

International Promotion Policy

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Objectives. The main objectives of this Learning Unit are

- To learn the importance of an appropriate **promotion strategy** when entering new export markets, examine the promotion options available to the exporter, outline the key points to note when designing a company brochure and analyse the tools available when implementing a promotion campaign
- To understand the **influence of a country's international image** on its export performance.
- To understand the fundamentals of **trade fair** preparation and attendance and its related follow-up activity.
- To understand how to **plan and prepare a business trip** to a prospective export market and the follow-up which will then be required.

Learning Unit Summary

Promotion policy is another key factor in foreign trade. Besides deciding global or local promotions, the type of promotion that we should carry out will be related to the distribution systems available in of foreign markets. With a direct export, the exporter will have to bear all the costs of the promotion, however with an indirect export, the intermediary can share in this cost and participate in the design of it

The **influence of country image** in export transactions is a very significant piece of information, which should be taken into account by the exporter. The image of a country in the foreign markets depends on many factors, among them on the foreign promotional policy carried out by governments in order to improve this image. The exporter should find out what is the country image of his country in the target market. If this image is positive, the most logical thing will be to use it in our favor in our marketing plans. If the image is negative, the recommendable thing is to use the marketing mix to draw the importer's attention towards other variables of marketing.

International fairs are, without doubt, a key aspect of International Marketing. Exporters use them both to open new markets as well as to launch new products or support the work of their distributors. Participation in the fair will be defined in the

International Marketing plan developed by the company. It will have established which fairs the company should attend and will establish the budget available for the fair. Participation in a trade fair abroad is expensive and for this reason the company should establish precisely the goals to be obtained from attending.

A **business trip**, be it to prospect a market or to visit current distributors, is a key aspect to foreign trade. Nowadays it is the only way to discover the real situation of each market and especially to get to know personally and in situ our distributors. It should be organized carefully because it is expensive. Finally, the objectives of the trip should be those reflected in the international marketing plan.

International Fairs

International Fairs are without doubt a key aspect of International Marketing. Exporters use them both to open new markets as well as to launch new products or support the work of their distributors. Participation in the fair will be defined in the International Marketing plan developed by the company. It will have established which fairs the company should attend and will establish the budget available for the fair. Participation in a trade fair abroad is expensive and for this reason the company should establish precisely the goals to be obtained from attending.

In this unit you will:

Learn about preparing, attending and following up after a trade fair.

This will be achieved by :

- Outlining the objectives of attending a trade fair.
- Examining the current trends in trade fairs and international exhibitions.
- Detailing how to prepare for a trade fair, tasks to be carried out during the trade fair and the follow-up activities that will be required after attendance.

International Trade Fairs Check List

- Why do you go to a trade fair?
- What objectives do we have?
- How do you prepare for a fair?
- How are you going to organise your stand?
- What are you going to show?
- How will you act at a fair?
- What promotion do you need?
- It is recommended to make a calendar of events and note down any future trade fairs that you might be interested in visiting, so that you have time to prepare for them.
- What is the budget for the fair?
- Does the fair coincide with the objectives of the market research (find importers / identify competitors)?
- Would your production capacity be able to satisfy an increase in demand? What are your objectives in the fair?
 - Sell
 - Find new clients
 - Find a distributor/representative

- Launch a new product/service
- Carry out market research
- Improve the company image
- Other

It is recommended to keep track of the following:

- Number of local and international visitors to your stand.
- With how many of them did you establish contact?
- How many local and international exhibitors displayed the same product/service as you?
- What kind of visitors are allowed into the fair?
- General public or professionals only?

Fair publicity/advertising Check List:

- When is it done?
- What kind mass media is involved?
- In what countries?
- What additional events are organised (round tables, conferences, etc.)?
- Can we participate in them?
- What services are offered to the exhibitors? What are the prices?
- What is the deadline for applying for a stand?
- What criteria do you have to meet to obtain a stand?
- What are the dimensions of the stands offered?
- What security is offered for the stand?
- Can you take advantage of an ATA Carnet to ship your samples to the fair?
- Is there competition in the fair and how big is it?
- Who is your co-ordinator for the fair?
- How will you evaluate the results of the fair? What are your criteria?
- Have applied for a stand/ space?
- Have you received a document specifying the conditions and terms of the fair? Are they suitable for you?
- Have you paid the stand fee?
- Have you arranged invitations, etc.?
- What promotional steps will you take before the fair?
- What promotion will you do during the fair?
- What kind of promotion will you do after the fair?
- What actions will you carry out with regard to public relations before, during and after the fair?
- Have you supplied your details and announcements for the official publication of the fair (if there is one)?
- What materials will you need printed for the fair? How many copies?
- Do you need the brochures, leaflets, etc. translated?
- Will you bring part of the materials in your suitcase, in case it gets lost or delayed?
- What additional stationery will you need (order forms, business cards, promotional flyers, etc.)?

- Have you prepared the mail shot for the prospective clients?
- Have you advertised in the local mass media about your participation in the fair, if appropriate?
- Have you done a press conference before the fair?
- Have you published a press release in specialised press?
- What measures will you take in case the fair organisation does not go as planned?

PA system

- Additional personnel at the entrance ports to the fair?

Other

- What steps will you take after the fair?
 - Have you clearly defined what products you will exhibit?
 - Will you make visits to clients outside the fair?
 - Have you arranged meetings with your clients?
 - Will you have lunch/dinner with your client? What is the local tradition?
 - Do you speak the local language?
 - Will you need an interpreter? Have you contacted an agency for one?
 - Who will prepare/design your stand?
 - Have you sent out enquiries to various designers and companies assembling stands?
 - Will you need some furniture or decorations?
 - Have you chosen a carrier to take your materials/samples/equipment, etc. to the fair?
 - Have you agreed on a shipment date? What is the deadline?
 - Have you confirmed your booking with the carrier?
 - Have you arranged the return shipment date for the materials/samples?
 - Do you need an ATA Carnet?
 - Do you need special packaging for shipment?
 - Have you booked a hotel?
 - Is it near to the fair?
 - Is there a good transport connection between the hotel and the fair?
 - Can you share a stand with other companies?
 - Is your country officially represented in the fair?
 - Do they have a separate pavilion? Can we join them?
 - Will you use the opportunity and visit the nearby countries as well?
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- Have you planned for personnel shifts at the stand?
 - Will you register visitors to the stand for further follow-up?
 - Do you have enough leaflets, brochures, etc. for visitors?
 - Do you write down your comments and observations at the end of each day?
 - Have you passed on the orders received at the fair to your sales department?
 - Have you visited the stands of your competitors?

- What is their turnout?
 - What products, prices, presentation, etc. do they offer?
 - What distribution network do they have?
 - What can you learn from them?
 - Can you gather additional information on the local market?
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- Are you happy with the organisation of the fair?
 - The services provided there?
 - Were you happy with the position of your stand?
 - The security offered for it?
 - How many local visitors visited your stand?
 - How many international visitors visited your stand?
 - What kind of visitors were they?
 - Are you happy with the presentation of your products?
 - Are you happy with their promotion?
 - Are your prices competitive in that market?
 - Have you established many contacts?
 - Have you met your objectives for the fair?
 - What conclusions can you make about the competition there?
 - Any other observations?
 - Have you sent thank-you letters?
 - Have you sent the requested information, materials, samples, etc. which you didn't have at the fair?
 - Is it necessary to arrange for follow-up visits?
 - Will you participate in the next fair? What improvements will you make?

It is recommended to take details of prospective clients, as you can later establish a good working relationship with them. Here is an example of a visitor record.

- Trade Fair Title:
- Date:
- Visitor No:
- Contact name:
- Company:
- Visitor attended to by: [personnel name]
- Summary of the interview/talk:
- Interested in:
- Next action:
- Notes, general impression:

Here are the main costs that you must take into account when estimating the budget for a fair.

- Stand (EUR/m², total m²)
- Decorations (EUR/m², total m². Or EUR/each item)
- Assembling the stand

- Additional services
- Power supply
- Telephone
- Insurance
- Advertising in the official fair catalogue/brochure, etc.
- Photograph
- Cleaning
- Interpreter/translator
- Host/hostess for the stand
- Drinks/snacks for the personnel
- Free gifts/samples for visitors
- Sending offers
- Posters
- Samples
- Catalogues, brochures, flyers, etc.
- Promotion: press, radio, TV, other
- Shipment of samples
- Packaging
- Insurance
- Hotel (1 night _____ Eur, total nights _____ Eur)
- Meals
- Transport
- Flights
- Additional costs
- Personal additional costs
- TOTAL:
- Did you spend more than you had planned?
- Does the cost of the fair justify the results achieved?
- Is it a good means of promotion?

Country image

The influence of country image in export transactions is a very significant piece of information, which should be taken into account by the exporter. The image of a country in the foreign markets depends on many factors, among them on the foreign promotional policy carried out by governments in order to improve this image. The exporter should find out what is the country image of his country in the target market. If this image is positive, the most logical thing will be to use it in our favor in the marketing plans. If the image is negative, the recommendable thing is to use the marketing mix draw the importer's attention towards other variables of marketing.

In this unit you will: Learn about the influence of a country's image on its perception in export markets.

This will be achieved by :

- Examining what is a country's international image.
- Analysing how we can use our country image to promote export sales.

- Detailing the factors which influence a country's image abroad.

COMPLEMENTARY LECTURES (see attached document)

- **GLOBAL COMMUNICATION STRATEGIES**
- **STRATEGIES FOR PROMOTION AND COMMUNICATION**

Complementary cases:

- MODELO GROUP (MEXICO)
- TANTRIX

Complementaries Articles:

Promotion

- AUDIENCE LEVEL OF INVOLVEMENT: THE KEY TO SPONSORSHIP EFFECTIVENESS
- RELATIONSHIP MARKETING AND ITS IMPACT ON THE ADVERTISER-AGENCY RELATIONSHIP IN A CHINESE SOCIETY
- DIRECT TO CONSUMER ADVERTISING

Country brand

- How the World views its cities
- EXPLORING COUNTRY-OF-ORIGIN AND BRAND EFFECTS FOR SERVICES
- Korea's marketing strategy still in the game
- Is There a Case for National Branding?
- MAPPING A COUNTRY'S FUTURE
- Country brand index

Exercises

1- **Public Relations** is the purposeful, planned and sustained effort to establish a mutual understanding with customers, mass media and the general public. Please name the tools that this functional area of the business can work with, and within the context of your own company, suggest two activities giving reasons for your answer.

2- **Promotion policy** is another key factor in international trade. Besides the common dilemma of global or local promotion, our promotion strategies will be closely related to the distribution networks we have in foreign markets. With direct distribution, the exporter assumes the task of promotion, whereas with indirect exports (representative, agent, importer, etc.) promotion is normally shared, or even totally managed and carried out by distributors.

Write a report on the promotional activities of your own company, assess their effectiveness, and finally choose the top three promotional activities giving reasons for your answer.

3- **International fairs** are undoubtedly an important part of international marketing. Exporters use fairs to investigate new markets, present new products, support their distributors, etc. The participation in a trade fair will be defined by the international marketing plan of your company. The plan should define which trade fairs to attend, what to offer, etc. Attending a fair can be expensive; therefore the company should have clear objectives when exhibiting. Find out about trade fairs in your sector and choose one which is of most relevance. Then write brief notes on the objectives your company should have for attending this trade fair.

4- You are the Export Manager for ABC Ltd and your company decided to participate in a trade fair called SIAL in Paris which deals with Food and Drink. Please define all the steps that you must take before the fair in order to ensure maximum results. Consider also the actions to take after the fair is over.

5- The **country image** is of great importance in export activities. Think about the image of your country in Europe and / or the United States. What positive and negative aspects of this image do you know of?

6- With respect to the countries to which you have decided to export, study the different communications media (costs, circulation, etc) in each market and incorporate them in your marketing plan. With this data, draw up a costs study and, depending on the distribution network in each market, indicate in which you will contribute to the promotional costs incurred by the distributor, representative, etc.

CASES

- Define the SWOT of the Indian Brand.
- Describe the promotion policy of Benetton
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