry:

With rare exceptions, products just don't emerge in foreign markets overnight—a firm has to build up a market over time. Several strategies, which differ in aggressiveness, risk, and the amount of control that the firm is able to maintain, are available:

1. **Exporting** is a relatively low risk strategy in which few investments are made in the new country. A drawback is that, because the firm makes few if any marketing investments in the new country, market share may be below potential. Further, the firm, by not operating in the country, learns less about the market (What do consumers really want? Which kinds of advertising campaigns are most successful? What are the most effective methods of distribution?) If an importer is willing to do a good job of marketing, this arrangement may represent a "win-win" situation, but it may be more difficult for the firm to enter on its own later if it decides that larger profits can be made within the country.

2. **Licensing and franchising** are also low exposure methods of entry—you allow someone else to use your trademarks and accumulated expertise. Your partner puts up the money and assumes the risk. Problems here involve the fact that you are training a potential competitor and that you have little control over how the business is operated. For

example, American fast food restaurants have found that foreign franchisers often fail to maintain American standards of cleanliness. Similarly, a foreign manufacturer may use lower quality ingredients in manufacturing a brand based on premium contents in the home country.

3. **Contract manufacturing** involves having someone else manufacture products while you take on some of the marketing efforts yourself. This saves investment, but again you may be training a competitor.

4. **Direct entry strategies,** where the firm either acquires a firm or builds operations "from scratch" involve the highest exposure, but also the greatest opportunities for profits. The firm gains more knowledge about the local market and maintains greater control, but now has a huge investment. In some countries, the government may expropriate assets without compensation, so direct investment entails an additional risk. A variation involves a joint venture, where a local firm puts up some of the money and knowledge about the local market.

MARKET ANALYSIS TOOLS:

Country Map - (Country Map is free to all users worldwide and does not require a login or password.) Benchmarking national and sectoral trade performance and competitiveness. Profiles of 184 countries and territories, freely available. Country Map provides a wide range of analytical tools, including the Trade Performance Index on export competitiveness, National Export Performance and Import Profile, the econometric trade simulation model Trade Sim on bilateral trade potential and an assessment of the reliability and characteristics of national trade statistics. Country Map also includes links to Trade Information Sources, Trade Support Institutions and current ITC projects for the country concerned.

Trade Map:

Trade statistics for international business development.

An online database of global trade flows in goods and services and tariff measures for international business development and trade promotion, providing detailed export and import profiles and trends for over 5,300 products in over 200 countries and territories. Based on the world's largest database COMTRADE, Trade Map presents import/export values and quantities, growth rates, market shares and market access information. It allows users to analyze markets, select priority countries for export diversification, review the performance of competing countries and assess opportunities for product diversification by identifying existing and potential trade between countries.

Product Map

Business information for going global a Web portal presenting business information and intelligence in a product context for 72 product clusters. The product clusters range from Electronic items to Mobile products. Product Map includes market studies, price indicators, links to product information, trade data and links to companies and organizations. Companies can also create their own basic web site, which is hosted on the portal.

Market Access Map:

Making market access barriers transparent Market Access Map is an interactive database of tariffs and market access barriers. It contains the market access conditions applied at the bilateral level by over 170 importing countries to the products exported by over 200 countries and territories. Market Access Map's strength lies in its wide geographical coverage; its taking into account of almost all multilateral, regional and bilateral trade agreements; the integration of ad valorem equivalents of specific tariffs; as well as certificates and rules of origin. Market Access Map allows users to analyze the protection of any geographic grouping and sectoral aggregation. It also offers the possibility of simulating tariff reductions using various negotiation formulae. Developed by ITC in collaboration with CEPII, UNCTAD and WTO, Market Access Map aims to enhance market transparency, support international trade promotion, and to facilitate the analysis of related trade policy issues.

Investment Map:

Identifying foreign investment opportunities

Investment Map is an interactive web-based tool that combines statistics on foreign direct investment (FDI), international trade and market access into a single portal. It allows analyses by country, partner and industry. It also includes information on the location, sales, employment and parent company for over 70,000 foreign affiliates located in developing countries and economies in transition. Investment Map, the foreign direct investment with foreign companies, international trade and tariffs is available online free to Sub-Saharan Africa users.

CHAPTER NO 5

RESEARCH METHOLOLOGY

Due to global competitions, the way out for this is to expend business on international level and provide better services to the clients at reasonable prices to their nearby locations. This is possible only through an organization culture of quality consciousness, better products, and services to the customers.

RESEARCH OBJECTIVES

The current research will be aimed to determining international marketing relationship. The research will be focused on the following major issues.

a) To study the significance of customer relationship management in International level.
b) To improve the import & export goods & services in International Marketing.
c) To study the system development by the company at international level.
d) To develop good relations between two countries and at international level we get best quality product.
e) To developing countries & improves its economic development of country with expend business in international Level.
f) To improve the quality of the product.
g) To measure the factors related to customer relationship management.
h) To study the services offered to customers.

CHAPTER NO 6

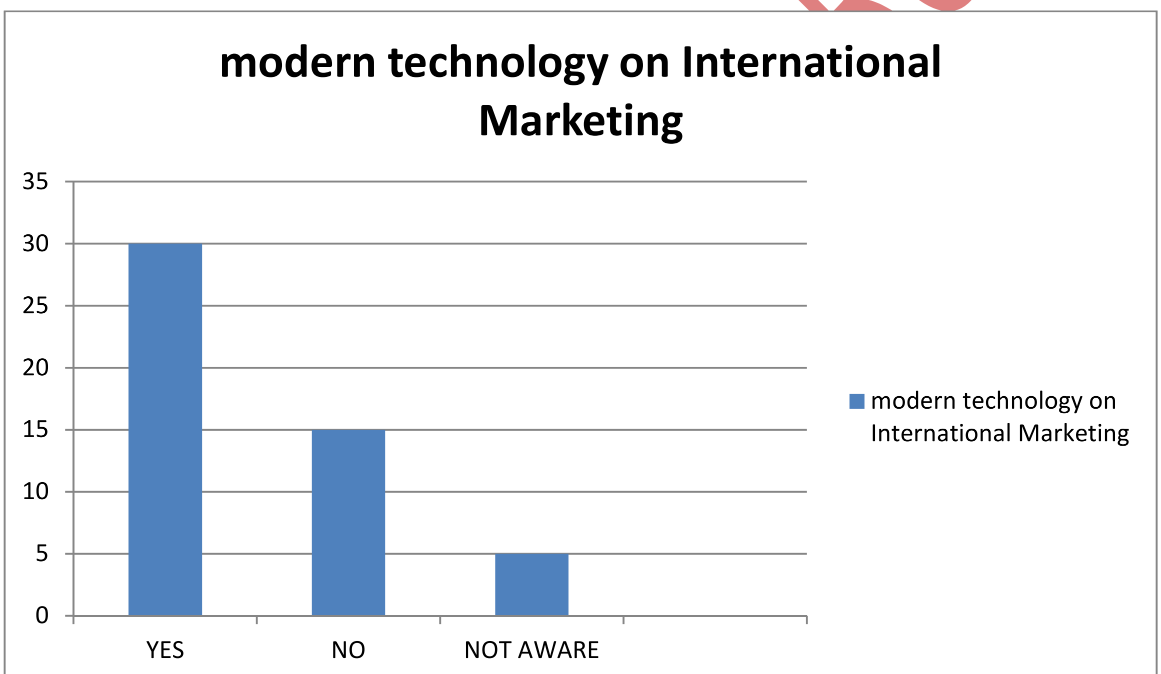
DATA ANALYSIS

SAMPLE DESIGN -

The present research work is important for planning are development of international marketing, for effective research purpose, 50 sample are selected from various organization. They are engaged directly or indirectly in the field.

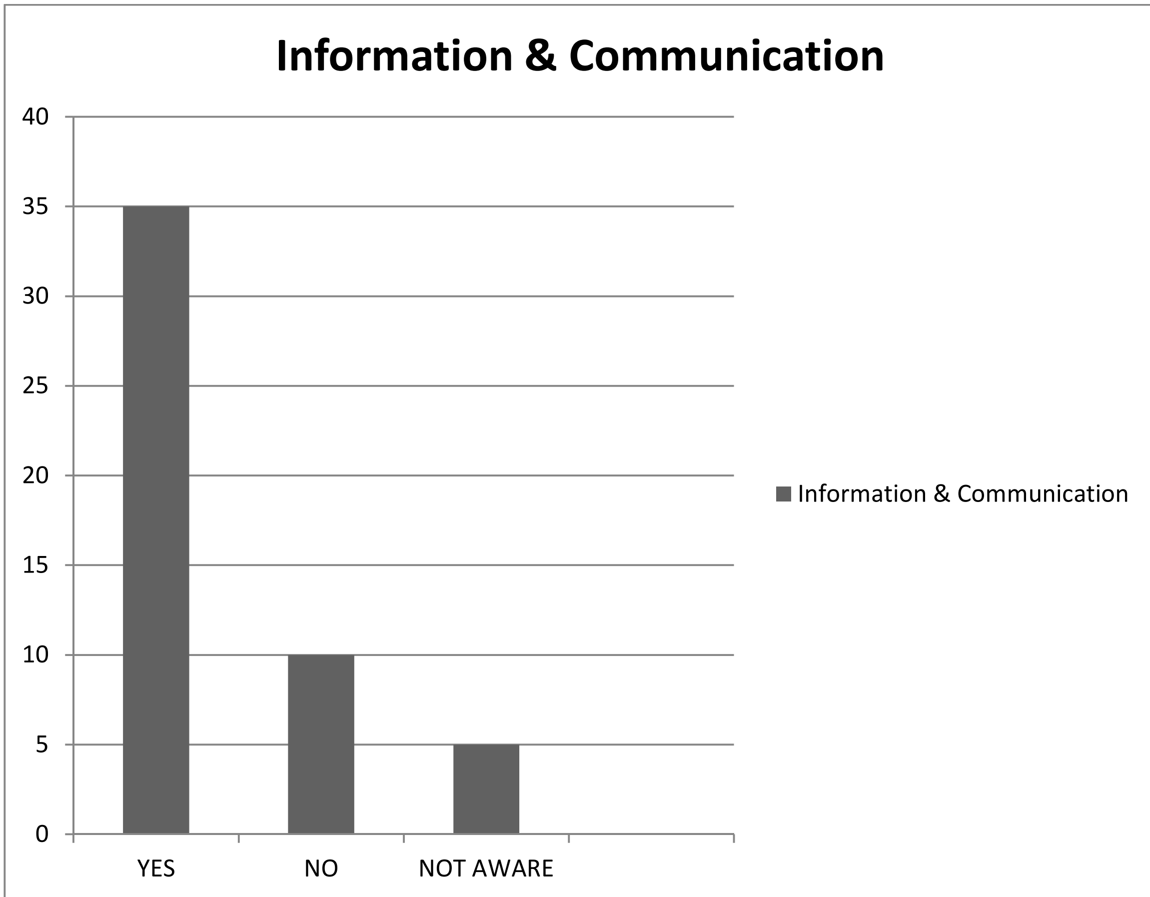
The questionnaire was circulated among the 50 respondent for getting information on the subject.

Q.1-Is there any good effect of modern technology on International Marketing?



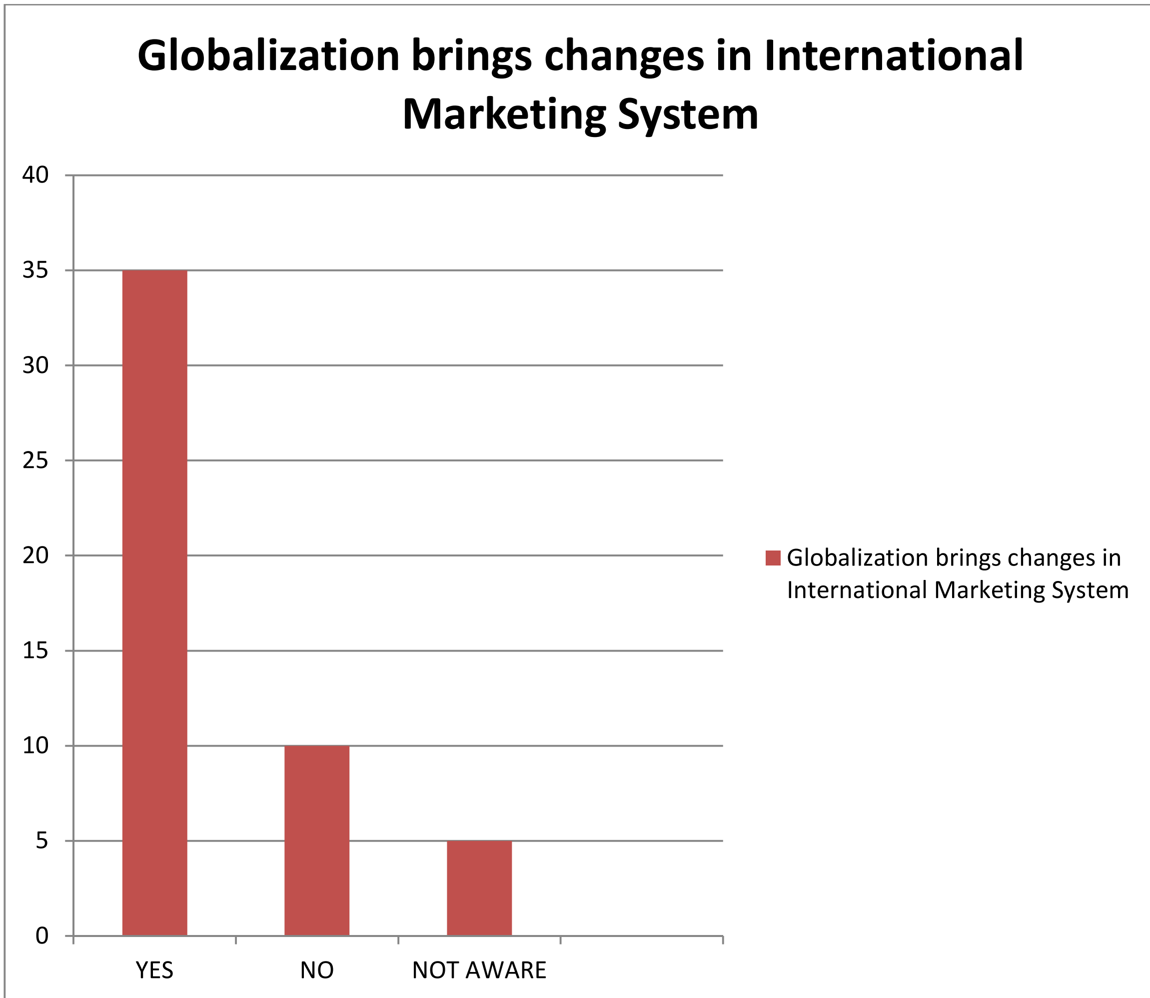
Modern technology on international Marketing 30 participate are agree that modern technology effect the international marketing but 15 participate are not agree with this and 5 participate are not aware about this.

Q.2-Development of Information & Communication brings closer- International Markets? Do you agree with?



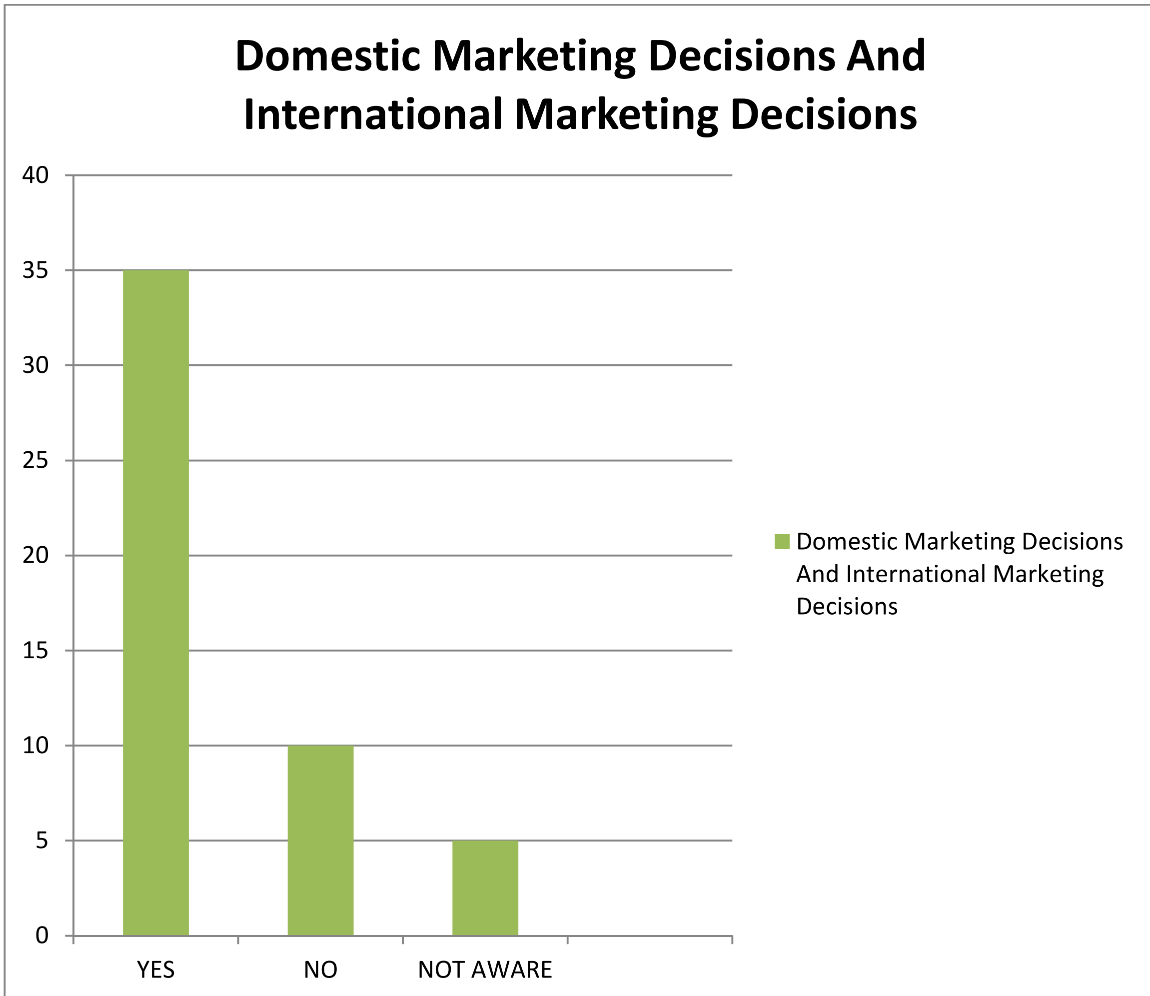
35 respondents say that development in information & communication brings closer international markets but 10 participate are not agree with this and 5 participate are not aware about this.

Q.3- Globalization brings changes in International Marketing System is it true?



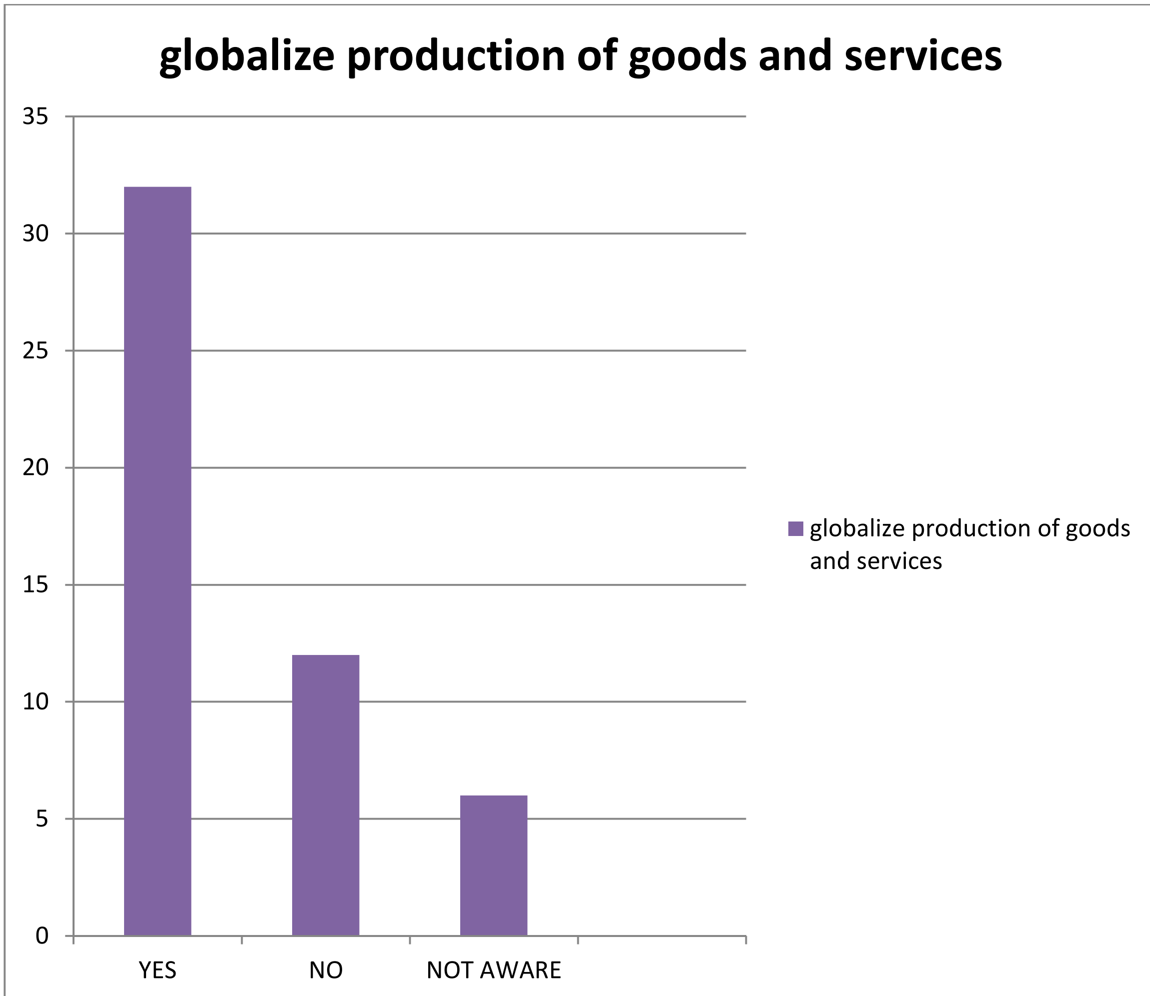
Globalization brings changes in International Marketing System 35 participate are agree but 15 participate are not agree with this and 5 participate are not aware about this.

Q.4- Domestic Marketing Decisions And International Marketing Decisions Are Not Same? Is It True?



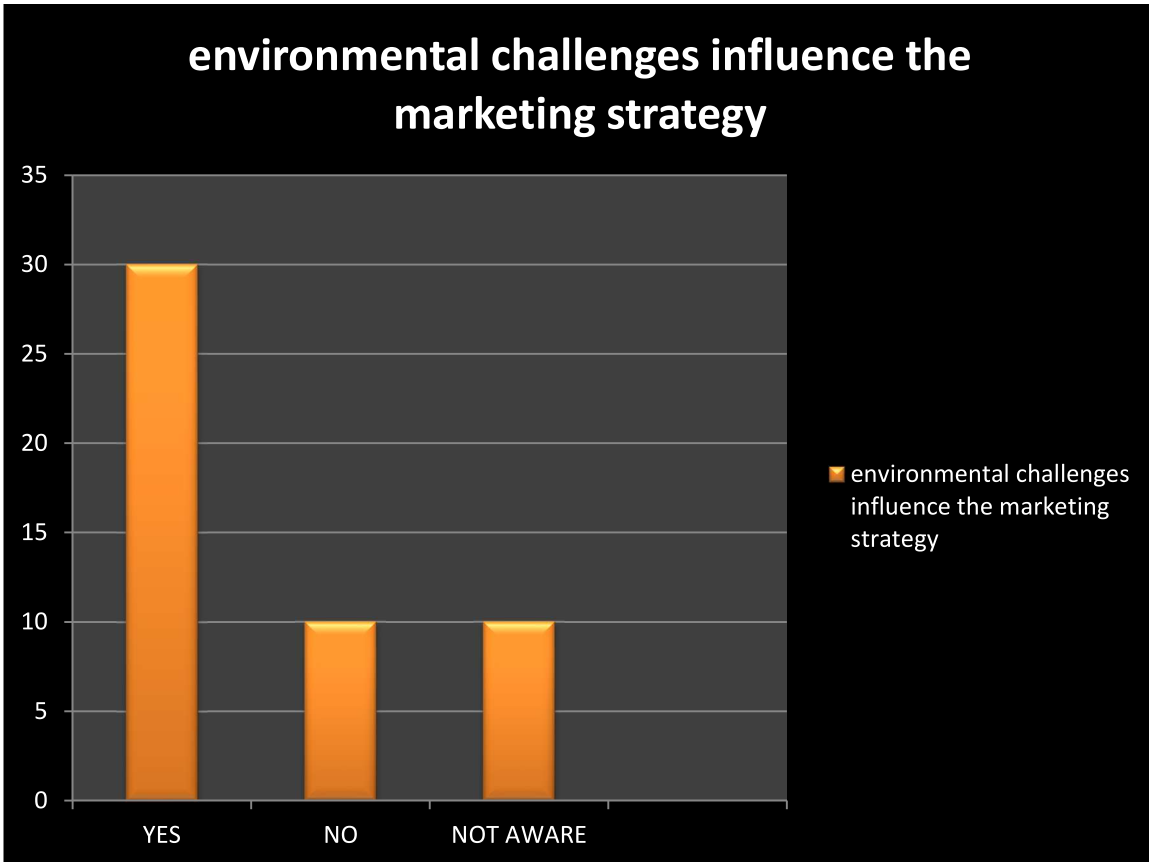
35 participate are agree that the Domestic Marketing Decisions And International Marketing Decisions Are Not Same but 10 participate are not agree with this and 5 participate are not aware about this

Q.5- Is it possible to globalize production of goods and services?



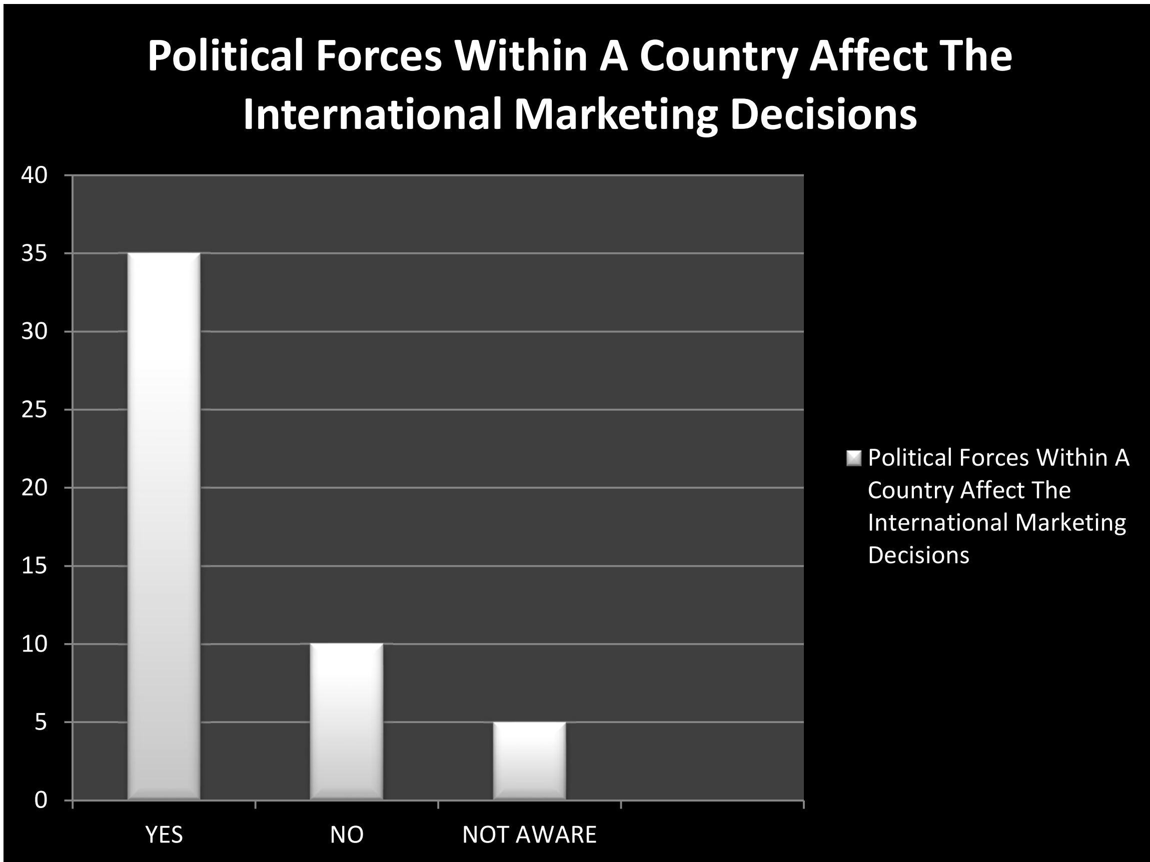
32 participate are agree that it's possible to Globalize the production of goods and services of the company but 12 participate are not agree with this and 6 participate are not aware about this.

Q.6- Do you agree that environmental challenges influence the marketing strategy?



30 participate are agree that environmental challenges influence the marketing strategy but 10 participate are not agree with this and 10 participate are not aware about this.

Q.7- It Is True That Political Forces Within A Country Affect The International Marketing Decisions?



35 participate are agree that Political forces within a country affect the international marketing decisions but 10 participate are not agree with this and 5 participate are not aware about this.

OPINION OF RESPONDENT

1. It is a process of executing, planning, effective marketing mix for the purpose of achieving objects for all those whose involve in the process.
2. International marketing will helps to improve to banking facilities and advantages.
3. International marketing helps to improve to the import & export goods & services.
4. The informal interviewing gives valuable indication as to how use.
5. International marketing is helps to develop good relations between two countries and at international level we get best quality product.
6. The concept of International marketing is necessary to developing countries & it improves economic development of country.
7. International marketing will improve the quality & quantity of the product.
8. International marketing improved the competitive efficiency of forms.
9. International marketing product is reasonable one customer like the product and they keep on demanding.
10. International marketing depends product life cycle and individual capacity.

CHAPTER NO. 6

MAJOR FINDINGS

1. A product faces competition in a global market.
2. Political instability affects International market.
3. Environmental challenges create hurdles like natural calamities.
4. International marketing decisions are differ than others.
5. Quality products are necessary for global market.
6. Advance changes in communication system bring market closer.
7. Fastest movement of goods and proper logistic management is possible.

SUGGESTIONS

1. Quality product should be produced.
2. Cost of productions should be under control.
3. People should vote for political stability.
4. Simple rules and regulations for import & export business are necessary.
5. E-commerce & E-banking should be used.
6. Research & development using should be proper.

QUESTIONNAIRE:

Name:

Age:

Sex: male/female

Qualification :

Profession:

1. Is there any good effect of modern technology on International Marketing?
    - YES
    - NO
    - NOT AWARE

2. Development of Information & Communication brings closer-International Markets? Do you agree with?
    - YES
    - NO
    - NOT AWARE

3. Globalization brings changes in International Marketing System is it true?
    - YES
    - NO
    - NOT AWARE

4. Domestic Marketing Decisions And International Marketing Decisions Are Not Same? Is It True?
    - YES
    - NO
    - NOT AWARE

5. Is it possible to globalize production of goods and services?

    - YES
    - NO
    - NOT AWARE

6. Do you agree that environmental challenges influence the marketing strategy?

    - YES
    - NO
    - NOT AWARE

7. It Is True That Political Forces Within A Country Affect The International Marketing Decisions?

    - YES
    - NO
    - NOT AWARE

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