

## International Product Policy

### Course Contents

1. The International Product Policy
2. Local Vs Global Products
3. Digital markets

### Objectives

This Learning Unit sets out to analyse the key areas of international product policy.

### Learning Unit Summary

The first thing that an exporting company should ask itself is whether the product is exportable. A product which is successful in the home market will not always be as successful in other markets. Remember, although globalization is a reality, each market is different in its own way. Therefore, only through market research will we find out if our product is viable or not. Furthermore, we should look at what types of modifications we should carry out on the products in preparation for different markets. Finally, we should remember the life-long question, Is it a global product or shall we have to localize it to every market?

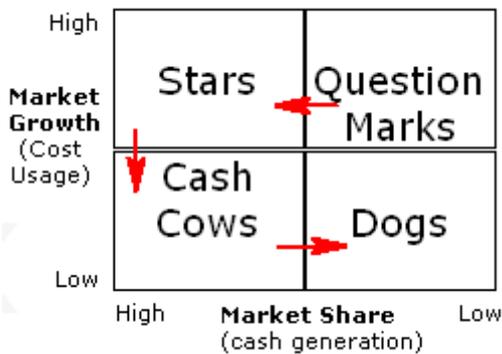
**In this unit you will:** Learn the importance of adapting your product to local requirements when entering new export markets.

### This will be achieved by :

- Examining the product adaptation options available to the exporter.
- Outlining the concept of Brand and positioning in foreign markets.
- Analysing the product characteristics that typically need to be modified for different markets.

Product may also be categorized according to its contribution to the company. (ie. the categories set by the Boston Consulting Group):

- Star products, those that have a large market share in a growing market.
- Cash cow products, those that have a large market share in a stable market.
- Dog products, those that have a small market share in a stable or slowly growing market.
- Question products, those that have a small market share in a fast growing market.

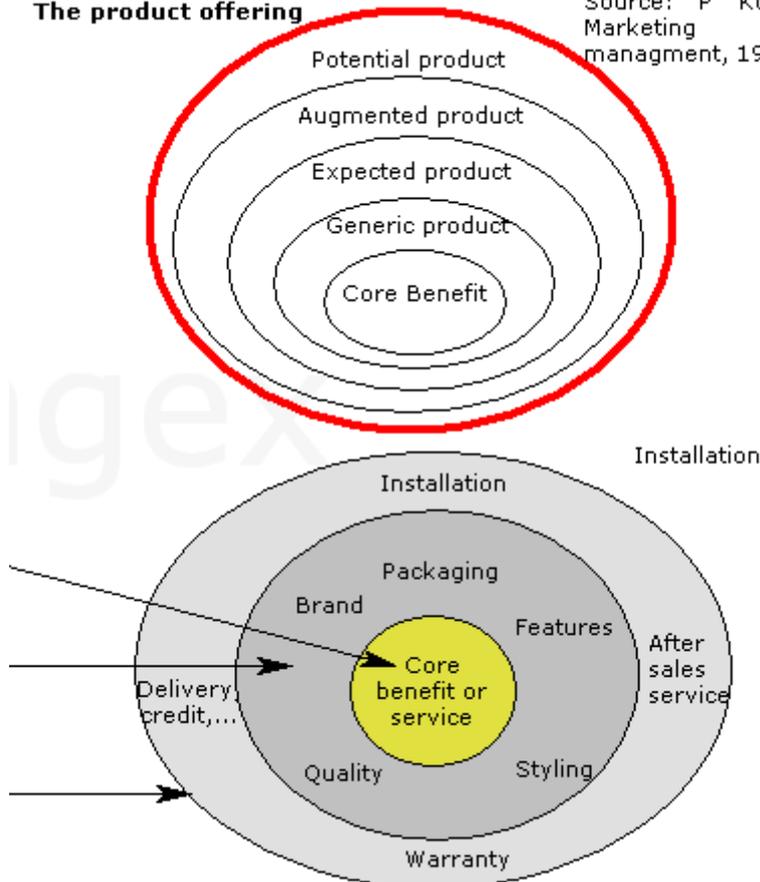


Check List:

- Is your product exportable?
- Is it a local or global product?
- Does it need to be adapted to each market?
- How does your product compare to that of your competitors?
- What about the legislation of the country of destination?
- What documents are required for export? Are there any specific documents?
- Will your product require special packaging?
- Does your product require special transportation conditions (ventilation, freezer, etc.)?
- Have the quality standards been specified in the contract of sale?
- Have you specified in the contract exemptions or penalties for damage to the goods?
- Has the civil responsibility been covered in the contract?
- Who buys our product? What type of customers?
- What are the preferences of the customers?
- What attitude do they have towards imported goods?
- What are the costs of product adaptation to each market?
- How much adaptation will you have to make?
- What are the buying habits of your customers?
- When, how much, how often and where do they buy?
- What stage of the product life cycle is the product at?
-

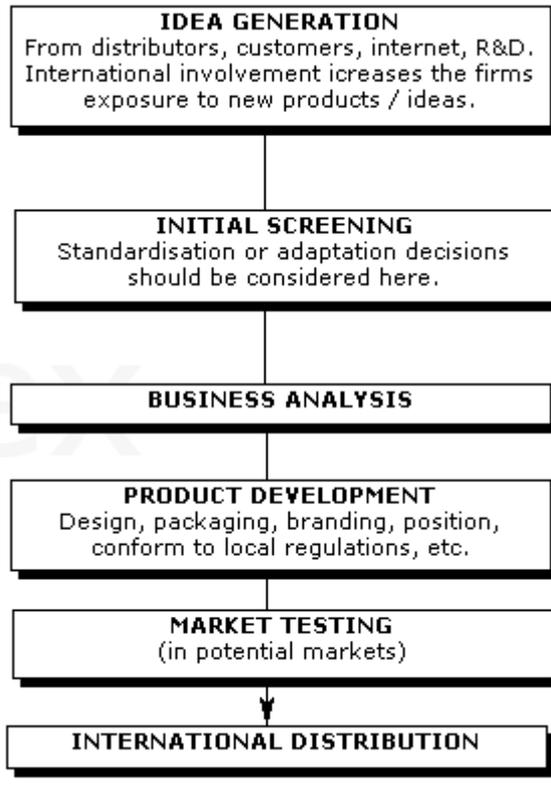
**The product offering**

Source: P Kotler,  
Marketing  
management, 1994

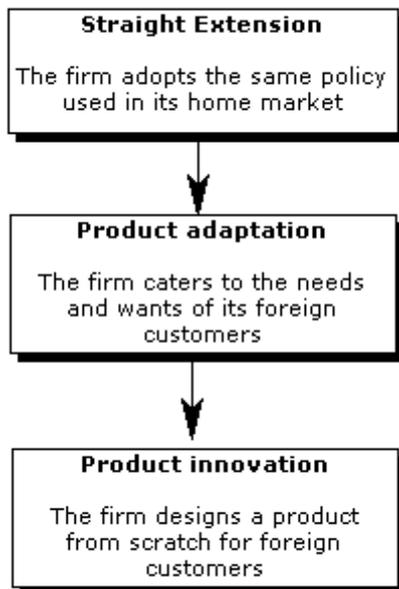


In the context of your company and its brand policy, answer the following questions:

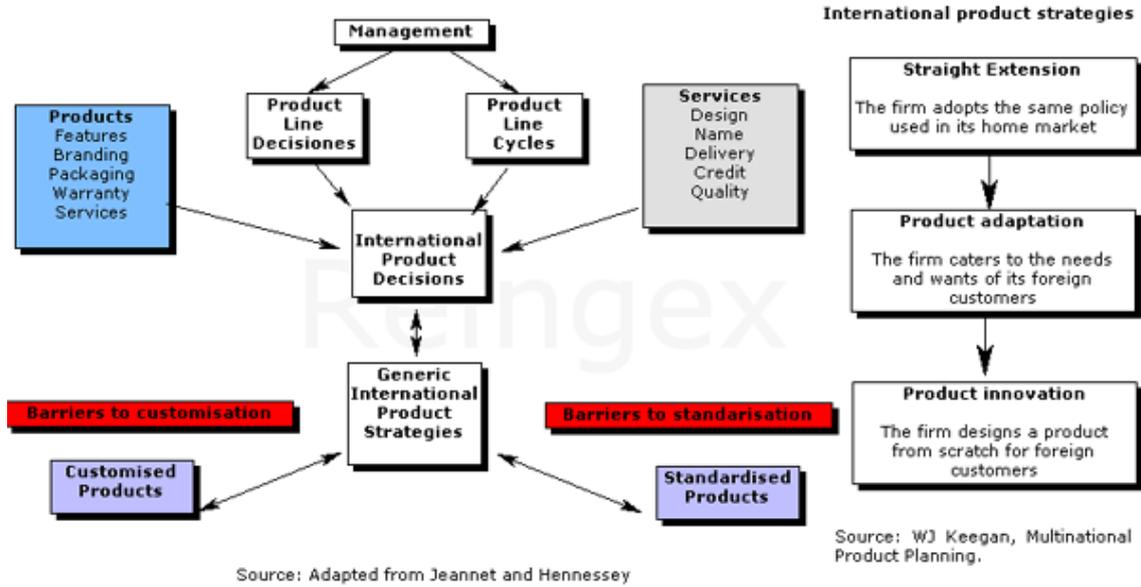
- What Brands will you use for your products/services?
- Will the brands be local or global?
- Are they branded for supermarkets?
- Are they registered?



**International product strategies**



Source: WJ Keegan, Multinational Product Planning.



Article: ISO

Exercises:

- 1- Define the product strategy of Silicon Graphics.
- 2- How Jhonson & Jhonson add value to his product?
- 3- Define the Concept of Digital Added Value. Explain a case of pervasive computing.
- 4- Define the product strategy of General Motors in China and India.

All Rights Reserved © [Arab British Academy for Higher Education](http://www.abahe.co.uk)