

Lecture 08: Five International Marketing Challenges (and how to overcome Them)

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Globalisation and the rapid growth experienced in emerging markets in Asia, Africa and Latin America fuelled the growth in international business in the last decade. The Western markets are now growing slower and even the growth rate in the emerging markets has sharply fallen in the last two years. These factors along with the Brexit (UK's decision to leave the European Union) and the America first policy being propagated by the new President of The United States of America pose grave challenges for International Marketing and Business. Given these factors what should an organisation dealing with International Marketing do in such circumstances?

The challenging circumstances described above make us wonder about the future of globalisation and international marketing. Let us look at some of the key challenges and options to overcome these challenges.

1. Slow growth in the developed markets

The foremost challenge facing us is slow growth in the developed markets. It is a fact that the growth rate in developed markets has slowed down. An International marketer however, remains to remember that despite the slow growth rate these markets remain large markets and that all marketers would need to continue to target these markets.

2. Falling growth rates in emerging markets

The second big challenge facing the world is falling growth rates in emerging markets. Despite the fall in growth rates of a lot of emerging markets a marketer needs to remember that the emerging markets will continue to grow at a faster pace than the developed markets. This is because of their large population and rising income levels which gives a boost to demand in these markets. **Thus**, all international marketing organizations' need to look beyond the developed markets and focus their efforts on all emerging markets too.

3. Demographics

The third key factor to remember is demographics. The population in developed western markets is aged whereas the emerging economies have a younger population. The emerging markets will, therefore remain important and international marketing organizations, therefore will need to continue their focus on emerging markets.

4. Increased competition and innovation

The fourth important factor is that of increased competition and innovation. Companies in the developed world will be challenged by more and more companies from emerging markets. Organisations which focus on innovation to reduce costs or increase the perceived benefit to their customers will thrive.

5. The increased role of communication

The last important consideration would be the increased role of communication. The role of communication will further go up as companies from one part of the world acquires customers from very different parts of the world. A successful international marketing organization will therefore, need to focus more and more on its efforts to communicate effectively with its customers.

Source of the text: <https://ebsedu.org/blog/international-marketing-challenges-way-forward>

Questions:

Let's listen!

Listen to the video on the link below to discover what is international marketing and global marketing!

<https://youtu.be/gOQNTMLrma8?si=dNcDRjpP1cGOX7iK>

Let's discover!

1. Define international marketing?
2. What is the difference between international marketing and global Marketing?
3. Summarize the challenges that face international marketing. Can you mention other challenges important challenges?
4. Explain the following words: globalization, Emerging Markets, fuelled, Western markets, rate, sharply, Brexit, overcome, foremost, despite, pace, thrive.
5. How can developed countries and developing countries benefit from each other through international marketing in nowadays?