Absolut Vodka 586-92 history 587-8 marketing 588-9 world market shares 590-92 Accor Group 116-18 acquisition 364, 368 ad hoc project groups 632-34 ad hoc research 174-5 adaptation of marketing 417-19 factors favouring 419 administrative delays 193 advanced industrial countries 203 advertising 542, 545-53, 577 adaptation strategies 569-72 agency selection 552-3, 577 budget decisions 545-8 case studies 569-72 and culture 224, 226, 236, 544 dual adaptation 436, 437 evaluation 553 and language differences 543-4 media selection 548-52 objectives setting 545 promotion adaptation 435-6 standardization 568-9 transference to foreign markets 547 - 8aesthetics 226 agency, law of 321 agents 318-19 fee 632 AGRAMKOW fluid systems 659, 675-6 air bag market 400-4 air transportation 523 Al Ahram Beverages Co. 410-13 Aldi 444-5, 531, 680 alliances 18, 50, 82 impact of Internet 458 in retailing 532 Senseo case study 121-3 Amazon.com 29, 33, 82, 87 analysis of national competitiveness see competitiveness annual plan control 664-5 Ansell condoms 306-8 anti-globalization protests 212-13 APEC (Asia Pacific Economic Cooperation) 208

Arab countries alcoholic drinks marketing 410-13 culture 221, 224, 225 religion 227-8 water pipes 269-72 Arcor Group 38-9 Armani fakes 464 ASEAN (Association of South East Asian Nations) 208, 361 Asia culture 227, 229, 230, 236 region centre concept 362-3 assembly operations 360 attitudes and market segmentation 250 Autoliv Air Bags 400-4 automobile industry see car industry automotive suppliers 390-1 B2B market services in 426 Bacardi Rum co-branding 445-6 Baileys Irish Cream liqueur 553 banks 500, 502, 521, 522 documents 522 and internationalization 52 banner advertising 575 barriers to internationalization 53-5 commercial risks 54 general market risks 54 political risks 54 tariffs 191-2, 210-11 barter 501 barter advertising 575 BATNA (Best Alternative to a Negotiated Agreement) 620 Bayer 352-3 beer world market 595-7 behavioural controls 661, 663 behavioural diversity 632 benchmarking 97, 98, 670 BERI index 251, 252, 259 best practices 628 competitive 112-14, 119 best practices transfer 8, 630 Big Mac exchange rate index 200-2 billing of services 425 bills of exchange 498-9 bills of lading 522

Bitner, M.J. 415-16 Blooming Clothing 55-7 international activities 57 blue ocean strategy 115, 119 BMG 685-8 BMW Motorcycles 583 bonding 500-1 Booms, B.H 415-16 born globals 77-82, 87 challenging traditional theories 78-80 definition 77 factors leading to emergence of 80 - 1Internetbased 81–2 born-again globals 78 Bosch-Siemens logistics 525-6 brand/branding assets 440 associations 440 awareness 440 brand piracy 464 co-branding 442, 443, 445-6 equity 440 extensions, Pocoyo 26 identity 104 and Internet 459 local and global 439 loyalty 440, 442 McDonald's packaging 16 perceived quality of 440 relationship quality 440 unfortunate translations 226, 544 branding decisions 441-8, 465 brand versus no brand 443 celebrity branding 450-3 implication of Internet 453-9 local versus global brands 447-8 private label versus co-branding versus manufacturer's own brand 443-6 sensory branding 448-50 single brand versus multiple brands 447 Braun shavers 691-2 Brazilian furniture market 397-9 breakfast cereals 142-8 development in geographical regions 145

breakfast cereals (continued) trends 145-6 world market 144-5 bribery 187, 196, 633-4, 635 and culture 233 and lubrication 634 Bridgestone Tyres 128-33 British Leyland 429, 430 broker, export/import 314-15 budget 666-9, 673 and marketing control system 659-60 purposes of 668 underlying determinants 667-8 budget for advertising 545-8 competitive parity approach 547 creative strategy 547-8 media decisions 549 objective and task approach 547 percentage of sales 546-7 bundle pricing 484-5 Burger King 336 Burke 182 business alliances 18 business culture 219 business education/specialist expertise 10 Business Environment Risk Index 251, 252, 259 business ethics 233, 236 business gifts 236-7 business networks 70 buy-back agreement 501 buyer-seller interaction 377-80, 542 advantages and disadvantages 388 atmosphere 377, 378, 379 cultural distance 622 development of relationship 380-2 interacting parties 378 interaction environment 380 interaction model 377-8 physical distance 380, 381 psychic distance 380, 381 buyers 105 bargaining power of 103 sophistication of 100 value chain 24 capacity utilization 109 car industry 15

air bags 400–4 automotive suppliers 390–1 impact of Internet 457, 458 Japanese network sourcing 385–6 marketing myopia 102 parts distribution channels 511

pricing issues 493 product development 431-2 sensory branding 448, 449 strategic alliances 384 voluntary export restraint 193 CarLovers Carwash, case study, 274 - 6Carrefour 445, 469, 529, 530 carriage paid to (CPT) 495 case studies Absolut Vodka 586-92 AGRAMKOW fluid systems 659, 675-6 Arcor Group 38-9 Autoliv Air Bags 400-4 Blooming Clothing 55-7 breakfast cereals 142-8 Bridgestone Tyres 128-33 CarLovers Carwash 274-6 Chevrolet 579-83 coffee industry 134-41 contraceptive market 277-9, 306-9, 369 Cryos Sperm Bank 88-91 Danish Klassic cheese 465-9 De Beers 535-7 Dyson vacuum cleaner 600-606 Elvis Presley Enterprises Inc. 57-8 female condoms 277-9 Femilet lingerie 679-84 Formule 1 Hotels 116-18 Fred Hollows Foundation 369-70 Gillette Co. 503 Guinness 593-9 Harley-Davidson 502-3 Heineken/Al Ahram Beverages Co. 410-13 Helly Hansen 578-9 IKEA 394-9 IKEA Catalogue 239-40 IMAX Corporation 405-9 IMF and WTO protests 212-13 Jarlsberg cheese 305–6 Konica Minolta 258-60, 302-4 Lear Corporation 390-1 LEGO and Ka-Boo-Ki 351-2 Levi Strauss 234 Levitra and Viagra 352-3 Lifan Group 237-9 Mac Baren Tobacco Company 269-72 McDonald's, Coca-Cola and Disney 350 Madame Tussauds Group 438-9 Manchester United 125-7 Mars Inc. 674

Mecca Cola 635-7 Microsoft Xbox 119-21 Nokia phones 448, 536-8 Norwegian Aquavit 324-6 Parle Products 326-7 Philips Lighting 267-9 Philips shavers 689-95 Postman Pat 91-3 Sanex 261-2 Sauer-Danfoss 213-14 Senseo coffee pod system 121-3 Skagen Designs 284-9 Sony BMG 685-8 Tchibo 181-3 Teepak tea-bags 180-1 Tipperary Mineral Water Company 280-3 TOTO toilets 637-9 Triumph Motorcycles Ltd 607-11 Vermont Teddy Bear 34-7 Vipp AS 696-8 wind turbine industry 388-90 Zippo lighters 469-70 cash in advance 496-7 Cathay Pacific advertising 569 CD format 429 CD production 687-8 celebrity branding/endorsement 146, 450 - 3deceased celebrity 453 disillusion with 233 lingerie 684 negotiating license 452-3 value of license 451 centres of excellence 14 Cereal Partners Worldwide 142-8 competitors 147-8 certificate of origin 522 Chambers of Commerce 50, 52, 189 change agents 49-53 channel conflicts 527, 528, 531 channel decisions 508 competition 510 customer characteristics 509 external determinants of 509-12 legal regulations/local business practice 510 nature of demand/location 509-10 nature of product 509 channel management 508, 530 see also distribution channel relationships 532 power in 531 channel structure 512-15, 534 channel length 514 channel width 512-13

channel structure (continued) control/cost 514 degree of integration 514–15 market coverage 512-13 Chantelle lingerie 683-4 Chevrolet 579-83 history 579 online selling 579-83 children's television programming 91 - 3China automotive market 391 brandy marketing 569-70 bribes 634 culture 225 giving gifts 616 IMAX in 407 and Levi Strauss 234 motorcycle industry 237-9 television manufacture 537-8 understanding entry modes into Chinese market 309 choice of entry mode see entry mode choice of intermediary see intermediaries cinema advertising 545, 552 Cisco 30 cluster analysis 255, 256 clustering 100 co-branding 442, 443, 445-6 see also brand co-promotion 549-50 Coase, R.H. 67 Coca-Cola 45, 434, 568 alliances 350 co-branding 445-6 effect of brand 440 franchising 335 in Muslim countries 636 coffee industry 134-41 coffee shop chains 137 fair trade movement 135-6 major markets 136 retailing 139-40 singleserve format 137-9 supply chain 140-1 cognitive diversity 631, 632 Colgate-Palmolive 447, 448, 459 collaborative advantage 104-6 collectivist societies 229, 230 commercial banks 500 commercial documents 522-3 commercial risks 54 common market 203, 204 communicating in the global world 241

communication decisions 541-83 case studies 578-81 communication tools 545–62 implications of Internet 572-6, 577 communication process 18, 542-4 competitive differences 544 economic differences 544 influencing factors 543 key attributes of effective 543 language differences 543-4 legal and regulatory conditions 544 measuring performance 662 sociocultural differences 544 communication tools 545-62 advertising 545-53, 577 direct marketing 545, 556-7, 577 Internet marketing programme 572-6, 577 personal selling 545, 557-62, 577 public relations 545, 554-5, 577 sales promotion 545, 555-6, 577 viral marketing 577 Compaq 528 compensating advantage 61 compensation deal 501 competences 110-11, 114, 670 competition and entry mode choice 301 globalization of 418 as internationalization triggers 51 and pricing policy 479 competition analysis in an industry 101-6, 118, 671 buyers 103, 105 collaborative five-sources model 104 - 6market competitors 102-3 new entrants 104, 105 substitutes 103-4, 105 suppliers 103, 105 competitive advantage 106-7 basic sources of 110-11 and collaborative advantage 104-6 international 98, 99 and product positioning 437 and scale economies 14 and value chain 19-27 competitive benchmarking 111-14, 119 development of dynamic model 112 - 14competitive diamond 97, 98 competitive pressures 45 competitive triangle 106-7, 118, 119

competitiveness analysis of national 98-101, 118 development of international 96-124 and subcontracting 372, 373 and time-based competition 98 see also development of international competitiveness computer-aided telephone interviewing 166 concentration of an industry 102 configuration of firm's worldwide activities 26-7 consignment 499 consular invoice 522 consumer panels 175-6 consumption 84 structure of 210 Continental tyres 128, 129, 131–2, 133 contraceptive market 306-9, 369 female condoms 277-9 contract logistics 526-7 contract manufacturing 330, 331, 332, 348 contracts with distributor 518-19 with intermediaries 320-1 for joint ventures 344, 347 termination of 322 control and subsidiaries 356-7 controlling global marketing programme 659-65, 673 annual plan control 664-5 behavioural controls 661, 663 design of control system 660-63 early performance indicators 664 and environment of organization 663-4 feed forward control 663-4 key areas for control 664-5 locating responsibility 661, 662 output control 661 performance measurement 662-3 profit control 665 cooperative export mode 311, 312, 323 - 4coordination of worldwide activities 26 - 7Copenhagen criteria 205 core competences 110-11, 114 corporate culture 621-23, 661 corruption 196 cost and freight (CFR) 494, 495

cost, insurance and freight (CIF) 495, 496 costs reducing 32 structure of 102 counter-trade 316, 501 counterfeiting brands 464 country-based subsidiaries 644 country-of-origin effects 438 Courvoisier advertising 569-70 Cravone 449 credit policy 188 cross-cultural learning 631 cross-cultural sales negotiations 615-41,672 case studies 635-9 competences 627 concession making and agreement 619 - 20and cultural distance 617 different organizational models 622 - 3evaluation of partner's intercultural exchange of information 619 expatriates 627-9, 635 gap model 623-6 impression formation accuracy 618 instrumental strategies 619 intercultural preparation 626-7 interpersonal attraction 619 knowledge management 629-33, 635 negotiating strategies 626 negotiation outcome 620 non-task related interaction 617-18, 619-21, 635 persuasion and bargaining 619 process 617-23 representational strategies 619 status distinction 618 training salespeople 624-6 transnational bribery 633-4 Cryos International Sperm Bank 88-91 US market 90 value chain 89 cultural adaptation 85 cultural differences 19, 225-6 awareness of 626 and joint ventures 346 managing 231-2 and negotiations 616-17 and Pocoyo 26 professional service firms 426 services 84-5

cultural distance 62, 67, 244, 367, 617, 623, 625-6, 635 cultural sensitivity training 633, 635 culture 615-16 Arab countries 221, 224, 225 and buyer-seller interaction 378 convergence and divergence 225, 232 - 3corporate 621-23, 661 defined 216-17 effects on ethical decision-making 233 - 5elements of 221-8 high- and low-context 218, 220-1, 236 Hofstede's model 228-30 and language 221-3, 247-8 layers of 219-20 and market segmentation 249-50 masculinity/femininity 621 norms 544 organizational 624-5 power distance 621-2 self-reference criterion 234 uncertainty avoidance 621 youth culture 232-3 see also cross-cultural; sociocultural currencv devaluation 199-200, 479, 493 and export pricing 492-3 PPP 200-2 customer relations 32 and Internet 457, 458 customer service and logistics 525 customer-perceived value 83 customers building relationships with 196 global 18 Internet collaboration with 453-9 response to pricing policy 479 segmentation 531 as unit of focus 666 customization of products and services 454-5 dynamic 456-7 customs union 203, 204 Danish Klassic cheese 465-9

Danish Klassic cheese 465–9 advertisements 466–8 marketing plan 466–7 data collection and analysis 170 data mining 29 data retrieval 162–3 databases of online customers 84 and privacy laws 158 De Beers 535-7 decision-making ethical 233-5, 236-7 and role of market researcher 155 - 7decision support systems 154, 158 deglobalization 19 delivered at frontier (DAF) 495 delivered duty paid (DDP) 495, delivered duty unpaid (DDU) 495 delivered exquay (DEQ) 495 delivered exship (DES) 495 delivery points of risk shift to buyer 495 terms 494-6 Dell business model 454 Delphi studies 175 demand-chain thinking 458 demographics and market segmentation 248 Denmark: hearing aid producers 101 see also Danish Klassic deregulation 18 design of products and Internet 457 designing the global marketing programme 415-611, 672 case studies 584-611 communication decisions 541-83 distribution decisions 507-40 pricing decisions 474-506 product decisions 421-73 devaluation of currency 199-200, 479, 493 developing countries 202 development of international competitiveness 96-124 analysis of national competitiveness 98-101, 118 blue ocean strategy and value innovation 115-16 case studies 116-18, 119-23 competition analysis in an industry 101-6, 118 model of 97 Porter diamond 97, 98-101 value chain analysis 98, 106-14, 118, 119 DHL 538 Diageo Plc 591-7 diamond industry 535-7 Dido 685, 686-7 differentiation 102 diffusions of innovations 18 direct entry 86 services 86, 87

direct export mode 311, 312, 317-22 advantages and disadvantages 324 agents 318-19 choice of intermediary 319-21 distributors 318 evaluating partners 321-2 services 86, 87 termination of contracts 322 direct mail 556-7 direct marketing 545, 556-7, 577 Disney 11-12, 350 Disneyland Paris 85, 426, 625 distribution evaluating international partners 321 - 2LDCs and advanced countries 202 measuring performance 662 systems 291 distribution decisions 507-40 case studies 535-8 channel decisions 508 channel integration 514-15 external determinants of channel decisions 509-12 grey marketing 533-4 implications of Internet 527-8 managing and controlling channels 515-20 managing logistics 521-7 see also channel distributors 318 agreements 518-19 control problems 520 criteria for evaluating 516-17, 518 motivating 519-20 potential problems 515 relationship with 516 screening and selecting 516-18 terminating relationship 520 see also intermediaries dock receipt 522 documents export 522-3 documents against payment and acceptance 498-9 domestic-based sales representative 357, 358, 368 domestication 191 Douwe Egberts 121-3, 139 Ducati motorcycles 455-6, 607 Dunkin' Donuts 639 Dunning's eclectic approach to internationalization 62 Durex 307-8, 369 Dyson vacuum cleaner 600-6 history 600

marketing 601 e-commerce 18, 81, 527, 533, 573 see also Internet early starter 72, 73 early-GAM stage of GAM model 651, 652,653 Eaton Corporation 392 economic development 199 levels of 202-3 and market segmentation 248 economic efficiency 81 economic environment 199-205 Big Mac index 200-2 classification by income 202-3 EU enlargement 205 influence of exchange rate 199-202 per capita income 209-10 purchasing-power parity 200-2 regional integration 203-5, 206 - 10structure of consumption 210 economic union 203, 204-5 economies of scale 10, 13-14, 15, 16, 61, 99–100, 104 and experience curve 108-9 and export mode 311 and internationalization 44-5 and outsourcing 374 and pricing structure 485 economies of scope 10, 15 education 225-6 and market segmentation 249 Egypt 410-13 electronic data interchange 80 for invoices and orders 510 electronic marketing 87 electronics industry: Japan 100 Elvis Presley Enterprises Inc. 57-8 embargoes 193 employee relations 196 EMU see European Economic and Monetary Union Entertainment Rights 91-3 entrepreneurial organizations 13, 75, 76 decision-making 12-13 entry barriers 104 entry mode choice 295-309, 671 case studies 300-2, 305-9 control required 301-2 desired mode characteristics 303-4 direct and indirect trade barriers 301

latest developments 606

external factors 300 flexibility 302 influencing factors 297-304 intensity of competition 301 internal factors 297-302 and pricing policy 477 and relevant intermediaries 301 and risk aversion 303 three rules 295-6 transaction cost approach 296-7 transaction-specific factors 301, 304 see also market entry strategies Environmental Defense Fund 463 environmental management in value chain perspective 461 environmental movements 459-60 alliances with 462-3 EPRG framework 7 erectile dysfunction market 352-3 estimation by analogy 160-1 ethical decision-making 233-5, 236-7 effects of culture 233-5 ethics, business 233, 236 ethnocentric orientation 7, 358 euro 205-10, 211 implications of 493-4 Europe lingerie market 680-83 retailing 529-30 European Economic and Monetary Union 205-10, 211 impact of 206 and regional integration 206-7 European Free Trade Area (EFTA) 204European pricing strategy 489-91 price corridor 490 European Union 204-5 agents directive 322 enlargement of 205 euro 205-10, 211, 493-4 GNI and population 208 local-content requirements 190 ex ante costs 67, 68 ex post costs 67, 68 ex-works (EXW) 494, 495 exchange controls 190 exchange rates 199-200 EMU 206 and outsourcing 376 and pricing policy 479, 493, 502 risk 302

exit barriers 103, 292 exit from foreign market 365-7 attractiveness of current operations 367 environmental stability 366 governance issues 367 strategic fit 367 expanded subcontracting 376 expatriate sales persons 627-9, 635 culture shock 629, 635 repatriation 629 selection of 628 support 629 training 628-9 expenses and budget 666 experience curve 108-9 pricing 482-3 experience, international 298-9 experimental research 165 export agents 52 export buying agent 314 export commission house 314 export credit insurance 188, 500 export declaration document 522 export documents 522-3 export financing 499-501 barter 501 bonding 500-1 buy-back agreement 501 commercial banks 500 compensation deal 501 counter-trade 501 export credit insurance 500 factoring 500 forfeiting 500 leasing 501 export intermediaries 297, 301 opportunistic behaviour from 296 export management companies 311, 315 export marketing groups 323-4 advantages and disadvantages 324 export mode of entry 292, 293, 310-28,671 advantages and disadvantages 324 case studies 324-7 cooperative export 311, 312, 323-4 direct export 311, 312, 317-22 indirect export 311, 312, 313-17 partner mindshare 311, 313 export promotion programmes 48, 187 export quotas 192-3 export subsidies 187 externalization of transactions 69 Exxon 436

factoring 500 fast food industry franchising 336, 337 female condom market 277-9 Female Health Company (FHC) 277 - 9Femilet lingerie 679-84 celebrity branding 684 franchise model 679 international competitors 683-4 marketing activities 679-80 feminine cultures 229, 621 firm size and entry mode choice 298 first movers 109 advantage 262 flexibility of born globals 80 of entry mode choice 302 of organizations 10, 13 focus groups, online 174 food consumption and market segmentation 250 Ford Motor Company 504 foreign sales branch 357, 358-9, 368 foreign sales subsidiary 357, 358-9, 368 forfeiting 500 Formule 1 Hotels 116-18 value curve 117 franchising 50, 86-7, 331, 335-8, 349 business format package 335-6, 337 differing from licensing 336 Femilet lingerie 679 handling possible conflicts 338 innovation 338 international expansion of 337 managing franchisee relationships 337-8 product and trade name 335 standardization 338 Fred Hollows Foundation 369-70 free alongside ship (FAS) 494, 495 free on board (FOB) 494, 495 free carrier (FCA) 494 free trade area 203, 204 freight forwarders 524 functional structure 643-4

gaming market 119–21 Gammel Dansk advertising 570–1 gap model in international negotiation 623–6 GDP (Gross Domestic Product) 202, 211 General Electric 459 General Electric Lighting 268 General Mills 142–4, 146–7 General Motors 346, 544 geocentric orientation 7, 358 geographic distance 244 geographic location of market 247 geographical structure 645-6 gift giving 236-7 and culture 616 Gillette 504, 568 shavers 692 GlaxoSmithKline 352-3 global account management (GAM) 488, 648-59 analysing global accounts 647-8 balanced negotiation model 657-8 bow-tie type development 651, 652,653 central HQ-HQ negotiation model 657, 658, 659 company and individual level benefits 653 decentralized local-local negotiation model 656, 658-9 developing operational level capabilities 650-1 diamond type development 651, 652 dyadic development of 651-55 identifying global accounts 649 implementation of 649-51 Millman-Wilson model 651-54 selecting strategies 650-1 supplier's advantages 654-5 supplier's disadvantages 655 global accounts 18 global coordination/integration 17 - 18global corporate portfolio 264-6, 267 global industries 6 global marketing activities 643-8 country-based subsidiaries 646 defined 7-8, 33 functional structure 643-4 geographical structure 645-6 international divisional structure 644 major decisions 156 matrix structure 647 product divisional structure 644-5 regional management centres 646 services 424 strategies 262-4 global marketing budget 666-9 global marketing in the firm 5-39 case studies 34-9 comparison of marketing and management style of SMEs and LSEs 9-15

global marketing in the firm (continued) development of global marketing 7-9 forces for global coordination/ integration 17-18 forces for market responsiveness 19 value chain and international competitive advantage 19-27 global marketing plan 667 development of 668-71 global marketing programme controlling 657-63 implementation and coordination 611-76 organization and control of 640-76 see also implementing; organization global marketing research 153-84 ad hoc research 174-5 case studies 180-3 changing role of international researcher 154-5 continuous research 175-6 custom-designed studies 175 internal/external data 155, 157, 158 - 9linking to decision-making process 155 - 7multiclient studies 175 online primary research 173-4 primary research 155, 156-7, 161 - 72qualitative/quantitative research 161 - 3sales forecasting 176-7 scenario planning 177-8 secondary research 155, 156-61 setting up an international MIS 178-80 see also primary research; secondary research global networks 80 global project groups 629-31 choosing group members 630 cognitive diversity 630, 631 selection of team leadership 631 global purchasing: pooling 14 global sourcing activities 78 Global Subscription Service 251 global village 18, 19 global world, communicating in 241 global-pricing contracts (GPCs) 489, 490 globalization 5, 17 adaptation and standardization 417-19

debate on 214 protests 212-13 glocalization 8, 17 GNI (Gross National Income) 207, 208 GNP (Gross National Product) 201, 202, 211 Goodyear tyres 128, 129, 130, 131, 132 Gordon's Gin 448 governments 52 building relationships with 196 and national diamond 101 green marketing strategies 459-63, 465 alliances with environmental groups 462-3 and consumer preferences 462 and credibility 462 education of consumers 462, 463 strategic options 460-1 greenfield investment 364, 368 Greenpeace 462, 463 greenwashing 462 grey marketing 486, 490, 533-4 strategies to reduce 534 gross rating points (GRPs) 549 Guinness 593-9 international marketing strategy 597-9 market shares across regions 596-7

Habibi water pipe tobacco 271-2 see also Mac Baren Tobacco Company Haier Group 48 hamburger standard 200-2 hard services 299 Harley-Davidson 29, 502-3, 607, 609,610-11 Hasbro 272 Heineken Al Ahram Beverages Co. 410-13 viral marketing 566-7 Helly Hansen 578–9 hierarchical modes of entry 292, 293, 299, 302, 356-71, 671 advantages and disadvantages 368 assembly operations 360 case studies 369-70 domestic-based sales representative 357, 358, 368 foreign branch 357, 359, 368 foreign divestment 365-7 location/relocation of HQ 364-5 region centre 357, 360-3, 368

resident sales representatives 358-9 sales and production subsidiary 357, 359-60, 368 transnational organization 357, 363, 368 in value chain perspective 357 wholly owned subsidiaries 364 high-context cultures 218, 220-1 historical development of internationalization 61-2 life cycle concept 61 traditional marketing approach 61 Uppsala model 61, 63-7 Hofstede, G. 621-23, 624 4 + 1 dimensions model 228–30, 236 strengths and weaknesses 229-30 home country environment 186-9 export facilitating activities 188-9 financial activities 187-8 information services 188 private organization promotion 189 promotional activities 187 state trading 189 Honda UK: viral marketing 565 Honest Tea 327 hospitality industry 85, 425 host country environment 189-91 political risks 189-91 Hotmail 563 HP/Compaq business model 454 HQ location selection 364-5 human resource management 22 human resources and global accounts 650-51

IKEA 529, 530 Catalogue 239–40 cultural differences 240 corporate culture 396-7 franchising 335, 394-9 global suppliers 657 history and timeline 394-5 internationalization of 397 IMAX Corporation 405-9 international marketing 407 implementing and coordinating global marketing programme 613-78 case studies 679-98 cross-cultural sales negotiations 617-43 organization and control of global marketing programme 642-78

import controls 190, 478 quotas 192 inbound logistics 20, 21 income, variations in per capita 209-10 incoterms 494-5 independent internationalization 385 India female condoms 279 McDonald's in 16 nepotism 225 indirect entry 86-7 indirect export mode 311, 312, 313-17 broker 314-15 export buying agent 314 export management company 315 piggybacking 316-17 trading company 315-16 individualist societies 229 industrial structure and market segmentation 248 industry globalism 6, 418 information business and virtual value chain 31-3 information exchange and GAM 651 information search 52-3 information for services 425 information sources 10, 15-16 information technologies 80-1, 84 information-based services 424, 426 infrastructure of organization 22 ingredient branding 441, 443, 445-6 initiation of internationalization 41 - 59barriers/risks 53-5 case studies 55-9 internationalization motives 42-8 triggers 49-53 innovation 32-3, 363 diffusion of 102 franchising 338 implications of Internet 457-8 products 78 and subcontractor 375 value 115-16 institutional factors 110 insurance certificate 522 integration 109 intellectual property rights 452 intermediaries choice of 319-21 contracts with 320-1, 322 support and motivation of 321 see also distributors

intermediate modes of entry 292, 293, 302, 329-55, 671 case studies 350, 351-3 contract manufacturing 330, 331, 332, 348 franchising 331, 335-8, 349 hierarchical modes 356-71 licensing 331, 332-4, 348 management contracting 347, 349 strategic alliances/joint ventures 331, 339-47 X coalition 331, 340, 352-3 Y coalition 331, 340 internalization of transactions 69 international development positions 530 international divisional structure 644 international firm among others 73 - 4international market selection process 243-73 building a model 245-60 case studies 255-7, 261-2, 267-72 expansion strategy for SMEs 262-4 global product/market portfolio 264-6, 267 market expansion strategies 260-4 SMEs versus LSEs 244-5 synergy with the firm 260 see also market screening international marketing information system 178-80 international marketing management programmes 233 see also global marketing international markets dimensions of 245 segmentation 246 see also market International Monetary Fund (IMF) 187, 194 critics of 212-13 international network 70 international new ventures 77 international pricing framework 476 environmental factors 476, 478-9 firm-level factors 476-7 market factors 476, 479 product factors 476, 477-8 international pricing strategies 480-93 currency issues 492-3 establishing global-pricing contracts 489, 490 European pricing strategy 489-91 experience curve pricing 482-3

global price follower 487, 488 global price leader 487, 488-9 implications of the Internet 493-4 international pricing taxonomy 486-90 local price follower 487-8 market pricing 480 multilocal price setter 487, 488 penetration pricing 481 price changes 481-2 product line pricing 484 product-service bundle pricing 484 - 5skimming 480 standardization versus differentiation 485-6 transfer pricing 491–2 international product life cycle 261 international retailing 528-32 cross-border retailing 532 legislation 529 stages of internationalization 530 internationalization 5 advantages 62 cooperation with domestic/foreign system suppliers 384-5 following domestic customers 384 independent 385 and information search 52-3 initiation of 41-59 inward 50-1 motives for 42-8 nine strategic windows 6, 670 outward 50, 51 preparation 77 preparedness for 6-7 routes 384-5 six dimensions of 64, 65 as sum of target country patterns 66 through supply chain of MNC 384 triggers 49-53 Internet 18 born globals 81-2 collaboration with customers 453-9 and communication decisions 572-6, 577 customization and customer relationships 454-6 developing brands 459 and distribution decisions 527-8 and future product innovation 457 - 8implications for international pricing 493-4

Internet (continued) information services 188 as internationalizing strategy 87 marketing 557 ordering 509 price sensitivity of consumers 494 role in customers' buying process 572 service organizations 84, 85 start-ups 81 surveys 166 Vermont Teddy Bear 34-7 Internet marketing banner advertising 575 barter advertising 575 customer feedback 576 design requirements 574 integration into overall strategy 573 interactive public relations 575 leave business to resellers 527-8 measurement and analysis 576 online editorial placement 574 opening business to everybody 528 present only product information 527 programme 572-6, 577 promotions 575-6 restricted to manufacturer only 528 search engine optimization 574 sponsorships 575 strategic linking 574 web audience creation 573-6 see also viral marketing Internet Service Providers 493 interrelationships 109 interviews 166-7 inventory at factory base 524-5 invoices 521, 522, 533 inward/outward internationalization 50-1, 75-6 Ireland mineral water case study 280 - 3Islamic countries 249 advertising in 544 culture 227-8, 620 marketing alcoholic drinks 410-13 marketing cola 633-5 Muhammad cartoons 468-9, 635 Italy: retailing 529

## Japan

car industry network sourcing 385–6 condom market 369

culture 225, 229, 230, 231, 621-22 distribution system 478, 510-12 electronics industry 100 giving gifts 616 McDonald's 16 motorcycle industry 100, 608-9 penetration pricing 45, 481 retailing 529 TOTO toilets 638-9 trading companies 316 Jarlsberg cheese 305-6 Johanson, J. 63-4, 244, 299 joint ventures 61, 293, 331, 339-47, 349, 362, 367 average lifespan of 344 change stimuli and potential conflicts 346 changes in bargaining power 345 contract writing 344 cost-benefit analysis 342 developing business plan 343 developing trust 347 diverging goals 346 exit strategy 347 managing 344 negotiation of agreement 343 objectives 340-1 performance evaluation 344 selecting partners 342-3 shared equity 347 stages in formation 340-4 JVC 428

Kellogg 142, 146, 147, 449, 463 Aldi own-label deal 444–5 Basmati Flakes 436, 437 Know-how 8, 301, 332 and entry mode choice 304 types of 387 knowledge management 8–9, 629–33, 635 explicit knowledge 631 global project groups 631–33 tacit knowledge 29, 631 Konica Minolta 258–60, 302–4 Kraft Foods 138, 447, 459

labour restrictions 190 language and advertising 543–4 and culture 221–3, 247–8 differences 218, 543–4 and joint ventures 346 major languages/number of speakers 223 and market screening 247–8

non-verbal 222-3 verbal 222 late starter 73 Latin America 250 culture 225 law of diminishing returns 81 law of one price 200, 211 and EMU 205 lead country concept 361–2 lead-lag analysis 159-60 leapfrogging experience curve 109 internationalization process 65-6, 67 Lear Corporation 390-1 learning across borders 8, 627-31 leasing 501 legal and political environment 186-99 barriers 186 trade 191-4 general international environment 194-9 home country environment 186-9 host country environment 189-91 LEGO co-branding with Shell 446 co-promotion with McDonald's 550 Free Style advertising 572 and Ka-Boo-Ki 351-2 strategic drift 11-12 less developed countries (LDCs) 61, 202letter of credit 497-8, 521, 522 Levi Strauss 459 ethics code 234 Levitra 352-3 licensing 61, 86, 331, 332-4, 348 franchising differences 336 licensing in 333-4 licensing out 333 life cycle benefits 334 Lidl 531 Lifan Group 237-9 life cycle concept for international trade 61 lifestyles and market segmentation 250 lingerie market 679-84 celebrity branding 684 linkages 109 literacy levels 249 LM Glasfiber A/S 388-90 lobbying 196 local community, relationships with 196

local production 6, 359-60 local-content requirements 190, 193 - 4localization 17 location and costs 109 factors influencing 99-101 locational advantages 62, 101 logical incrementalism 11 logistics 22 and environmental management 461 inbound and outbound 20, 21 and Internet 457-8 logistics management 521-7 export documents 522-3 freight forwarders 524 inventory at factory base 524-5 materials management 521 order handling 521-2 packaging 526 physical distribution 521 storage/warehousing in foreign markets 525 third-party logistics 526-7 transportation 523-4 lonely international 72-3 long-range plans 667 long-term orientation (LTO) index 229 longitudinal studies 175-6 low-context cultures 218, 220-1 LSEs: defined 9 see also under SMEs Lush cosmetics 449 Lysholm Linie Aquavit 324-6 Mac Baren Tobacco Company 269 - 72McDonald's 15-16, 232, 336, 529, 676-7 alliances 350 co-promotion with LEGO 550 Madame Tussauds Group 438-9 magazine advertising 545, 551 Magnum ice cream 548 mail surveys 165-6 management by objectives 662 contracting 87, 347, 349, 350 perceptive 49 managers future role of 648 skills of 616 urge for internationalization 43 Manchester United 125-7

brand evolution 125-6

manners and customs 224-5 manufacturer's own brand 443, 445 manufacturing activities 199 Mariott 354 market attractiveness/competitive strength matrix 252-4 market commitment 63-4 market control 190 market coverage 512-13 market demand 51 market diversification/concentration 265 market entry strategies 291-413, 671 case studies 394-413 choice of entry mode 295-309 export modes 292, 293, 310-28, 669 hierarchical mode 292, 293, 299, 302, 356-71, 673 intermediate mode 292, 293, 302, 329-55,671 own sales subsidiary 292 sourcing decisions and role of subsupplier 372-93 see also entry mode; export mode; hierarchical; intermediate market exchange understanding 379 market expansion strategies 260-4 concentration versus diversification 262-3 incremental versus simultaneous entry 261, 267 market forecasting 176 market growth rate 102 market knowledge and internationalization 44 market potential data 157 market pricing 480 market responsiveness 15-16, 33 forces for 19 market risks 54 market screening 670 criteria 246-50 fine-grained screening 250, 252-3 general characteristics 247-9 Konica case study 258-60 market/countries screening 250-7 model 245-60 preliminary screening 250-2 shift-share approach 251-2 specific characteristics 249-50 market segmentation 246, 267, 668 accessibility and measurability 246 - 7criteria for 246-50, 267 and culture 249-50

micromarket segmentation 255 PEST approach 247 proactive and systematic approach 259 subsegments in and across countries 255-57 market size 253, 300 and entry mode choice 300 marketing 20, 21 adaptation 417-19 profitability measures 666 SMART objectives 671 trade 530-2 viral 563-8 marketing information system 154, 178-80 marketing mix 672 7Ps mix 415–16 adaption and standardization 417-19 B2B marketing 415 marketing myopia 102 marketing research 112 and reverse marketing options 383 see also global marketing research markets globalization of 418 worldwide 18 see also international market selection marketspace 115 known and unknown 119 Marks & Spencer 442, 444, 530, 681 marriage metaphor 380-1 Mars Inc. 672 masculine cultures 229, 621, 622 mass customization 458 materials management 521 matrix structure 647 Matsushita cultural training 661 Mazda cars 385-6 Mecca Cola 635-7 media selection for advertising 548-9 cinema 545, 551–2 criteria for 549 gross rating points (GRPs) 549 magazines 545, 551 newspapers 545, 551 outdoor 545, 552 radio 545, 551 television 545, 550 Mercedes-Benz 448 advertising 550-1 mergers and acquisitions 365 Michelin tyres 128, 129-31, 133 micromarket segmentation 255

Microsoft Xbox 119-21 mid-GAM stage of GAM model 651, 652,653 Millman-Wilson GAM model 651-54 mineral water market case study 280 - 3mobile phones 484, 579-81 motives for internationalization 42-8.55 competitive pressures 45 domestic market saturation 46 foreign market opportunities/information 44 managerial urge 43 overproduction/excess capacity 46 - 7profit and growth goals 43 psychological distance 47 scale economies 44-5 seasonality in demand 47 tax benefits 45 technological/product advantage 43 - 4unsolicited foreign orders 47 motorcycle industry 237-9 Japan 100 world market 237-8, 605-9 Muhammad cartoons 468-9, 637 music industry 458 CD production 687-8 Sony BMG 685-8 value chain 685, 686 NAFTA (North American Free Trade Area) 204, 208, 361 national culture 219 national sovereignty and EU 207 nationalization 190 NEC faked company 464 negotiations cross-cultural 616-17 and language 617 non-verbal language differences 223, 224-5

223, 224–5 nepotism 225 Nestlé 142, 143, 144, 186, 447, 448 network model 70–4 four cases of internationalization 72–4 relevance for SME as subcontractor 74 network organization 18 network theory 53 networking 221 newly industrialized countries (NICs) 203

newspaper advertising 545, 551 niche markets 80 NIDEK 58 Nike 123, 451, 454, 459 nine strategic windows model 6, 670 Nintendo 11, 14, 119-21 Nivea 39 Nokia phones 448, 536-8 in US market 536-8, 580-1 non-tariff barriers 192-4, 478 non-verbal language 222-3 aspects in international business 223 Norwegian cheese 305-6 observational research 164 OEM (original equipment manufacturer) contract 373 and ingredient branding 446 OneCafé134-41 online databases of customers 84 monitoring of stock 508 qualitative research 174 see also Internet online surveys 173-4 disadvantages 173 open account 499 operating risk 189 operational effectiveness 112 operations 21 opportunistic behaviour 67, 296, 297 Oracle 313 order cycle 523 time 524-5 order handling 521-2 order taking 425 organization of global marketing programme 642-78 budget 666-9 case studies 674-6 controlling global marketing programme 657-65 global marketing plan 669 organization of global marketing activities 643-8 organizational culture 219, 220, 624-5 organizational models 622-3 organizational structure 643-7, 669 and global accounts 650 Orgasmic Chocolates 449-50 **OSRAM lighting 268** outbound logistics 20, 21 outcome consumption 84

outdoor advertising 545, 552 output control 661 outsourcing 372–3, 377 general cost efficiency 374–5 and production costs 374 reasons for 374 outward internationalization 50, 51 ownership advantages 62 ownership risk 189

packaging 526 Panasonic shavers 692 parallel importing 486, 490, 533-4 Parle Products 326-7 participants in service delivery 415-16 partner mindshare 311, 313 partnership-based subcontracting 376, 377 partnership-GAM stage of GAM model 651, 2 653-4 patents 332 payment for services 425 penetration pricing 481 Penrose, E. 61 people processing 424, 426 Pepsi 45, 147, 440 franchising 335 perceived value 106, 107 advantage 107-8 perceptual mapping 437 performance measurement 662-3, 669,673 personal factors 76 personal interviews 166-7 personal selling 545, 557-62, 577 personality and market segmentation 250 PEST approach 247 pharmaceutical companies 51, 101, 455 Philips CD development 429 coffee 139 Quintippio viral ad campaign 567-8 Senseo coffee pod system 121-3 Philips Electronics 365 Philips Lighting 267-9 competition 268 market screening 268-9 Philips shavers 689-95 advertisements 693-5 competitors 691-92 history 689-90 marketing 692–5 partnership with Williams F1 695

physical distribution 521 physical evidence and service delivery 415-16 piggybacking 316-17 Pirelli tyres 128, 129, 130, 131, 133 Pizza Hut 336 plans, long-range 667 Playstation 120-1 Pocari Sweat 230 Pocovo 25-6 value chain 25 Polaroid 228, 484 policy decisions 109 political cooperation 207 political and economic environment 185 - 215case studies 212-14 economic environment 199-205 legal and political environment 186-99 political risk analysis 195-6 terrorist threat 196-9 political environment 210-11 political factors and market segmentation 248 political risk analysis 195-6, 210, 211 political risks 54, 189-91 pollution prevention strategies 460 polycentric orientation 7, 358 Porter diamond 97, 98-101 chance 101 demand conditions 99-100 factor conditions 99 firm strategy, structure and rivalry 100 - 1governments 101 related and supporting industries 100 Porter, Michael E. 98-9, 102 competitive advantage 115, 116 costs in value chain 109 five forces model 97, 98, 102, 104 - 5operational effectiveness 112 value chain model 27, 33 possession processing 424, 426 Postman Pat 91-3 power distance 228, 621-22 pre-GAM stage of GAM model 651, 652 pre-internationalization process 53, 55 stages 41-2 preparedness for internationalization 486, 487 press releases 545, 554

price 107 price changes 481-2 time lag 482 price controls 190 price differentiation 485-6 price escalation 477 countering 477-8 domestic channel 478 foreign marketing channel 478 price sensitivity 479 online consumers 494 price standardization 485-6 price transparency and Internet 528 pricing decisions 474-506 case studies 502-4 and choice of entry modes 477 customer response 479 export financing 499-501 factors influencing 475-9, 502 international pricing framework 476 international versus domestic pricing strategies 475 measuring performance 662 terms of payment 496-9 see also international pricing strategies primary economic activities 199 primary research 161-72, 180 experiments 165 interviews 166-7 language barriers 171 non-response 170-1 observation 164 pretesting 169 primary data 155, 156-7 problems with 170-2 qualitative and quantitative 161-3 questionnaires 165-6, 168-9 reliability and validity 171-2 research design 163-4 research problem/objectives 163 sampling 167-8 surveys 165-7 triangulation 163 Prince cigarette advertising 570, 571 private branding 443-4, 465, 531 proactive motives for internationalization 42, 43-5, 48, 55 process consumption 84 process of service delivery 415-16 Procter & Gamble 418, 447, 459 procurement 22 producers, opportunistic behaviour from 297

product advantage 43-4 cycle hypothesis 61 degrees of newness 433-4 and entry mode choice 299 measuring performance 662 standardizing 422 three levels of 422 value chain 30-1 product communication mix 434-7 dual adaptation 436, 437 product adaptation 436 product invention 436 promotion adaptation 435-6 straight extension 434-5 product decisions 421-73 brand equity 440 branding decisions 441-8 case studies 465-70 cutting time to market 431-3 developing international service strategies 422-6 developing new products 431-3 dimensions of international product offer 422 green marketing strategies 459-63 Internet collaboration with customers 453-9 new products for international market 431-7 product life cycle 427-31 quality deployment function 433 scale of elemental dominance 423 product development collaboration with customers 455 and global accounts 650 impact of Internet 457-8 new 431-3 product divisional structure 644-5 product life cycle (PLC) 427-31 across countries 430-1 and advertising 547 for different countries 430 for different products of firm 429-30 and fads 428 and industry price experience curve 483 international 430 levels of 428 limitations of 427-9 technological life cycle 428-9, 431 unpredictability 428 product line pricing 484 product positioning 437-8 country-of-origin effects 438

production capital requirements 104 local 359-60 technological advances 80 professional service firms 426 profit and growth goals 43 project export (turnkey contracts) 386-8 project groups, global 629-31 promotion mix 51-2 promotion strategies 541-83 see also communication decisions protectionism 19, 209 psychic distance 62-3, 244, 380, 381 psychological distance 47 public relations 545, 554-5, 577 interactive 575 publishers, changing business platform 455 punctuality 231 purchasing-power parity 200-2, 211 Quaker Foods 142, 147 Ouaker Oats 447 qualitative and quantitative research 161 - 3online 173-4 quality deployment function (QDF) 433 questionnaires 162, 165-6 design of 168-9 problems with 170-1 quotas 192-3, 478, 479 radio advertising 545, 551 rail transportation 523 reactive motives 42, 45-8, 55 Reebok 93 red oceans 115, 119 reference groups 225 regiocentric orientation 7, 358 region centre 357, 360-3, 368 regional economic integration 203-5 common market 203, 204 customs union 203, 204 economic union 203, 204-5 free trade area 203, 204 regional integration benefits 206-7 drawbacks 207 and loss of national sovereignty 207 shifts in employment 207 triad of Europe, N. America and Japan 209

regional management centres 644

regionalism 19 relationship model 380-2 dissolution phase 382 relationship-orientated management 18,648 relative cost advantage 108-9 religion 227-8 and market segmentation 249 Remington shavers 691, 692 research online 173-4 primary 161-72, 180 qualitative and quantitative 161-3 secondary 155, 156-61, 180 see also global marketing research; market screening resident sales representatives 357, 358-9 resources 110 SMEs and LSEs 9-10 retailer panels 176 retailing 528-32 brands 442-3, 444, 465 cross-border alliances 532 Europe 529-30 internationalization 529-30 manufacturers' support package 531 multinational 530 own-labels 444 transnational 530 United States 529 revaluation of currency 200, 479 reverse marketing 382-3 risk aversion 13, 229, 303 country risk/demand uncertainty 300 political 189-19 taking 10, 13, 76 and terrorist threat 197-8 risk avoidance cultures 621 risk management 32 strategies 54-5 road transportation 523 Rolls Royce 449 royalties 332, 333 Sainsbury's 531 branding 442–3

Sainsbury's 531 branding 442–3 sales 20, 21 forecasting 176–7 information 159 *see also* cross–cultural sales sales force assessing effectiveness of 558–9

cultural diversity training 624-6 international organization 561-62 records and reports 159 types of international 560 sales promotion 545, 555-6, 577 sampling 167-8, 170-1 sample size 168 Sanex case study 261-2 Sara Lee Corporation 121-3, 138, 261 - 2satellite television 87, 232 Saudi Arabia culture 224 Danish cheese launch 465-9 population 465 protecting agents 322 religion 227 Sauer-Danfoss 213-14, 657-8 scenario planning 177-8 and terrorist threat 197 Scotch whisky 218 screening, market see market screening search engine optimization 574 secondary data 155, 156-7 secondary economic activities 199 secondary research 157-61, 180 availability of data 158 disadvantages of 157-8 estimating market potential 159-61 estimation by analogy 160-1 external data sources 159 global sources 159 internal data sources 158-9 lead-lag analysis 159-60 reliability and comparability of data 158 SEGA 11, 120 Self-reference criterion 232 Senseo coffee pods 121-3, 138, 139 sensory branding 448-50 September 11th 196 impact of 197, 198 service, after-sales 21 service and support via Internet 457 services 28-31, 199, 424 7Ps marketing mix 415-16 in B2B market 426 categories of 424, 425-6 characteristics of 82-4, 423-4 direct export 86, 87 and entry mode choice 299 hard and soft 299 heterogeneity of 423 information-based 424, 426

services (continued) inseparability of 424 intangibility of 423 internationalization of 82-7 location issues 85 perishability of 423 pricing 485 process nature of 83-4 standardization/customization 85, 426 strategies 86-7, 422-6 supplementary 425-6 value chain 27-30 7-S framework 20, 33 shaver market 689-95 Shell 447 co-branding 446 sight draft 499 simple subcontracting 376 Singapore Airlines 449, 450 Skagen Designs 284-9 skimming 480 Skoda cars 440 SMART objectives 671 **SMEs** appropriate expansion strategy 262 - 4convergence of orientation with LSEs 9 defined 7 internationalization of 74-7 and LSE characteristics 10, 33 Smirnoff Ice 448 social institutions 225 social marketing 235-6, 237 sociocultural distance and entry mode 300 sociocultural environment 216-42 aesthetics 226 case studies 230-1, 234-5, 237-40 concept of culture 216-17 culture 229-35 differences 544 education 225-6 elements of culture 221-8 Hofstede's 4 + 1 dimensions model 228-30, 236 language 221–3 layers of culture 219-20 manners and customs 224-5 religion 227-8 social institutions 225 social marketing 235-6, 237 technology and material culture 225 values and attitudes 226 see also cultural; culture

socioeconomic groups and market segmentation 249 soft services 299 Solberg, C.A. 5-7, 221, 486, 487, 489 Sony Betamax 428 CD development 429 games consoles 120-1 Sony BMG 685-8 sourcing decisions and role of subsupplier buyer-seller interaction 377-80 case studies 388-91 development of relationship 380-2 and exchange rates 376 internationalization of subcontractors 383-5 partner selection criteria 380-2 project export (turnkey contracts) 386-8 reasons for international sourcing 373-6 reverse marketing 382-3 total cost/value hierarchy model 375 typology of subcontracting 376-7 South African political environment 186 South Korean bribery case 634 specialist expertise 10 sperm banks 88-91 sponsorship 545, 554 of website content 575 SSL International 307-8, 369 standard subcontracting 376 standardization pricing 485-6 services 85, 426 standardization of marketing 417-19, 465, 577 advertising 547-8, 568-9 factors favouring 419 product offer 422 Starbucks 370 start-ups 77 Internet 81 state trading 189 stereotyping 626 and cultural differences 617 national 257 storage in export markets 525 strategic alliances 50, 331, 339-47 Arcor Group 38-9 car industry 384 with environmental groups 462-3

strategic development subcontracting 376, 377 strategic drift 11-12 strategic renewal 365 strategy formation 10, 27 intended and emergent strategy 11 subcontracting 372-3, 377, 388 and fluctuating demand 375-6 and innovation 375 internationalization of 383-5 typology of 376-7 subsidiaries 86, 87 and control 356-7 country-based 646 foreign sales 357, 358-9, 368 own sales 292 subsidies 187, 188 substitute products 103-4, 105 supplementary service 425-6 supplier development strategies 383 suppliers 105 bargaining power of 103 value chain 24 supply chain and terrorist threat 198 surveys 165-7, 173-4 Sweden 100 Swiss Army 470-1 switching costs 102, 104, 648 SWOT analysis 666 Synergistic-GAM stage of GAM model 651, 652, 654 tacit knowledge 29, 304, 361 target markets 17, 257, 260, 671 see also market screening tariff barriers 191-2, 210-11, 478-9 tax benefits 45 tax controls 190 Tchibo 181-3, 680 technological advantage 43-4 technological life cycle 428-9 technology acquisition 77 and culture 225 development 22 globalization of 81 and joint ventures 341 know-how 387 and market segmentation 248-9 products 428–9, 431 standardised worldwide 18 Teepak GmbH 180-1 telephone interviews 166 television advertising 545, 550 terms of business 476

terms of payment 496-9 cash in advance 496-7 consignment 499 documents against payment/acceptance 498-9 letter of credit 497-8 open account 499 terms of sale 494-6 terrorist threat 196-9 impact of 197 management of 196-9 scanning and forecasting 197 as segmentation variable 197-8 supply issues 198, 199 tertiary economic activities 199 Tesco 531, 680 theories of internationalization 60-95 born globals 77-82, 87 case studies 88-93 Dunning's eclectic approach 62 historical development 61-2 internationalization of services 82 - 7internationalization of SMEs 74-7. 88 network model 70-4, 88 transaction cost analysis model 61-2, 67-70, 88 Uppsala model 61, 63-7, 88 time draft 499 time perspective 229 Time Warner 81, 82 time-space compression phenomenon 77 timing 109 Tipperary Mineral Water Company 280 - 3toilet market 637-9 TOTO toilet manufacture 638-9 cultural barriers in US 638-9 Toyota Motor Corp. 385 **QDF 433** security plans 198 trade associations 51 trade barriers 191-4 direct and indirect 301 trade creation 206 trade diversion 207 trade fairs and exhibitions 188, 560-2 trade mark licensing 332 trade marketing 530-2 trade missions 188 trade promotion organizations 189 trade terms 494-5, 502

trading blocs 19, 206 major global 207-8 trading company 315-16 transaction cost analysis model 67-70, 296-7 ex ante costs 67, 68 ex post costs 67, 68 externalization of transactions 69 internalization of transactions 69 limitations of 69-70 opportunistic behaviour from export intermediary 296 transaction cost theory 61-2 transfer pricing 491-2 transfer risk 189, 190 transnational model 646 transnational organization 357, 363, 368 transportation 523-4 costs 100 documents 522 trend forecasting 176-7 triggers of export initiation 49-53, 55 external 49, 51-3 internal 49-51 Triumph International lingerie 683 Triumph Motorcycles Ltd 607-11 history 607 market 608, 609, 610, 611 product segments 607 profile of rider 610 US market 610 women and motorcycling 610 Trojan Games 564 turnkey contracts 386-8 tyre market in Europe 128-33 uncertainty avoidance 228-9 cultures 619 Unilever 363, 387 brands 447 global portfolio 264, 265, 266 Lux soap 435-6 Magnum 548 Organics Shampoo 434-5 Snuggle fabric softener 441 United Biscuits 326-7 United Kingdom lingerie market 681-82 retailing 529 United States car parts distribution system 511 cheese market 305 culture 231 motorcycle market 609-10

retailing 529

sales promotion 555 toilet market 638 unsolicited foreign orders 47, 310, 643 Uppsala model 61, 63-7, 383, 530 and born globals 78-9 critical views of 64-7 USP (unique selling proposition) 547 vacuum cleaner market 601-605 Vahlne, I.E. 63-4, 244, 299 value chain 19, 33-4 combining product and service value chain 30-1 concept of 19-27 external linkages 24 information business and virtual value chain 31-3 internal linkages 23-4 international competitive advantage 19-27 internationalizing 26-7 Porter's model 27 primary activities 20, 21 service 27-30 and strategic pyramid 24 support activities 20, 21, 22-3 types of partnerships 339-40 value chain analysis 106-14 competitive benchmarking 111-14 competitive triangle 106-7 costs 109-10 relative cost advantage 108-9 sources of competitive advantage 110 - 11value innovation 115-16 Formule 1 Hotels 116–18 value networks 27 value shops 27-30, 31, 33-4 value-based pricing 485 values and attitudes 226 Van de Velde lingerie 683 VCR formats 428 Vermont Teddy Bear 34-7 online activities 34, 36, 37 Vernon, R. 61, 261, 430 Viagra 352-3 video case studies BMW Motorcycles 583 Burke 182 Communicating in the global world 241 Debate on globalization 214 **DHL 538** Dunkin' Donuts 639

video case studies (continued) Eaton Corporation 392 Ford Motor Company 504 Hasbro 272 Honest Tea 327 Mariott 354 McDonald's 676-7 NIDEK 58 Nike 123 Nivea 39 Reebok 93 Starbucks 370 Swiss Army 470-1 Understanding entry modes into the Chinese market 309 video game market 119-21 Vipp AS 696-8

competitors 697 marketing events 698 standardized marketing 697 viral marketing 563–8 advantages 564–5 audience targeting 566 campaign see ding 566–7 defined 563 developing a campaign 566–7 disadvantages 565 motives for 564 virtual value chain 31–3, 34 vodka market 586–92 voluntary export restraint 193

warehousing decisions 525 watch markets 287–8 water pipe market 269–72 water transportation 523 web *see* Internet Weetabix 147 Wiedersheim-Paul, F. 63 Williamson, O.E. 67, 69, 70 wind turbine industry 388–90 World Bank 187, 194 critics of 212–13 World Trade Organization 194, 206

X coalitions 331, 340, 352-3

Y coalitions 331, 340 youth culture 232–3

Zam Zam Cola 636 Zippo lighters 469–70