### SESSION PLAN

**COURSE:** ABE Level 6 Developing International Markets

**ELEMENT:** Element – The challenge of globalisation

## **LEARNING OUTCOME 4**

**4. Examine and justify relevant marketing strategies within different cross-cultural settings, applying them to real life case studies (Weighting 25%)**

4.1 Appraise the role of culture in conducting international business and its impact on transnational transactions

4.2 Evaluate social and cultural considerations in developing international business strategy

4.3 Justify the differing product and strategies employed in an international context

4.4 Discuss the need for different marketing methods when operating in an international context

**NUMBER OF SESSIONS:** Four - approximately 12-16 hours in total, plus self-study

**SESSION TOPICS:** Session 1: Appraise the role of culture in conducting international business and its impact on transnational transactions

Session 2**:** Evaluate social and cultural considerations in developing international business strategy

Session 3**:** Justify the differing product and strategies employed in an international context

Session 4**:** Discuss the need for different marketing methods when operating in an international context

**Note to tutors: This is the recommended session plan for Learning Outcome 4, Element 4 of the ABE L6 Developing International Markets unit. You should follow the plan, using the resources (referenced as ‘slides’ here) and activities provided. It is important to enhance all sessions with local examples and case studies, involving the learners ACTIVELY wherever possible.**

**SESSION 1: Appraise the role of culture in conducting international business and its impact on transnational transactions**

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| **Approx. Duration** | **Topic** | **Tutor Activity** | **Slides** | **Learner Activity** | **Formative Assessment** |
| 3-4 hours | Introduction to session and learning outcomes | Use file: **6UDIM Tutor Presentation E4**  Learning outcome 4: Examine and justify relevant marketing strategies within different cross-cultural settings, applying them to real life case studies  Assessment criteria 4.1: Appraise the role of culture in conducting international business and its impact on transnational transactions  In this session we will look at:   * What is culture * Why is culture important * Organisational Culture * Cultural web | 1-5 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | What is culture | Culture is a learned pattern of behavior, and is a way in which a person lives their life.  It is an integral part of every society, and creates a feeling of belonging and togetherness among the people of that society.  Culture encompasses various aspects of life such as:   1. Communication 2. Attitude 3. Etiquette 4. Beliefs 5. Values 6. Customs 7. Norms 8. Food, art, jewelry, clothing styles, etc. Every society has a different culture, which gives it an identity and uniqueness. | 6 | *Classroom discussion:* Ask the class what they think makes up culture in their society?  What does their society hold close to them and what traditions do they have? |  |
|  | Definitions | The slide shows three definitions from various scholars and theorists. Culture can be interpreted in a variety of ways but has the same underpinning characteristics.  Work through the definitions, and provide your own understanding of culture. | 7 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Universal Culture | In spite of the vast cultural diversity, there are certain elements of culture that are universal.  They are known as cultural universals, which comprise certain behavioral traits and patterns that are shared by all cultures around the world.  For instance, classifying relations, having some form of art and music, use of jewelry, classifying people according to gender and age, etc., are common in all cultures of the world.  Simply put these are customs and aspects of culture that have a similar meaning but may be carried out in different ways  An example would be funeral rites. They are practiced in every culture but in different forms.  Family values  Thou shall not kill  It takes a village to raise a child  Beliefs and narratives | 8 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Importance and significance of culture | The knowledge necessary for survival, and adaptation to our natural and social environment, is acquired through culture.  Culture is what gives us the knowledge of good and bad, acceptable and non-acceptable, socialising, etc.  It plays a major role in shaping our personality and behavior. Each individual has a distinct and unique personality. However, within a group, there exist certain regularities in behavior. This can be attributed to the culture in which they grow up.  Culture also influences our perception of reality and worldly concepts. Our interpretations of the actions and events around us are molded by our culture. It forms the basic foundation of our life and behavior. | 9 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Why should we understand culture? | Culture has a huge influence on all aspects of life, discuss the main impacts that it has with the students, ask for their own examples of what they think culture involves.  Work through the slide and cover the main points with your own added knowledge.  Introduce activity. | 10 | *Classroom discussion:* discuss the main impacts that it has with the students, ask for their own examples of what they think culture involves. | **6UDIM E3 LO4 Activity 1 -**  **The importance of culture** |
|  | Examples of how culture can affect us… |  | 11 | *Classroom discussion:* Discuss examples with the class and ask for their own examples. |  |
|  | Organisational culture | So let’s think about culture in a business/marketing sense.  Organisational culture works a lot like this. Every company has its own unique personality, just like people do. The unique personality of an organisation is referred to as its culture.  In groups of people who work together, organisational culture is an invisible but powerful force that influences the behavior of the members of that group. So, how do we define organisational culture?  Culture is about how a firm organises itself; rules, procedures and beliefs make up the culture of a company. In this section, we are going to briefly look at different types of organisational cultures; power, role, task and person cultures were described by Charles Handy in his 1981 book, Understanding Organisations | 12 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Schein’s organisational paradigm | Edgar Henry Schein’s organisational paradigm shows the basic layers that make up a company’s culture. | 13 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Attributes of organisational culture | This slide shows the main attributes of organisational culture. It is a more in depth diagram and takes on Schein’s original layered paradigm.  Work through each segment of the diagram and add in examples or your own knowledge. | 14 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | How is culture shown in an organisation | So what we have found out is that culture is shown through all aspects of a company’s conduct and business practices.  Schein defined it as having four layers:   * 1. Taken for granted assumptions   2. Behaviours   3. Beliefs   4. Values | 15 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | The cultural web | Once again, we can use a well-known theorist to help us further understand the topic of organisational culture. The Cultural Web was developed by Gerry Johnson and Kevan Scholes in 1992, provides one such approach for looking at and changing your organisation's culture.  Using it, you can expose cultural assumptions and practices, and set to work aligning organisational elements with one another, and with your strategy.  The Cultural Web identifies six interrelated elements that help to make up the "paradigm" of the work environment. If a company uses this and analyses the results they will find: what is working, what isn't working, and what needs to be changed.  **Stories** – The past events and people talked about inside and outside the company. Who and what the company chooses to immortalise says a great deal about what it values, and perceives as great behavior.  **Rituals and Routines** – The daily behavior and actions of people that signal acceptable behavior. This determines what is expected to happen in given situations, and what is valued by management.  **Symbols** – The visual representations of the company including logos, how plush the offices are, and the formal or informal dress codes.  **Organisational Structure** – This includes both the structure defined by the organisation chart, and the unwritten lines of power and influence that indicate whose contributions are most valued.  **Control Systems** – The ways that the organisation is controlled. These include financial systems, quality systems, and rewards (including the way they are measured and distributed within the organisation).  **Power Structures** – The pockets of real power in the company. This may involve one or two key senior executives, a whole group of executives, or even a department. The key is that these people have the greatest amount of influence on decisions, operations, and strategic direction. | 16 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Analysing the cultural web | For each element, a company needs to ask itself a series of questions and this will help them to understand the dominant factors in each of the sectors of the paradigm.  For example:  **Stories**   * What stories do people currently tell about your organisation? * What reputation is communicated amongst your customers and other stakeholders? * What do these stories say about what your organisation believes in?   **Rituals and Routines**   * What do customers expect when they walk in? * What do employees expect? * What would be immediately obvious if changed?   **Symbols**   * Is company-specific jargon or language used? How well known and usable by all is this? * Are there any status symbols used?   **Organisational Structure**   * Is the structure flat or hierarchical? Formal or informal? Organic or mechanistic? * Where are the formal lines of authority? * Are there informal lines?   **Control Systems**   * What process or procedure has the strongest controls? Weakest controls? * Is the company generally loosely or tightly controlled? * Do employees get rewarded for good work or penalised for poor work?   **Power Structures**   * Who has the real power in the organisation? * What do these people believe and champion within the organisation? * Who makes or influences decisions? | 17 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Summary | Summarise session invite students to ask questions.  Introduce homework activity. | 18 |  | **6UDIM E4 LO$ Activity 2 - Organisational culture** |

**SESSION 2: Evaluate social and cultural considerations in developing international business strategy**

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| **Approx. Duration** | **Topic** | **Tutor Activity** | **Slides** | **Learner Activity** | **Formative Assessment** |
| 3-4 hours | Introduction | Use file: **6UDIM Tutor Presentation E4**  This session will be tackling assessment criteria 4.2 Evaluate social and cultural considerations in developing international business strategy | 19-20 | Students are to take notes and ask questions |  |
|  | Defining types of organisational culture | In our last session we introduced the idea of culture, its importance and what is meant by an organisational culture. Now we will take this concept further by looking at types of culture that an organisation may have.  There are a lot of theories and classifications of different types of organisational culture.  We will be using the most well used and accepted definitions and models for defining types of culture.  Charles Handy, a leading authority on organisational culture developed four classes of culture in 1993 | 21-22 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Power culture | **Power Culture**  In an organisation with a power culture, power is held by just a few individuals whose influence spreads throughout the organisation.  There are few rules and regulations in a power culture. What those with power decide is what happens.  Employees are generally judged by what they achieve rather than how they do things or how they act. A consequence of this can be quick decision-making, even if those decisions aren't in the best long-term interests of the organisation.  A power culture is usually a strong culture, though it can swiftly turn toxic. The collapse of Enron, Lehman Brothers and RBS is often attributed to a strong power culture. | 23 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Role culture | **Role Culture**  Organisations with a role culture are based on rules. They are highly controlled, with everyone in the organisation knowing what their roles and responsibilities are.  Power in a role culture is determined by a person's position in the organisational structure.  Organisations with role cultures tend to be very bureaucratic. | 24 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Task culture | **Task Culture**  Task culture forms when teams in an organisation are formed to address specific problems or progress projects. The task is the important thing, so power within the team will often shift depending on the mix of the team members and the status of the problem or project.  Whether the task culture proves effective will largely be determined by the team dynamic. With the right mix of skills, personalities and leadership, working in teams can be incredibly productive and creative. | 25 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Person culture | **Person Culture**  In organisations with person cultures, individuals very much see themselves as unique and superior to the organisation. The organisation simply exists in order for people to work.  An organisation with a person culture is really just a collection of individuals who happen to be working for the same organisation. | 26 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Examples of organisational culture types | Using Handy’s organisational cultural types. The slide shows four organisations all with different types of cultures. | 27 | *Classroom discussion:* Get the class to split into small groups and ask them to think about examples of organisations that they know and what type of culture that they think the organisation has.  Come together as a class and discuss. Get students to justify their culture selection. |  |
|  | Organisational culture and international markets | Organisations operate in international markets that are full of businesses and people with a variety of cultures.  This diversity is important to understand as there can be problems that arise for organisations not doing their research.  If a company fails to understand the environment and cultures of the consumers, competitors and other employees, they will fail to successfully operate within that market. | 28 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Cultural differences | This slide shows examples of why knowing how to communicate and operate across different cultures is important. | 29 | *Classroom discussion*: Ask the students if they have ever had experience or are aware of cultural differences and problems that can arise from them. |  |
|  | Class discussion slide | Watch clip with students on examples of cross cultural traits that can be offensive to some but acceptable to others.  This clip further solidifies the points made in the last two slides of how different cultures have different ways of communicating, living and conducting business. | 30 | *Classroom discussion*: based on clip. |  |
|  | Cross cultural communication | Culture is obviously of high importance both in our everyday lives and within an organisation. One of the biggest problems can be language and how we communicate.  Forms of communication split into high and low context. High context being unspoken gestures and traits, low context highly spoken and minimal unspoken.  In business having the ability to understand the difference between these two types of communication can be pivotal to a company’s success.  Introduce activity. | 31 | Students to listen and take notes and participate in class discussions throughout, as appropriate. | **6UDIM E4 LO4 Activity 3 – High and Low context communication** |
|  | High context culture | High Context culture often implies that a lot of unspoken information is implicitly transferred during communication.  People in a high context culture tend to place a larger importance on long-term relationships and loyalty and have fewer rules and structure implemented.  On the slide, we have highlighted some countries that have a high context culture. Other locations would also include Saudi Arabia (input your own examples). | 32 | *Classroom discussion*: How would students define their culture, and why? |  |
|  | Low context culture | Low contextculture implies that a lot of information is exchanged explicitly through the message itself and rarely is anything implicit or hidden.  People in low context cultures such as the UK tend to have short-term relationships, follow rules and standards closely and are generally very task-oriented. | 33 | *Classroom discussion:* The USA, UK & Germany have been provided as examples, but where else would be classed as having a low context culture?  Discuss. |  |
|  | High and low comparison | The table on this slide sets the two types of culture side by side for a short comparison of their differences to help students further understand the characteristics associated with them.  Work through the slide and offer your own examples where needed. | 34 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Summary | Summaries the session following the points on the slide and all students to ask questions. | 35 |  |  |

**SESSION 3: Justify the differing product and strategies employed in an international context**

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| **Approx. Duration** | **Topic** | **Tutor Activity** | **Slides** | **Learner Activity** | **Formative Assessment** |
| 3-4 hours | Introduction | Use file: **6UDIM Tutor Presentation E4**  This session will be tackling assessment criteria 4.3 Justify the differing product and strategies employed in an international context.  To be able to address this topic, the following subjects will be covered:   * Cultural dimensions * Communication tools * Consumer decision making process * Consumer diversity | 36-37 | Students are to take notes and ask questions |  |
|  | Cultural dimensions | In our previous session we discussed the concept of communication and what it means in an organisation and conduct business. Culture also goes beyond communication.  Professor Geert Hofstede conducted one of the most comprehensive studies of how values in the workplace are influenced by culture.  Hofstede analysed a large database of employee value scores collected within IBM between 1967 and 1973. The data covered more than 70 countries, from which Hofstede used the 40 countries with the largest groups of respondents and afterwards extended the analysis to 50 countries and 3 regions.  Subsequent studies validating the earlier results include such respondent groups as commercial airline pilots and students in 23 countries, civil service managers in 14 counties, 'up-market' consumers in 15 countries and 'elites' in 19 countries.  He defines culture as being the collective programming of the mind distinguishing the members of one group or category of people from others.  The six dimensions of national culture are based on extensive research done by Professor Geert Hofstede, Gert Jan Hofstede, Michael Minkov and their research teams. | 38 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Cultural dimensions diagram | Slide shows the cultural dimensions as defined by Hofstede as a result of his extensive studies. | 39 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Cultural dimensions explained | This slide breaks down the cultural dimensions to clarify their basic meaning for students. | 40 | *Classroom discussion*: Engage with students to get their examples of countries that would fall into each dimension.  Students to listen and take notes and participate in class discussions throughout, as appropriate.  Students to listen and take notes and participate in class discussions throughout, as appropriate.  Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | **Power distance** stands for inequality that is defined not from above, but from below. It is, in fact, the extent to which organisations and societies accept power differentials.  Societies with large power distance are characterised by the following features:   * Autocracy in leadership; * Authority that is centralised; * Paternalistic ways of management; * A number of hierarchy levels; * The acceptance of the privileges that come with power; * A lot of supervisory staff; * An expectation of power differences and inequality.   Societies that have small power distance possess the following features:   * Participative or consultative style of management; * Decision-making responsibility and authority decentralised; * Flat structure of organisations; * Supervisory staff small in proportion; * Questioning the authority and lack of acceptance; * An inclination toward egalitarianism; * Consciousness of rights. |
|  | **Uncertainty Avoidance**  Uncertainty avoidance is the extent to which the members belonging to a society are capable of coping with future uncertainty without going through stress.  Weak uncertainty avoidance comes with the following features:   * Undertaking risk; * Flexibility; * Tolerance toward differing opinions and behaviors.   Strong uncertainty avoidance is represented by the following aspects:   * Tendency to avoid risk; * Organisations that have a number of standardised procedures, written rules, and clearly delineated structures; * Strong requirement for consensus; * Respect for authority; * Requirement for predictability highlighting the significance of planning; * Minimal or no tolerance for deviants; * Promotions depending upon age or seniority |
|  | **Individualism vs. Collectivism**  Individualism set against its opposite collectivism defines the extent to which individuals are inclined toward remaining in groups.  Individualistic cultures are characterised by:   * Fostering contractual relationships that revolve around the fundamentals of exchange. These cultures engage in the calculation of profit and loss prior to engagement in a behavior. * Concentration on self or at the most very near and dear ones, and concern with behavioral relationships as well as own goals, interests, and needs. * Emphasis on personal enjoyment, fun, and pleasure, over duties and social norms. They are a part of a number of in-groups which hardly have any influence on their lives. * Self-sufficiency and value independence, and placement of self-interest over collective interest. Confrontation is accepted as an attribute. * Stress on horizontal relationships (such as the relationship between spouse and spouse) rather than vertical relationships (such as the relationship between parent and child). * The notion that they hold unique beliefs.   Collectivistic cultures are characterised by:   * Behavior as per social norms that are established for maintenance of social harmony among in-group members; * Considering the wider collective with regards to implications of their actions; * Sharing of resources and readiness to give up personal interest keeping in mind the collective interest; * Favoring some in-groups (such as friends and family); * Being a part of a few in-groups that have an influence on their lives. Rather than being individualistic, they have an increased inclination towards conformity; * Increased concern regarding in-group members. They show hostility or indifference toward out-group members; * Regulation of behavior with the help of group norms. |
|  |  | **Masculinity vs. Femininity**  Masculinity and femininity revolve around the emotional role distribution between genders, which is again a prime issue in a number of societies.  Masculine cultures possess the following characteristics:   * Clearly distinct gender roles; * Benevolence has little or no significance; * Men are expected to be tough and assertive with a concentration on material achievements; * Much value is associated with mastery of people, nature, job, and the like; * Sense of humor, intelligence, affection, personality are considered preferred characteristic traits of a boyfriend by the women; * Understanding, wealth, and health are considered desirable characteristic traits of a husband by the women.   Feminine cultures possess the following characteristics:   * Overlapping of social gender roles; * Men, as well as women, are expected to be tender, modest, with focus on the quality of life; * Emphasis on the non-materialistic angles of success; * The preferred traits in boyfriends and husbands are the same. |  | Students to listen and take notes and participate in class discussions throughout, as appropriate.  Students to listen and take notes and participate in class discussions throughout, as appropriate.  Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | **Long-Term vs. Short-Term Orientation**   * Unequal relationships existing between people ensure the stability of society. * Every social organisation has its prototype in the family. * Virtuous behavior involves treatment meted out to others in a similar manner as one prefers to be treated oneself. * So far as tasks in life are concerned, virtue comprises acquiring skills, working hard, education, being wise in spending as well as showing perseverance and patience.   Long-term orientation (high Confucian values) reflects the following:   * A futuristic, dynamic mentality; * Emphasis on a relationship order depending on status, and observance of this order; * Emphasis on persistence and perseverance; * Stress on possessing a sense of shame; * Stress on thrift; * Positive association with economic growth; * Inclination toward interrelatedness represented in sensitivity toward social contacts.   Short-term orientation (low Confucian values) is characterised by the following:   * Orientation toward past and present; * Focus on respect for tradition; * A comparatively static, more conventional mentality; * Emphasis on saving face; * Emphasis on personal steadiness; * Focus on stability; * Emphasis on reciprocation of gifts, favors, and greetings; * Negative association with economic growth. |
|  | **Indulgence vs. Restraint**  The dimension of indulgence vs. restraint focuses on happiness. A society that practices indulgence makes room for the comparatively free gratification of natural and basic human drives pertaining to indulging in fun and enjoying life. The quality of restraint describes a society that holds back need gratification and tries to control it through stringent social norms. |
|  | Communication tools in marketing | We now know that the world is diverse and full of a variety of cultures, and the business world is no exception.  So how to companies communicate in this diverse environment and make sure that their products and services are seen by the consumer?  Marketing communication tools are used to promote a company's products and services.  Most companies have marketing communications departments strictly devoted to planning and developing these tools.  There are many different types of communication marketing tools, including:   * Advertising * Sales promotion * Public relations * Direct mail   Most companies use a combination of these various tools. | 41 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Advertising | Advertising is a highly popular marketing communication tool. Advertising can be used to efficiently get a company's message to large audiences.  Companies can use a number of different types of advertising including:   * Magazine * Newspaper * Radio * Television * Internet advertising.   The most effective usually follows the general formula of AIDA:   * Awareness * Interest * Desire * Action   The heading of the ad typically gets the reader's attention, and then grabs their interest and desire for a company's products. Consequently, the consumer acts by going to the store and purchasing the product. | 42  43 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Sales promotions | Sales promotions are another effective communication marketing tool.  Sales promotions can include:   * Product demonstrations * Contests * Displays * Free samples * Premiums like "buy one/get one free," * Coupons and other types of incentives   The goal of a sales promotion is to spur short-term sales by increasing awareness of a brand. Ultimately, a company strives to build repeat business with a sales promotion. | 44 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |
|  | Public relations | Public relations are a communication marketing tool that helps a company ensure a positive public image.  The goal of public relations is to help consumers better understand a company and its products.  Public relations can include public appearances like interviews, press releases and even the sponsorship of major sporting events. | 45 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Direct email/marketing | Direct marketing is another highly effective communication marketing tool.  Direct marketing can include mail and email promotions, catalogs, and even direct response promotions on television and radio.  For example, most television shopping networks are using direct marketing to sell their products.  The results for direct marketing can easily be measured, unlike most communication marketing tools.  For example, a company can key the order form in a direct mail package sent to customers by adding a certain code number. The company may use code 110 to represent a January 10 mailing. That way a company can calculate its return on investment, or total revenue minus expenses, for each mailing.  So linking these back to previous sessions, it is almost like a company conducting a constant survey, in that they have the ability to collect quantitative data that is representative of a global sample of sales, at the click of a button. | 46 | *Classroom discussion:* Let’s look at a PR example…do you think this is a good example or a bad example of PR? |  |
|  | Consumer diversity | Culture, ethics and religion all affect how we conduct ourselves. The golden rule in our society is to treat others how you wish to be treated.  This saying is transferable to the marketing world in that companies must respect and treat consumers well to keep them as customers or to initially attract them.  In our ever-changing world, the mantra of “one size fits all” no longer works.  For example: Australia, UK & Canada have become increasing more diverse due to immigration and foreign populations moving as a result of war and crisis in the world. | 47  48 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Operating cross culturally | Five key considerations that need to be given when operating in multiple locations and cross culturally:  The slide provides the five considerations, expand on them and provide examples of how an organisation might take these points into consideration.  For example:  ***Point 1: Importance of recognising customer diversity***  A company should make sure that employees show genuine sense of fairness and goodwill, and take customer requests seriously, no matter what their race, religion, social status, or other characteristics are.  An important step into improving customer satisfaction might be authorising service representatives to take extra time to help customers overcome language difficulties or to provide additional explanations when needed. | 49 | *Classroom discussion*: Talk through some other examples with students, do they have examples of their own?  Discuss |  |
|  | Consumer decision making process | **Step 1 -** Need is the most important factor which leads to buying of products and services. Need in fact is the catalyst which triggers the buying decision of individuals.  Using an example:  An individual who buys a cold drink or a bottle of mineral water identifies his/her need as thirst. However in such cases steps such as information search and evaluation of alternatives are generally missing. These two steps are important when an individual purchases expensive products/services such as laptop, cars, and mobile phones and so on.  **Step 2 -** When an individual recognises their need for a particular product/service they try to gather as much information as they can.  **Step 3 -** The next step is to evaluate the various alternatives available in the market. An individual after gathering relevant information tries to choose the best option available as per his need, taste and pocket.  **Step 4 -** After going through all the above stages, customer finally purchases the product.  **Step 5 -** The purchase of the product is followed by post purchase evaluation. Post purchase evaluation refers to a customer’s analysis whether the product was useful to him or not, whether the product fulfilled his need or not? | 50 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Summary | Summarise this session using the slide and discuss any other relevant points that emerged after group discussions. Encourage students to ask questions. | 51 |  |  |

**SESSION 4: Discuss the need for different marketing methods when operating in an international context**

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| **Approx. Duration** | **Topic** | **Tutor Activity** | **Slides** | **Learner Activity** | **Formative Assessment** |
| 3-4 hours | Introduction | Use file: **6UDIM Tutor Presentation E4**  This session will be tackling assessment criteria 4.4Discuss the need for different marketing methods when operating in an international context  To be able to address this topic, the following subjects will be covered:   * Cross-cultural marketing * Good & Bad * Accessing culture * Environmental scanning * Consumer research * Corporate research * Pricing strategy | 52-53 | Students are to take notes and ask questions |  |
|  | Cross cultural marketing | Cross-cultural marketing is the strategic process of marketing to consumers whose culture is different from that of the marketer's own culture.  When an organisation does not fully understand another culture, difficulties will arise:  A humorous example to start the session:  High end UK car dealer ship Rolls Royce has a car named the 'Silver Mist.' That is fine when only selling within English-speaking countries, but when they expanded into Germany they found themselves in a cross-cultural marketing fiasco. 'Mist' translates into 'manure' in German.  It is imperative that businesses understand different cultures and norms to utilise cross-cultural marketing successfully. | 54 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Why is it important | Like we have just covered, if companies are not sympathetic or aware of cultural diversity, costly mistakes can be made.  With the world becoming increasingly more borderless marketing must reflect these changes.  Let us now have a look at some examples of well known companies, making terrible choices with their marketing campaigns | 55 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Examples | KFC & Pepsi  KFC: Finger lickin’ good was not a good choice of slogan for China! Translated it mean we’ll eat your fingers off!  Pepsi similar problems in the Chinese market, Pepsi decided to tell the Chinese market that their deceased relatives will come back from the dead! | 56 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Examples | Some more bad marketing examples from other aspects of the business market.  Work through the examples on the slide  Pepsodent toothpaste tried to enter the South East Asian market. They overlooked a key cultural factor. In this part of the world, people chew betel nuts to try and blacken their teeth – a habit which is viewed as a status symbol. Consequently, the brand’s promise wasn’t what their audience wanted to hear.  Let’s take a television advertisement promoting Indian mobile phone company Bharti Airtel in Africa as an example. With business Africa, the brand wanted to create a campaign that would have wide appeal.  However, they severely underestimated Africa’s cultural diversity. The use of South African actors, images of the Savannah and coins – when many Africans only use paper money – resulted in the campaign failing to resonate in many countries and monumentally flopping. | 57 | *Classroom discussion:* Discuss with the class examples of marketing that they have seen that haven’t gone well. |  |
|  | Multicultural marketing done right! | We have had some fun by looking at some of the fails in marketing, but there are companies that have managed to move into international markets and launch products successfully.  They have done this by listening to their customers and considering the diversified climate that we live and operate in.  **Work through the slide:**  Samsung Mobile phone ad campaign created culturally diverse ads to appeal to a wider audience. The ads were called “India Print ads” and had a surreal and glob trotting feel.  Happy dent chewing gum using a variety of artistic designs representing middle east culture. The images are creative, fun, colourful, but also very personal and respectful to different cultures. Well done Happy dent! | 58 | *Classroom discussion:* Discuss examples of other good/successful marketing campaigns that you are aware of |  |
|  | Three more examples | Because of the nature of this topic, using examples of marketing campaigns and techniques for the international market is the best way to demonstrate the topic to the students.  Work through the slide covering the examples and again, where possible add your own.   * Coca-Cola: Super Bowl ad that features a hijab-clad woman who professes her love for her nation. The commercial embraces multiculturalism and rejects racial prejudice that plagues many Muslim Americans in the United States. * Berlitz Language Centre's dual race campaign that features an African woman who opens her mouth to reveal an Asian man's face. The clever ad enforces the power of multiculturalism and illustrates the collaborative effort that goes into learning a new language. * Beauty brand Carol's Daughter is launching the second instalment of its #BornandMade campaign with a digital and social media campaign. In recent years, there has been a growing push for beauty brands to create more diverse and inclusive ads. This campaign enlists a host of influential celebrities to make a bold statement about diversity in the beauty industry.   Introduce activity. | 59 | *Classroom discussion:* Ask students if they are aware of these campaigns or have ever seen them. If know do they know any similar to these? | **6UDIM E4 LO4 Activity 4 -**  **Multicultural marketing strategy** |
|  | Accessing culture | There are three main tools that a company can use to help them interpret the cultures that are prominent in a market.   * Environmental scanning * Consumer research * Corporate exploration | 60 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | What are they? | **Environmental scanning:**  Environmental scanning is the process of gathering information about events and their relationships within an organisation's internal and external environments.  The basic purpose of environmental scanning is to help management determine the future direction of the organisation. The most widely accepted method for categorising different forms of scanning are:   1. Irregular scanning systems: These consist largely of ad hoc environmental studies. 2. Regular Scanning systems: These systems revolve around a regular review of the environment or significant environmental components. This review is often made annually. 3. Continuous scanning systems: These systems constantly monitor components of the organisational environment.   **Consumer research:**  Market Research deals with processes to understand customers needs and wants and helps a company to build market strategy.  It helps in analysing the market using porter’s five forces which deals with the market condition. The strengths, weakness, opportunities and threats are analysed. For more information on these strategies see previous learning outcomes.  **Corporation research:**  Business investing capital into researching trends in the market, levels of density and the best strategy. | 61 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Marketing communication mix | In our previous session we have looked at marketing approaches and tools. Here is a quick recap.  Go through the diagram and give the students a rundown of the basic concepts. | 62 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Discussion |  | 63 | *Classroom discussion:* This is a refresher exercise of the communication tools.  Let students get into small groups then regroup to discuss. |  |
|  | Pricing strategy | Once a business has found out about their market and chosen their strategy, it needs to decide how it will position itself in the global market.  To decide on market positioning. Strategic positioning entails positioning your business or brand in the marketplace to your best advantage.  This is especially important in a changing market because when the ground is shaking you need to be firmly on solid ground. Strategic positioning is more comprehensive than product positioning.  Bowman’s strategy clock can be used.  Bowman’s Strategy Clock is a representation of the strategic options a business has to move in the customer value map.  The relationship between the price a customer is willing to pay and the perceived customer value available from the product or service. | 64 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Bowman’s strategy clock | Following the slide discuss the basic principles for each number/stage of the clock.  For example:  *Number 1* = Low Price and Low Value Added   * Not a very competitive position for a business. * The product is not differentiated * Low levels of value and low price = bargain basement strategy * Only chance of remaining competitive is to be extremely cheap and hope that no one else can be cheaper   *Number 2* = Low Price   * Looking to be the low-cost leaders in a market * Cost minimisation is required for this to be successful * Associated with economies of scale * Profit margins on each product are low, but the high volume of output can still generate high overall profits   For each stage of the clock provide an example of a company and their choice pricing entry strategy. | 65 | Students to listen and take notes and participate in class discussions throughout, as appropriate. |  |
|  | Summary | Summary of the session and conclude | 66 |  |  |