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# International Marketing

Even if your company already has a domestic marketing plan in place, it is essential to develop an international marketing plan to help reach target markets abroad and ensure that your products or services are relatable to your audience. Here's how to start:

## The Seven 'Ps' of International Marketing

Traditional marketing emphasizes the Four P's: Product, Price, Place, and Promotion. For those countries marketing internationally, there are three more variables on which to focus, leading to the Seven 'Ps' of International Marketing:

- » *Product*: the packaging design, branding, trademarks, warranties, guarantees, and life cycles of a product or service
- » *Price*: setting profitable and justifiable prices
- » *Place*: the physical distribution of goods
- » *Promotion*: personal selling, advertising, and sales promotion
- » *Portability*: how easily a product or service travels
- » *Politics*: regulations, logistics, or local practices that may impact or prevent sales in a foreign market
- » *People*: the amount of disposable income and interest in your product or service in the target market

## Developing Marketing Materials and Communications

The following topics can be used as a guide toward developing your marketing materials and communication in an international market.

### Geographic/Social Cultural Analysis

Why did you select this area over other possible markets?

Consider geographic location, language, cultural norms, business practices, population, disposable income, and the amount of imports and their sources.

### Tips to Establish Credibility

- » Establishing credibility is important from the initial contact onward: phone calls, promotional materials, business cards, and emails should all promote your business' reputation.
- » In marketing materials, be sure to describe your product or service in clear, plain language.
- » Don't assume that American industry acronyms and buzzwords make sense in other countries and cultures.
- » Tailor your marketing/sales presentation to your audience.
- » Concise, confident, and enthusiastic explanations and presentations translate better those that are long and circuitous.
- » Follow business standards in your target country in matters such as exchanging business cards, attending meetings on time, and dressing in appropriate attire.



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### Product Analysis

When analyzing your company's product, it is important to describe your product, the function it serves, why customers value it, and the problems it solves. *To do this*, ask and answer the following questions:

- » Will the product's functions be valued in the target export market?
- » What products are available in the target market that meet the needs of your potential customers?
- » Will your product do a better job, improve accuracy, or save time compared to competitors' products?

### Customer Analysis

Describe the profile of your current customer base. Focus on these important questions:

- » What are your customers' buying habits?
- » How are the customers in your current market similar to those in your target market? How are they different?
- » What are some concerns that international customers may have in buying your company's product?

### Distribution Analysis

It is important to analyze potential distribution channels in your company's target market. Be sure to consider the quality of the infrastructure, including transportation services, and telecommunications in a new market. To help analyze distribution needs, consider the following questions:

- » What are the main channels of distribution for your product at the present time?
- » Will similar channels be available and effective in your company's target market?

For more information, check out our Fast Facts on how to [Ship Your Product](#)

### Promotion and Advertising Analysis

Focus on these questions when determining the most effective promotion and advertising activities in your company's target market:

- » What promotional activities are you undertaking at the present time?
- » What promotional vehicles are available in your target market?
- » What are the packaging and labeling requirements in your company's target market?
- » What language translations or modifications will be needed?

### Pricing Analysis

To determine how your company's price structure may change in a target market, focus on these questions:

- » What is your price list for the target export market in their currency?
- » How will any required price changes affect your competitiveness in the target market?
- » What are the terms and prices of existing competitors' products in the target market?
- » What is the lowest gross profit margin your company can accept in order to gain market entry?

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### Financing Analysis

Ask and answer the following questions for your company to analyze potential financing concerns when entering a new foreign market:

- » What are potential currency problems in your target market?
- » Are your clients in the target market able to pay for your product or service in U.S. dollars?
- » What method of payment do you intend to use for customer billing?
- » Has your company discussed finance options with your bank, such as using letters of credit?

For more information, check out VEDP's [Financing and Payments Fast Facts](#)

### Industry Profile and Competitive Analysis

Prior to entering a new market, be sure to understand the structure of the industry and be familiar with important competitors by asking these questions:

- » What foreign standards (consumer, government health and safety, etc.) should your product meet?
- » Are foreign co-production or assembly requirements present?
- » Are there requirements to trade through local representatives or through government bodies?
- » What are the import regulations and restrictions?
- » Who are your competitors, how would you rank them, and what type of pricing do they offer?

### The Internet

The internet is an invaluable tool in international marketing because it allows your company to reach the global marketplace. An effective company website can accomplish the following in the international marketplace:

- » Quickly and inexpensively communicate with, learn from, and sell to a global audience
- » Facilitate interactive, multi-media and almost instant communication between people from around the world
- » Instantly apply all elements of the traditional marketing mix (the 4 'Ps')
- » Conduct customer research to help modify or develop products based on the needs of different buyers
- » Receive international orders and payments

### Social Media

The growth of the power of social media as a marketing tool should lead companies to evaluate whether it would be useful when entering an international market. Answer these questions to evaluate whether your company should expand its social media efforts internationally:

- » Is social media widely used in your target market among your target audience?
- » Which types of social media are used, and would they effectively communicate your product?
- » How will your company navigate around language barriers (primarily use pictures, videos, etc.)?

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Virginia Economic Development Partnership - International Trade offers a number of export-related services to Virginia businesses, including trade missions and market research by our Global Network of in-country consultants. These services are available to all Virginia exporters.

For more information, please visit our website: [ExportVirginia.org](http://ExportVirginia.org)

## Additional Resources

[The 7 Ps of International Marketing](#)

GlobalWatch

[Social Media Marketing Across the Globe](#)

Business Week: Business Exchange

[Global Marketing Resource List](#)

KnowThis.com

[AMA Journals List](#)

American Marketing Association

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