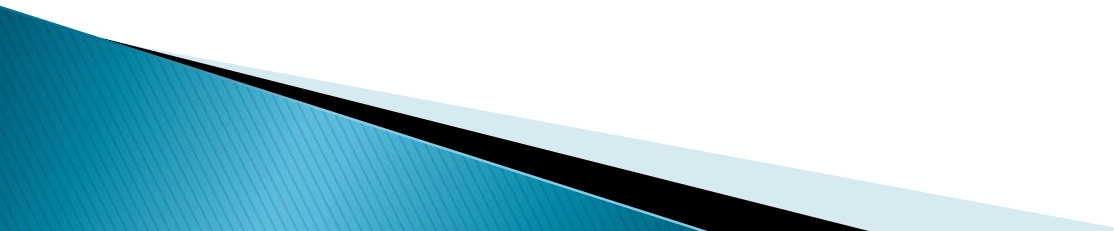


**SOS POLITICAL SCIENCE AND  
PUBLIC ADMINISTRATION  
MBA FA 404  
SUBJECT NAME:  
INTERNATIONAL MARKETING**

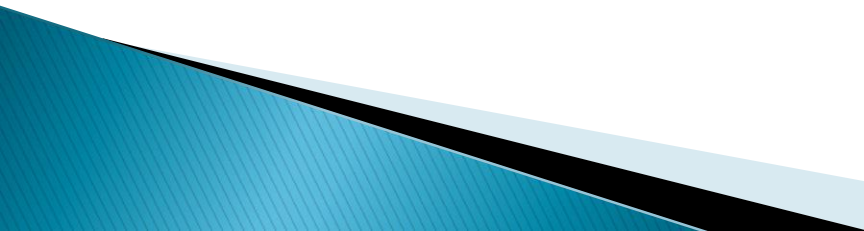
**TOPIC NAME: INTERNATIONAL MARKETING  
ENVIRONMENT**



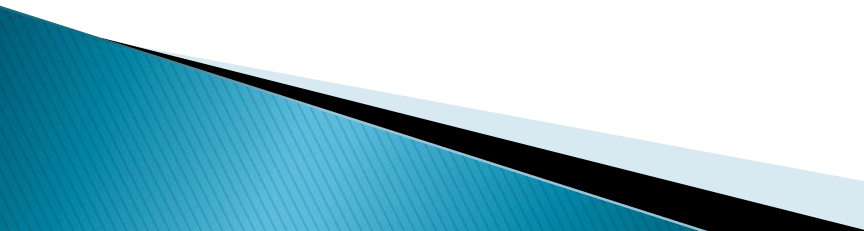
- ▶ Environment consists of forces. Environment is made of such controllable and uncontrollable forces. It is the environment that determines favorable or unfavorable conditions, and hence, provides either opportunities or threats and challenges. Degree of one's success, to a large extent, depends on effect of marketing environment and ability of the firm to respond effectively. International marketing environment covers all the relevant global forces influencing international marketing decisions.

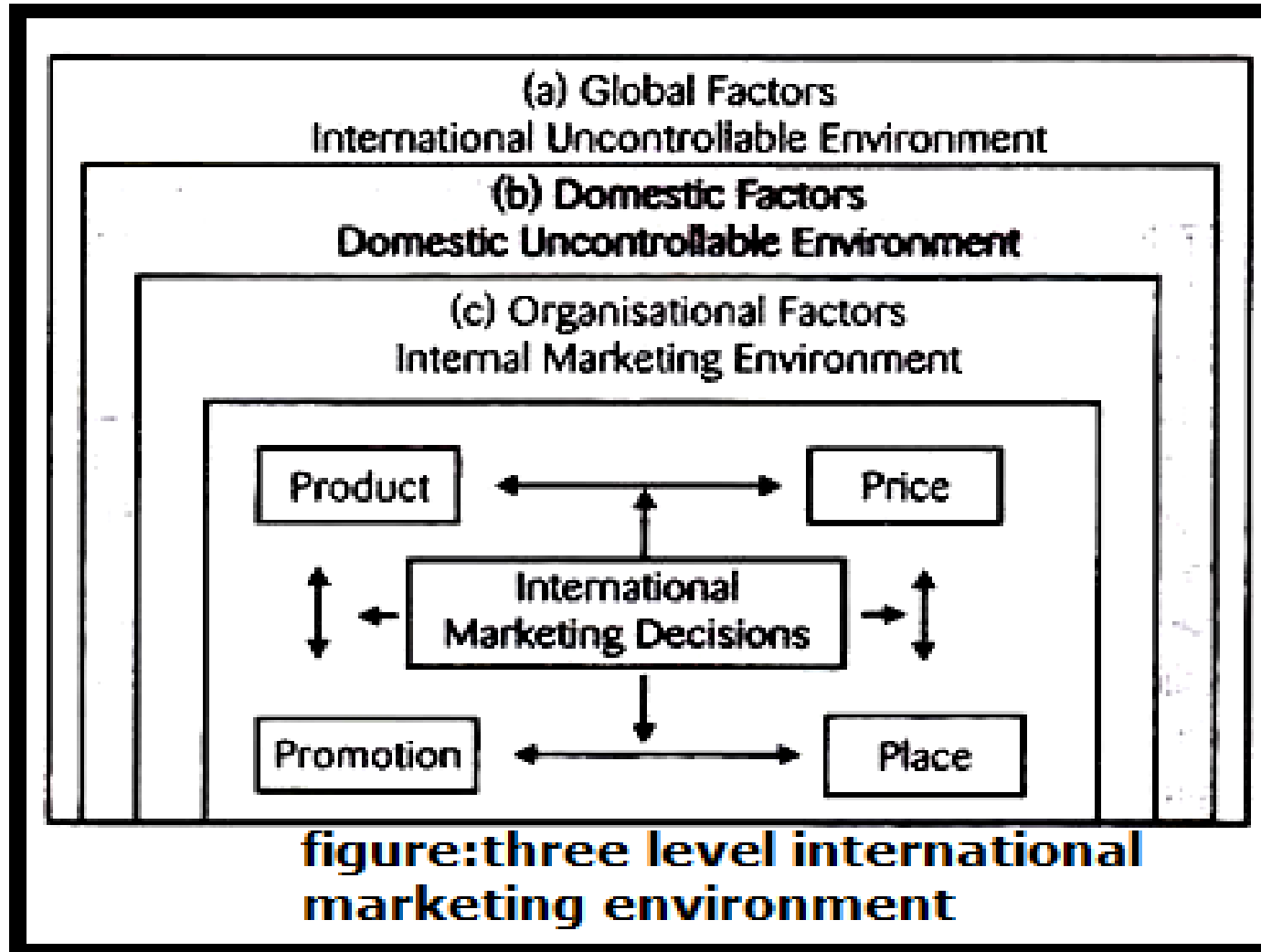
- ▶ These forces may be internal (such as resource ability and management attitudes), may be domestic (such as government policy toward international business and facilities), and global (such as overall international business environment of relevant part of the world). However, discussion of global forces is more relevant as they are major considerations in international marketing.
- 

# DEFINITIONS:

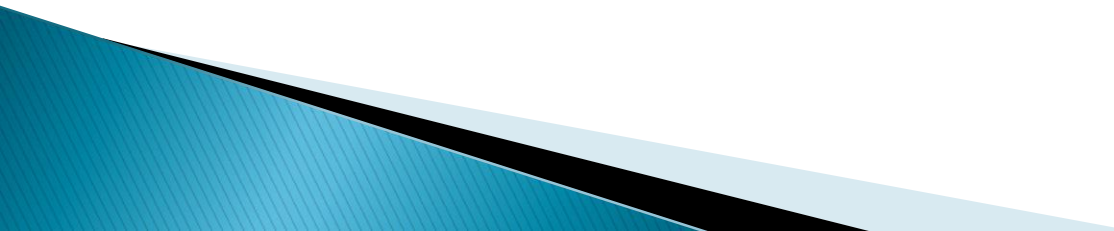
- ▶ We can define the word ‘international marketing environment as under:
  - ▶ 1. International marketing environment is a set of controllable (internal) and uncontrollable (external) forces or factors that affect international marketing. International marketing mix is prepared in light of this environment.
  - ▶ 2. International marketing environment consists of global forces, such as economic, social, cultural, legal, and geographical and ecological forces, that affect international marketing decisions.
  - ▶ 3. International marketing environment for any marketer consists of internal, domestic, and global marketing forces affecting international marketing mix.
- 

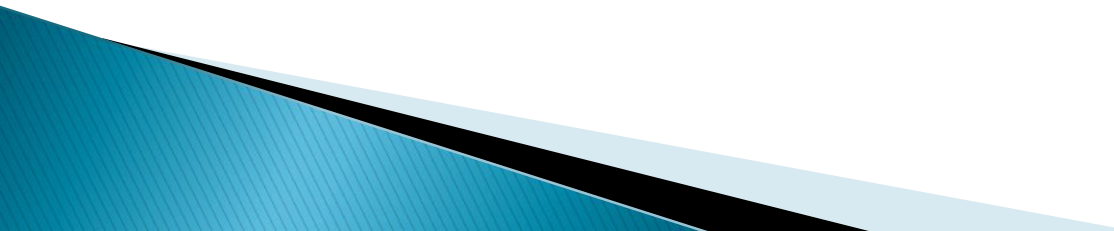
# FACTORS OF INTERNATIONAL MARKETING ENVIRONMENT:

- ▶ Factors or forces involved in the international marketing environment can be classified into three categories as stated in the figure 1. Manager dealing with international marketing has to design his marketing mix and marketing (mix) strategies in accordance with these forces.
  - ▶ He has to keep in mind the present them and expected impacts of such forces while taking international marketing decisions. The environment determines the degree of favorableness for any marketer for international marketing; determines level of opportunities and threats.
- 




# 1. GLOBAL FACTORS:

- ▶ Such factors are related to the world economy. Broader picture of global phenomenon affects every decisions of international marketing.
  - ▶ Main global factors include:
    - i. Customer-related factors
    - ii. Political and legal factors
    - iii. Social factors
    - iv. Cultural factors
- 

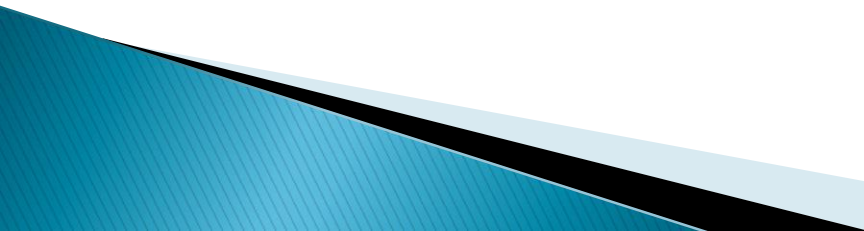
- v. Competition
  - vi. Global relations among nations and degree of the worldwide peace.
  - vii. Geographic/ecological/climate-related factors
  - viii. Functioning of international organizations like UNO, World Bank, WTO, etc.
  - ix. Availability of marketing facilities and functioning of international agencies, etc.
- 

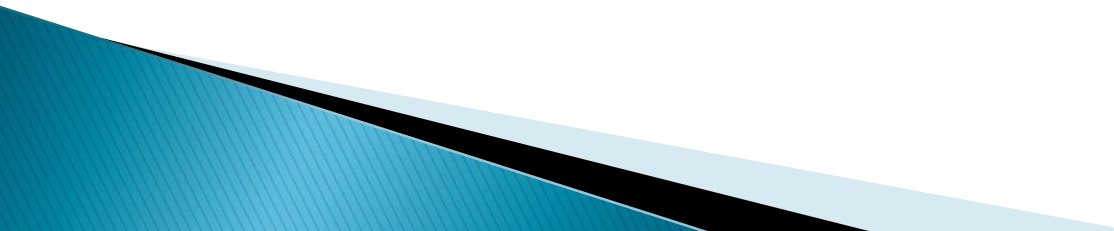


## 2. DOMESTIC FACTORS:

- ▶ Domestic factors are related to the economy of the nation. Overall economic, social and cultural, demographic, political and legal, and other domestic aspects constitute domestic environment for international marketing. This environment affects international marketing mix in several ways.
  - ▶ Important domestic factors include:
    - i. Political climate/stability/philosophy
    - ii. Government approach and attitudes toward international trade
    - iii. Legal system and business ethics
    - iv. Availability and quality of infrastructural facilities
    - v. Availability and quality of raw-materials
    - vi. Functioning of institutions and availability of facilities
    - vii. Technological factors
    - viii. Ecological factors, etc.
- 

### 3. INTERNAL OR ORGANIZATIONAL FACTORS:

- ▶ These are internal and controllable factors. They are related to internal situation of the company dealing with international trade. International marketer needs to use, adjust, and organize these factors to satisfy needs and wants of the (international) target markets.
  - ▶ These factors include:
    - i. Objectives of company
    - ii. Managerial philosophy of company
    - iii. Personal factors related to management
    - iv. Managerial attitudes toward other nations, customers, social welfare, etc.
- 

- v. Company's policies and rules
  - vi. Resource ability of company and marketing mix
  - vii. Form of organization and organizational structure.
  - viii. Nature and types of employees
  - ix. Internal relations with other departments
  - x. Company's relations with other stakeholders and service providers.
- 

# **COMPONENTS OF INTERNATIONAL MARKETING ENVIRONMENT**

- **Social and Cultural Environment**
- **Technological Environment**
- **Economic Environment**
- **Political Environment**
- **International Environment**
- **Legal Environment**
- **Ecological Environment**