

Why international marketing?

Five core benefits explain key rationale



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For many years I've worked in the international marketing field. I know about the field's importance and its relevance to people and firms. In my work with executives, I regularly challenge them to review their most basic assumptions. Just as daily exposure to our children prevents us from gauging how grown-up they have become, managers might not notice how international marketing has changed because of shifts in society by individuals or the general environment. We have to devote thought and inquiry to identify what these changes are and the measures we need to take in order to successfully cope with them. I regularly conduct my own assessment of the shifts in my field of international marketing so I can recalibrate my knowledge and activities.

In the past years there have been major adjustments relevant to international marketing. For example, when domestic economic activities are down, international marketing dips even more dramatically. Austerity brings global changes in production and consumption patterns and introduces new dimensions in the decision-making process. The role of governments is growing by leaps and bounds, making them key entities to dictate the direction and strength of international marketing activities. There is a rising tendency to restrict imports and

encourage exports, in order to keep home industries safe and gradually reduce global imbalances. People also are changing their views of the international arena, particularly in a time when terrorism imposes daily reminders on us.

My research on the extent of awareness of, interest in and dedication to internationalization in the United States indicates a decrease in the extent of international orientation. This shift is unfortunate, but understandable. One way I measure internationalization is the corporate name registrations with the U.S. Securities and Exchange Commission. In the United States, all publicly held companies have to register with the SEC, but there is a great deal of flexibility as to the new name one can choose. In looking at the names registered during the 1990s until 2001, there used to be a strong tendency to select a name that had some international connotation. Consider the French baguette company, the Asian restaurant chain and the global charity. Sometimes the use of the 'international' label does not even reflect any corporate activity abroad, but rather is just considered to be cool to customers. But according to the SEC, international dimensions dropped after 2002 by more than 30 percent while domestic and local affiliations rapidly rose. Now we are looking at the West

Coast clothing enterprise and the New York shipping company. With growing globalization there is also more information and perhaps less romanticism about international issues. For example, no longer can the budding international marketer expect to be only active on the ‘Elizabeth Arden’ circuit of London, Paris and Rome. Nowadays, the route is much more likely to encompass Ingolstadt, Iguazu and Incheon.

In order to refresh my “in the trenches” perspective, I queried international executives to gauge their views on international marketing. The key issues I asked them to address were the benefits, joys, fears, drawbacks and challenges of international marketing. This column covers the five core benefits revealed, including a brief reflection of the key rationale for their high impact perception.

Freedom: International marketing is a notion of freedom. Growing up in the Soviet Union there simply was no freedom of choice. I could never dream of studying abroad or working for an American company. I like having the choice and the freedom to choose for myself. It removes boundaries between nations and grants more opportunities to gain better skills and exposure to different cultures.

Opportunity and contentment: International marketing is the best way to raise national power and status for nations with limited resources and territory. It is a key factor that strengthens both nations and individuals. International marketing is the inspiration of life. It is an efficient way of doing business globally and it tends to highlight any administration that succumbs to corruption. The aim of international marketing is to unite the world with a better era for the human race as competitive cooperation super-

sedes the rules of total competition.

Prosperity and innovation: Political stability and economic reforms are crucial for obtaining the benefits of international marketing. The field gives hope to countries that have been “in the dark” by offering better job prospects and improved skills. It augurs for more certainty in the future and enhances standards of living worldwide. International market-

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ing might become the facilitator of a golden era in human history. Many products would not be economically viable without a global market. International marketing rewards excellence, accelerating innovation and development. People have more opportunities to present their ideas and show their competitiveness to a wider audience. International marketing leverages the capabilities and resources that exist, lets us learn continuously and endows us with much more enthusiasm.

Culture: International marketing helps us to better understand our fellow human beings. Homogenization of cultures does not indicate that our aptitudes, likes and behaviors would be the same. Rather, we would accept cultural differences and adapt them to our own culture, making us an amalgamation of different cultures. Global markets force companies and their employees to learn about other cultures and to develop relationships with “foreigners.” This way, people get more exposure to various cultures, which leads to changes in the human character. International marketing

enables individuals to think thoughts that are more wide ranging, developing many of us into a better person.

Fairness: Nations that trade are more interdependent. With merchandise promoted internationally, people can now easily make price comparisons, reducing selective exploitation due to knowledge monopolies. Markets have a watchdog role to play to ensure that exploitation does not

occur. There is a market conscience!

Such a conscience results from the greater understanding that consumers develop about the consequences of their buying decisions on others. The information boom makes it easier for markets to deliver on their supervisory role. Markets themselves are a form of democracy. Consumer support will reinforce societally desirable firm behavior and punish acts that are deemed socially unacceptable. In sum, there are many positive vistas about international marketing – most of them far reaching and crucial for the further development of society. Thankfully, executives realize that international marketing has little to do with the soliciting phone call that interrupts dinner, but rather see it as contributing to a better quality of life. Bravo!

But, of course, that is not all. There are also fears and challenges emanating from international marketing. We can do better. These negatives I will address next time. Until then, please send me your perspectives on international marketing. You can help us all to learn more. **MM**