Global Marketing Communications

The primary purpose of marketing communications is to tell customers about the benefits and values that a company, product, or service offers.

Integrated Marketing Communications (IMC) is becoming more popular because of the challenges of communicating across national borders.

Standardization vs. Adaptation

Primary Question
- Must the specific advertising message and media strategy be changed from region to region or country to country?
Global Advertising

- Advertising is any sponsored, paid message that is communicated in a non-personal way
  - Single country
  - Regional
  - Global
- Global advertising is the use of the same advertising appeals, messages, art, copy, photographs, stories, and video segments in multiple country markets

Standardization vs. Adaptation

- Four difficulties that compromise an organization’s communication efforts
  - The message may not get through to the intended recipient.
  - The message may reach the target audience but may not be understood or may even be misunderstood.
  - The message may reach the target audience and may be understood but still may not induce the recipient to take the action desired by the sender.
  - The effectiveness of the message can be impaired by noise.

“Eighteen-year olds in Paris have more in common with 18-year-olds in New York than with their own parents. They buy the same products, go to the same movies, listen to the same music, sip the same colas. Global advertising merely works on that premise.”
- William Roedy, Director, MTV Europe
Advertising Agencies: Organizations and Brands

- Understanding the term organization is key
  - Umbrella corporations/holding companies have one or more ‘core’ advertising agencies
  - Each ‘organization’ has units specializing in direct marketing, marketing services, public relations, or research
- Individual agencies are considered brands
  - Full service brands create advertising, and provide services such as market research, media buying, and direct marketing

Selecting an Advertising Agency

- Company organization
  - Companies that are decentralized may want to leave the choice to the local subsidiary
- National responsiveness
  - Is the global agency familiar with local culture and buying habits of a particular country?
- Area coverage
  - Does the agency cover all relevant markets
- Buyer perception
  - What kind of brand awareness does the company want to project?

Creating Global Advertising

- Creative strategy
- Big idea
- Advertising appeal
  - Rational approach
  - Emotional approach
- Selling proposition
- Creative execution
  - Art & Copy
Art Directors and Art Direction

- **Art Directors**
  - Advertising professional who has the general responsibility for the overall look of an ad
  - Will choose graphics, pictures, type styles, and other visual elements that appear in an ad

- **Art Direction**
  - The visual presentation of an advertisement

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Cultural Considerations – Japanese and American Differences

- Indirect rather than direct forms of expression are preferred in the messages
- There is often little relationship between ad content and the advertised product
- Only brief dialogue or narration is used in television commercials, with minimal explanatory content
- Humor is used to create a bond of mutual feelings
- Famous celebrities appear as close acquaintances or everyday people
- Priority is placed on company trust rather than product quality
- The product name is impressed on the viewer with short, 15-second commercials

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Cultural Considerations: Table 13-4

<table>
<thead>
<tr>
<th>Type of Appeal</th>
<th>Cultural/Market Factors</th>
<th>Countries Where Appeal is Appreciated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rational/Argument</td>
<td>Monochronic cultures with low power distance; high uncertainty avoidance; good supply of marketing professionals</td>
<td>Austria, Belgium, Germany, Italy, United States</td>
</tr>
<tr>
<td>Rational/Expository</td>
<td>Collectivist cultures with high power distance and high uncertainty avoidance</td>
<td>Belgium, Italy, Mexico</td>
</tr>
<tr>
<td>Emotional/Experiential</td>
<td>Collectivist cultures with high power distance, high advertising expenditures; strict government control</td>
<td>Hong Kong, Taiwan, France, United States, South Korea, Spain</td>
</tr>
<tr>
<td>Emotional/Dramatic</td>
<td>High power distance, high advertising expenditures, lack of supply of advertising professionals</td>
<td>Hong Kong, France, Japan</td>
</tr>
</tbody>
</table>
Global Media Decisions

- Prepare new copy for foreign markets in host country’s language
- Translate the original copy into target language
- Leave some or all copy elements in home country language
- Do we see a reverse plan of this?

Media Decisions – Saudi Arabia

- Use of comparative advertising claims is prohibited
- Non-censored films cannot be advertised
- Women may only appear in those commercials that relate to family affairs, and their appearance must be in a decent manner that ensures feminine dignity
- Women must wear a long suitable dress which fully covers her body except face and palms

Public Relations and Publicity

- Fosters goodwill and understanding
- Generates favorable publicity
- Tools
  - News releases
  - Media kits
  - Press conferences
  - Tours
  - Articles in trade and professional journals
  - TV and radio talk show appearances
  - Special events
The Growing Role of Public Relations in Global Marketing

- Public Relations expenditures are growing at an average of 20% per year
- In India they are reported to be growing by 200% annually
- Reasons for the growth
  - Increased governmental relations between countries
  - Technology
  - Societal issues like the environment

Public Relations Practices around the World

- Public relations practices can be affected by:
  - Cultural traditions
  - Social and political contexts
  - Economic environments
- Public relations professionals must understand these differences and tailor the message appropriately

Sales Promotion

- Sales promotion refers to any paid consumer or trade communication program of limited duration that adds tangible value to a product or brand
  - Price vs. non-price promotions
  - Consumer vs. trade promotions
  - Provide a tangible incentive to buyers
  - Reduce the perceived risk associated with purchasing a product
  - Provide accountability for communications activity
  - Provide method of collecting additional data for database
Sales Promotion: Global or Local

- In countries with low levels of economic development, low incomes limit the range of promotional tools available.
- Market maturity can also be different from country to country.
- Local perceptions of a particular promotional tool or program can vary.
- Local regulations may rule out use of a particular promotion in certain countries.
- Trade structure in the retailing industry can affect the use of sales promotions.

Sampling and Couponing

- Sampling:
  - Provides consumer with opportunity to try product at no cost
  - May be distributed in stores, in the mail, through print media, at events, or door-to-door
- Couponing:
  - Printed certificates entitle the bearer to a price reduction or some other special consideration for purchasing a particular product.
  - Accounts for 70% of consumer promotion spending in the US.
- Sales Promotion Issues:
  - Fraud (Pepsi promotion with Apple), Regulations, and Cultural dispositions to coupons and other sales promotions (Malaysians see coupon usage as embarrassing; Islam frowns on gambling so sweepstakes may not work).

Couponing

<table>
<thead>
<tr>
<th>Country</th>
<th>Aging &amp; Alcohol</th>
<th>Price Match</th>
<th>No-Proof</th>
<th>No-Stipulation</th>
<th>No-Pull-Tab</th>
</tr>
</thead>
<tbody>
<tr>
<td>England</td>
<td>Legal for discount or same product.</td>
<td>Legal</td>
<td>Legal for discount or same product.</td>
<td>Legal</td>
<td>Legal for discount or same product.</td>
</tr>
<tr>
<td>France</td>
<td>Illegal</td>
<td>Illegal</td>
<td>Illegal</td>
<td>Illegal</td>
<td>Illegal</td>
</tr>
<tr>
<td>Germany</td>
<td>Legal for sample or no proof required.</td>
<td>Illegal</td>
<td>Illegal for sample or no proof required.</td>
<td>Illegal</td>
<td>Illegal for sample or no proof required.</td>
</tr>
<tr>
<td>Sweden</td>
<td>Illegal to persons under 16 and over. Illegal to use by persons younger than 16. Illegal in stores when sending to parents of minor child.</td>
<td>Legal for sample or no proof required.</td>
<td>Illegal for sample or no proof required.</td>
<td>Illegal</td>
<td>Illegal for sample or no proof required.</td>
</tr>
<tr>
<td>USA</td>
<td>Illegal to persons under 16 and over. Illegal to use by persons younger than 16. Illegal in stores when sending to parents of minor child.</td>
<td>Legal for sample or no proof required.</td>
<td>Illegal for sample or no proof required.</td>
<td>Illegal</td>
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</tr>
</tbody>
</table>

Legal for all terms and conditions to be disclosed on coupon.Redemption period required.