Introduction

• Necessity for the development of effective international marketing plans.
• Information support system that provide information that is
  • relevant,
  • timely,
  • in the form needed,
  • accurate,
  • exhaustive and
  • easy to access and use.
• Formal systems and informal methods may be used for developing necessary
  information on educational, sociological, political/legal and economic constraints as
  well as on marketing structures.
• Larger and more experienced companies can build formal marketing information
  systems (MIS).
• Smaller companies also need to gather the necessary information, and can use
  other approaches as discussed in the text.

Sources of information: Internal and external

• Internal:
  Company records and knowledge of employees often overlooked, under-
  utilized or ignored.
• External
• Internet and World Wide

Sources of information: Primary and secondary

• Primary data: information obtained directly from the ones you want to know
  about.
• Secondary data: information from any source of published information,
  private and governmental.
• Secondary sources alone usually are not sufficient, but often very useful.
• Examples of sources noted in the text that are useful, particularly in the early
  stages of information gathering: UN, OECD, ASEAN, WTO, IBRD, IMF,
  IFC, a wide range of governmental and non-governmental organizations
  (banks, trade facilitating organizations, universities, etc.
• The amount of information available is often overwhelming, but specific
  required information may not be available.
Sources of information: Primary and secondary

- Vast databases are available to international marketers on the Internet.
- Internet sites vary in accuracy, completeness, currency.
- Many small- and medium-sized companies gather much of their information from the following:
  - Personal sources, including visits to the country.
  - Professional sources, including chambers of commerce, consulates, etc.
  - Published materials.

Assessing market potential

- Secondary data is often used to estimate size of potential markets.
- Key dimensions: number of potential users; maximum expected purchase rate.
- **Market potential** is the amount of product that the market could absorb over some indefinite time period under optimum conditions of market development.
- **Market demand** is the total volume that would be bought by a defined consumer group in a defined area in a defined time period in a defined marketing environment under a defined marketing programme.
- **Market forecast** is expected market demand based on the marketing plan developed.
- **Sales forecast** is expected level of sales using a particular marketing plan.

Export marketing research: Marketing research defined

- Marketing research is the systematic search for, and analysis of, information relevant to the identification and solution of problems relevant to the firm in marketing decisions and activities.
- Functions: description and explanation, prediction, evaluation.
  - To provide information for planning, control and evaluation.
- Information from both present and potential customers is of particular importance for customer satisfaction measurement.

Export marketing research: Marketing research defined

- In some European markets, companies recognize the need to go beyond just measuring satisfaction and identifying sources of dissatisfaction and use customer satisfaction programmes (CSM) for actively promoting customer loyalty and retention.
- Time and costs required for data collection vary greatly from country to country.
- CSM programmes are part of a broader programme known as Customer Relationship Management (CRM), a process for achieving a continuing dialogue with customers. This has become increasingly important:
  - Computer software is available to support CRM systems.

The export market(ing) research process

- Dimensions:
  - Problem Formulation,
  - Method of inquiry,
  - Research method and Design,
  - Data collection techniques,
  - Sample design,
  - Data Collection,
  - Analysis and Interpretation,
  - Reporting Results.
The export market(ing) research process

• All steps, from determining effective survey methods to interpreting the results, must take into account the culture and environment in which the data is being collected.

• The same question may be interpreted and responded to differently in different cultures. Willingness to provide personal data varies from culture to culture.

• There are legal restrictions on methods used in gathering information in some countries. There are problems in analysis, interpretation and reporting of results.

• To be of value, a marketing research report must contain information for changing the state of knowledge of the reader.

• Obtaining accurate information usually requires questionnaires in the local language; and even then problems may arise because of differences in cultures.

• Substantial efforts were required to assure consistency between English- and Chinese-language versions of the first page of a questionnaire (Figure 6.3).

• Figure 6.4 outlines the process in ‘Collaborative and iterative questionnaire translation.’

• Sometimes pictures or other forms of visual data convey information more easily and accurately than language alone. Exhibit 6.5, including Figures 6.5 and 6.6, illustrates ‘Using visual data.’

Sample design is another area requiring special care.

• Implementing data collection: actually carrying out the research, involves: Centralizing or decentralizing the research effort within the company.

• Whether to do research in-house, or purchase from outsiders.

• Additional problems facing the company and outside research suppliers, if used, are listed with bullets in the text.

• Analysis and interpretation of the data, developing a complete yet concise of all that has been done, interpretation of results and conclusions complete the report and provide a basis for action.

Complexity of research design, lack of secondary data, costs of collecting primary data, coordinating research and data collection, establishing comparability and equivalence, intrafunctional character and economics of many export marketing decisions.

• Comparability of data from different countries often a problem: different definitions, different methods of data collection, different views and uses of products.

• Table 6.6 indicates differences in definitions used by PepsiCo in seven countries.

• Exhibit 6.6 discusses the problems regarding equivalence of data in international marketing research.

• Figure 6.7 portrays ‘Aspects of equivalence in cross-cultural/national research.’

Using the Internet and e-mail for data collection

• The Internet and World Wide Web useful for collecting data from many sources provide one of the world’s largest libraries of secondary data.

• Most websites are free, but some commercial sites require payment of a fee.

• E-mail collection of primary data (using survey techniques) often quicker and less costly than mail surveys.

• Problems in e-mail surveys:
  1. getting a valid sample.
  2. language and the necessity for the use of appropriate character sets for a number of languages (appropriate character sets have become much more easily available for widely used languages such as Chinese, Japanese and Korean, and also the countries using variations of the standard alphabets used in much of Europe and North America)
  3. responder reactions.