

GLOBAL
EDITION



GLOBAL MARKETING

TENTH EDITION

Mark C. Green • Warren J. Keegan



Engaging Videos explore a variety of business topics related to the theory students are learning in class. **Exercise Quizzes** assess students' comprehension of the concepts in each video.

Homework: Chapter 1 Video_Toms Shoes_5.19 mins Show completed problem Save

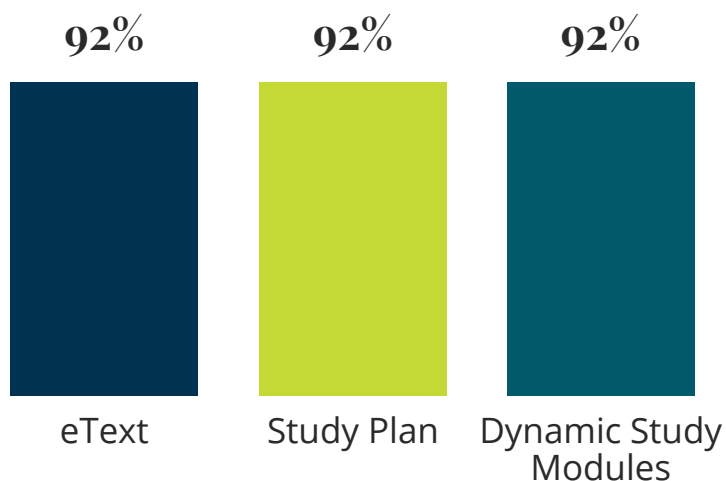
Score: 0 of 1 pt 1 of 5 (0 complete) ▶ HW Score: 0%, 0 of 5 pts

Video1.5.1 Question Help ⚙

[Chapter 1 Video_Toms Shoes_5.19 mins](#)

Which best describes the type of goods Tom's Shoes sells?

- ☐ A. C2C goods
- ☐ B. Non-profit goods
- ☐ C. Industrial goods
- ☐ D. B2B goods
- ☐ E. Consumer goods



Dynamic Study Modules use the latest developments in cognitive science and help students study chapter topics by adapting to their performance in real time.

% of students who found learning aid helpful

Pearson eText enhances student learning with engaging and interactive lecture and example videos that bring learning to life.

The **Gradebook** offers an easy way for you and your students to see their performance in your course.

89% 

of students would tell their instructor to keep using MyLab Marketing

For additional details visit: www.pearson.com/mylab/marketing

Global Marketing, Global Edition

Table of Contents

Cover

Title Page

Copyright Page

Brief Contents

Contents

Preface

Acknowledgments

PART ONE: INTRODUCTION

Chapter 1 Introduction to Global Marketing

Case 1-1 The Global Marketplace Is Also Local

1-1 Introduction and Overview

1-2 Principles of Marketing: A Review

Competitive Advantage, Globalization, and Global Industries

1-3 Global Marketing: What it is and What it isn't

1-4 The Importance of Global Marketing

1-5 Management Orientations

Ethnocentric Orientation

Polycentric Orientation

Regiocentric Orientation

Geocentric Orientation

1-6 Forces Affecting Global Integration and Global Marketing

Driving Forces

MULTILATERAL TRADE AGREEMENTS

CONVERGING MARKET NEEDS AND WANTS AND THE INFORMATION REVOLUTION

TRANSPORTATION AND COMMUNICATION IMPROVEMENTS

PRODUCT DEVELOPMENT COSTS

QUALITY

WORLD ECONOMIC TRENDS

LEVERAGE

Experience Transfers

Scale Economies

RESOURCE UTILIZATION

GLOBAL STRATEGY

INNOVATION AND ENTREPRENEURSHIP

Restraining Forces

MANAGEMENT MYOPIA AND ORGANIZATIONAL CULTURE

NATIONAL CONTROLS

OPPOSITION TO GLOBALIZATION

1-7 Outline of This Book

Summary

Discussion Questions

Case 1-1 The Global Marketplace (continued)

Table of Contents

Case 1-2 McDonalds Expands Globally While Adjusting Its Local Recipe

Case 1-3 Apple versus Samsung: The Battle for Smartphone Supremacy Heats Up

PART TWO: THE GLOBAL MARKETING ENVIRONMENT

Chapter 2 The Global Economic Environment

Case 2-1 Indias Economy at the Crossroads: Can Prime Minister Narendra Modi Deliver Acche Din?

2-1 The World Economy Overview of Major Changes

2-2 Economic Systems

Market Capitalism

Centrally Planned Socialism

Centrally Planned Capitalism and Market Socialism

2-3 Stages of Market Development

Low-Income Countries

Lower-Middle-Income Countries

Upper-Middle-Income Countries

Marketing Opportunities in LDCs and Developing Countries

High-Income Countries

Marketing Implications of the Stages of Development

2-4 Balance of Payments

2-5 Trade in Merchandise and Services

Overview of International Finance

Economic Exposure

Managing Exchange Rate Exposure

Summary

Discussion Questions

Case 2-1 Indias Economy at the Crossroads: Can Prime Minister Narendra Modi Deliver Acche Din? (continued)

Case 2-2 A Day in the Life of a Contracts Analyst at Cargill

Chapter 3 The Global Trade Environment

Case 3-1 Breaking Up Is Hard to Do: Britons Contemplate Brexit

3-1 The World Trade Organization and GATT

3-2 Preferential Trade Agreements

Free Trade Area

Customs Union

Common Market

Economic Union

3-3 North America

3-4 Latin America: SICA, Andean Community, Mercosur, and CARICOM

Central American Integration System

Andean Community

Common Market of the South (Mercosur)

Caribbean Community and Common Market (CARICOM)

3-5 Asia-Pacific: The Association of Southeast Asian Nations

Marketing Issues in the AsiaPacific Region

Table of Contents

3-6 Western, Central, and Eastern Europe

- The European Union
- Marketing Issues in the EU
- Central and Eastern Europe

3-7 The Middle East

- Cooperation Council for the Arab States of the Gulf
- Marketing Issues in the Middle East

3-8 Africa

- Economic Community of West African States
- East African Community
- Southern African Development Community
- Marketing Issues in Africa

Summary

Discussion Questions

Case 3-1 Breaking Up Is Hard to Do: Britons Contemplate Brexit (continued)

Case 3-2 Can Global Trade Talks Survive in an Era of Populism and Protectionism?

Chapter 4 Social and Cultural Environments

Case 4-1 Cotton, Clothing Consumption, Culture: From Small Beginnings to a Global Cultural System

4-1 Society, Culture, and Global Consumer Culture

- Attitudes, Beliefs, and Values
- Religion
- Aesthetics
- Dietary Preferences
- Language and Communication
- Marketing's Impact on Culture

4-2 High-and Low-Context Cultures

4-3 Hofstede's Cultural Typology

4-4 The Self-Reference Criterion and Perception

4-5 Diffusion Theory

- The Adoption Process
- Characteristics of Innovations
- Adopter Categories
- Diffusion of Innovations in Pacific Rim Countries

4-6 Marketing Implications of Social and Cultural Environments

Summary

Discussion Questions

Case 4-1 Cotton, Clothing Consumption, Culture: From Small Beginnings to a Global Cultural System (continued)

Case 4-2 Dubai's Evolution from a Fishing Village to the Host of Expo 2020

Chapter 5 The Political, Legal, and Regulatory Environments

Case 5-1 Travis Kalanick and Uber

5-1 The Political Environment

- Nation-States and Sovereignty

Table of Contents

Political Risk

Taxes

Seizure of Assets

5-2 International Law

Common Law versus Civil Law

Islamic Law

5-3 Sidestepping Legal Problems: Important Business Issues

Jurisdiction

Intellectual Property: Patents, Trademarks, and Copyrights

Antitrust

Licensing and Trade Secrets

Bribery and Corruption: Legal and Ethical Issues

5-4 Conflict Resolution, Dispute Settlement, and Litigation

Alternatives to Litigation for Dispute Settlement

5-5 The Regulatory Environment

Regional Economic Organizations: The EU Example

Summary

Discussion Questions

Case 5-1 Travis Kalanick and Uber (continued)

Case 5-2 Putins Russia versus the West: Cold War 2.0?

PART THREE: APPROACHING GLOBAL MARKETS

Chapter 6 Global Information Systems and Market Research

Case 6-1 Nestle Middle Easts Investment in Market Research

6-1 Information Technology, Management Information Systems, and Big Data for Global Marketing

6-2 Sources of Market Information

6-3 Formal Market Research

Step 1: Information Requirements

Step 2: Problem Definition

Step 3: Choosing the Unit of Analysis

Step 4: Examining Data Availability

Step 5: Assessing the Value of Research

Step 6: Research Design

ISSUES IN DATA COLLECTION

RESEARCH METHODOLOGIES

SCALE DEVELOPMENT

SAMPLING

Step 7: Data Analysis

COMPARATIVE ANALYSIS AND MARKET ESTIMATION BY ANALOGY

Step 8: Interpretation and Presentation

6-4 Headquarters Control of Market Research

6-5 The Marketing Information System as a Strategic Asset

Summary

Discussion Questions

Case 6-1 Nestle Middle Easts Investment in Market Research (continued)

Table of Contents

Case 6-2 A Day in the Life of a Business Systems and Analytics Manager

Chapter 7 Segmentation, Targeting, and Positioning

Case 7-1 Segmenting the Chinese Luxury Goods Market

7-1 Global Market Segmentation

Contrasting Views of Global Segmentation

Demographic Segmentation

SEGMENTING GLOBAL MARKETS BY INCOME AND POPULATION

AGE SEGMENTATION

GENDER SEGMENTATION

Psychographic Segmentation

Behavior Segmentation

Benefit Segmentation

Ethnic Segmentation

7-2 Assessing Market Potential and Choosing Target Markets or Segments

Current Segment Size and Growth Potential

Potential Competition

Feasibility and Compatibility

A Framework for Selecting Target Markets

7-3 Product-Market Decisions

7-4 Targeting and Target Market Strategy Options

Standardized Global Marketing

Concentrated Global Marketing

Differentiated Global Marketing

7-5 Positioning

Attribute or Benefit

Quality and Price

Use or User

Competition

Global, Foreign, and Local Consumer Culture Positioning

Summary

Discussion Questions

Case 7-1 Segmenting the Chinese Luxury Goods Market (continued)

Case 7-2 The Bubbling Tea Market

Chapter 8 Importing, Exporting, and Sourcing

Case 8-1 East-Asian Countries: Export-Led Growth for Economic Success

8-1 Export Selling and Export Marketing: A Comparison

8-2 Organizational Export Activities

8-3 National Policies Governing Exports and Imports

Government Programs That Support Exports

Governmental Actions to Discourage Imports and Block Market Access

8-4 Tariff Systems

Customs Duties

Other Duties and Import Charges

8-5 Key Export Participants

8-6 Organizing for Exporting in the Manufacturers Country

Table of Contents

8-7 Organizing for Exporting in the Market Country

8-8 Trade Financing and Methods of Payment

Letters of Credit

Documentary Collections (Sight or Time Drafts)

Navigating the Real World: A Brief Case Study

Navigating the Real World: Another Brief Case Study

Additional Export and Import Issues

8-9 Sourcing

Management Vision

Factor Costs and Conditions

Customer Needs

Logistics

Country Infrastructure

Political Factors

Foreign Exchange Rates

Summary

Discussion Questions

Case 8-1 The Hong Kong Trade and Investment Hub (continued)

Case 8-2 Turkish Cars: The Big Picture

Chapter 9 Global Market-Entry Strategies: Licensing, Investment, and Strategic Alliances

Case 9-1 AB InBev and SABMiller: A Match Made in (Beer) Heaven?

9-1 Licensing

Special Licensing Arrangements

9-2 Investment

Joint Ventures

Investment via Equity Stake or Full Ownership

9-3 Global Strategic Partnerships

The Nature of Global Strategic Partnerships

Success Factors

Alliances with Asian Competitors

CFM International, GE, and Snecma: A Success Story

Boeing and Japan: A Controversy

9-4 International Partnerships in Developing Countries

9-5 Cooperative Strategies in Asia

Cooperative Strategies in Japan: Keiretsu

HOW KEIRETSU AFFECT AMERICAN BUSINESS: TWO EXAMPLES

Cooperative Strategies in South Korea: Chaebol

9-6 Twenty-First-Century Cooperative Strategies

9-7 Market Expansion Strategies

Summary

Discussion Questions

Case 9-1 AB InBev and SABMiller: A Match Made in (Beer) Heaven? (continued)

Case 9-2 Jaguars Passage to India

PART FOUR: THE GLOBAL MARKETING MIX

Table of Contents

Chapter 10 Brand and Product Decisions in Global Marketing

Case 10-1 Alphabet

10-1 Basic Product Concepts

- Product Types
- Product Warranties
- Packaging
- Labeling
- Aesthetics

10-2 Basic Branding Concepts

- Local Products and Brands
- International Products and Brands
- Global Products and Brands
- Global Brand Development

10-3 A Needs-Based Approach to Product Planning

10-4 Country of Origin as a Brand Element

10-5 Extend, Adapt, Create: Strategic Alternatives in Global Marketing

- Strategy 1: Product-Communication Extension (Dual Extension)
- Strategy 2: Product ExtensionCommunication Adaptation
- Strategy 3: Product AdaptationCommunication Extension
- Strategy 4: Product-Communication Adaptation (Dual Adaptation)
- Strategy 5: Innovation
- How to Choose a Strategy

10-6 New Products in Global Marketing

- Identifying NewProduct Ideas
- NewProduct Development
- The International NewProduct Department
- Testing New Products

Summary

Discussion Questions

Case 10-1 Google (continued)

Chapter 11 Pricing Decisions

Case 11-1 Global Automakers Target Low-Income Consumers

11-1 Basic Pricing Concepts

11-2 Global Pricing Objectives and Strategies

- Market Skimming and Financial Objectives
- Penetration Pricing and Nonfinancial Objectives
- Companion Products: Captive (Razors and Blades) Pricing
- Target Costing
- Calculating Prices: Cost-Plus Pricing and Export Price Escalation

11-3 Incoterms

11-4 Environmental Influences on Pricing Decisions

- Currency Fluctuations
- Inflationary Environment
- Government Controls, Subsidies, and Regulations
- Competitive Behavior

Table of Contents

Using Sourcing as a Strategic Pricing Tool

11-5 Global Pricing: Three Policy Alternatives

Extension or Ethnocentric Pricing

Adaptation or Polycentric Pricing

Geocentric Pricing

11-6 Gray Market Goods

11-7 Dumping

11-8 Price Fixing

11-9 Transfer Pricing

Tax Regulations and Transfer Prices

Sales of Tangible and Intangible Property

11-10 Countertrade

Barter

Counterpurchase

Offset

Compensation Trading

Switch Trading

Summary

Discussion Questions

Case 11-1 Global Automakers Target Low-Income Consumers (continued)

Case 11-2 Global Consumer-Products Companies Target Low-Income Consumers

Case 11-3 LVMH and Luxury Goods Marketing

Chapter 12 Global Marketing Channels and Physical Distribution

Case 12-1 Welcome to the World of Fast Fashion

12-1 Distribution Channels: Objectives, Terminology, and Structure

Consumer Products and Services

Industrial Products

12-2 Establishing Channels and Working With Channel Intermediaries

12-3 Global Retailing

Types of Retail Operations

Trends in Global Retailing

Global Retailing Market Expansion Strategies

12-4 Physical Distribution, Supply Chains, and Logistics Management

Order Processing

Warehousing

Inventory Management

Transportation

Logistics Management: A Brief Case Study

Summary

Discussion Questions

Case 12-1 Welcome to the World of Fast Fashion (continued)

Case 12-2 Can Walmart Crack the Retail Code in India?

Chapter 13 Global Marketing Communications Decisions I

Case 13-1 Volkswagens Dieseldgate Nightmare

Table of Contents

13-1 Global Advertising

Global Advertising Content: Standardization versus Adaptation

13-2 Advertising Agencies: Organizations and Brands

Selecting an Advertising Agency in the Era of Digital Disruption

13-3 Creating Global Advertising

Art Direction and Art Directors

Copy and Copywriters

Additional Cultural Considerations

13-4 Global Media Decisions

Global Advertising Expenditures and Media Vehicles

Media Decisions

13-5 Public Relations and Publicity

The Growing Role of PR in Global Marketing Communications

How PR Practices Differ Around the World

Summary

Discussion Questions

Case 13-1 Volkswagens Dieselgate Nightmare (continued)

Case 13-2 Coca-Cola: Using Advertising and Public Relations to Respond to a Changing World

Chapter 14 Global Marketing Communications Decisions II

Case 14-1 Milan Expo 2015

14-1 Sales Promotion

Sampling

Couponing

Sales Promotion: Issues and Problems

14-2 Personal Selling

The Strategic/Consultative Selling Model

14-3 Sales Force Nationality

14-4 Special Forms of Marketing Communications: Direct Marketing

Direct Mail

Catalogs

Infomercials, Teleshopping, and Interactive Television

14-5 Special Forms of Marketing Communications: Support Media, Sponsorship, and Product Placement

Support Media

Sponsorship

Product Placement: Motion Pictures, Television Shows, and Public Figures

Summary

Discussion Questions

Case 14-1 Milan Expo 2015 (continued)

Case 14-2 Red Bull

Chapter 15 Global Marketing and the Digital Revolution

Case 15-1 How Do You Like Your Reality? Virtual? Augmented? Mixed?

15-1 The Digital Revolution: A Brief History

Table of Contents

15-2 Convergence

15-3 Value Networks and Disruptive Technologies

15-4 Global E-Commerce

15-5 Web Site Design and Implementation

15-6 New Products and Services

Broadband

Cloud Computing

Smartphones

Mobile Advertising and Mobile Commerce

Autonomous Mobility

Mobile Music

Mobile Gaming

Online Gaming and e-Sports

Mobile Payments

Streaming Video

Internet Phone Service

Digital Books and Electronic Reading Devices

Wearables

Summary

Discussion Questions

Case 15-1 How Do You Like Your Reality: Virtual? Augmented? Mixed? (continued)

Case 15-2 Africa 3.0

PART FIVE: STRATEGY AND LEADERSHIP IN THE TWENTY-FIRST CENTURY

Chapter 16 Strategic Elements of Competitive Advantage

Case 16-1 IKEA

16-1 Industry Analysis: Forces Influencing Competition

Threat of New Entrants

Threat of Substitute Products

Bargaining Power of Buyers

Bargaining Power of Suppliers

Rivalry among Competitors

16-2 Competitive Advantage

Generic Strategies for Creating Competitive Advantage

BROAD MARKET STRATEGIES: COST LEADERSHIP AND DIFFERENTIATION

NARROW TARGET STRATEGIES: COST FOCUS AND FOCUSED DIFFERENTIATION

Creating Competitive Advantage via Strategic Intent

LAYERS OF ADVANTAGE

LOOSE BRICKS

CHANGING THE RULES

COLLABORATING

16-3 Global Competition and National Competitive Advantage

Factor Conditions

HUMAN RESOURCES

PHYSICAL RESOURCES

KNOWLEDGE RESOURCES

CAPITAL RESOURCES

INFRASTRUCTURE RESOURCES

Table of Contents

Demand Conditions

COMPOSITION OF HOME DEMAND

SIZE AND PATTERN OF GROWTH OF HOME DEMAND

RAPID HOMEMARKET GROWTH

MEANS BY WHICH A NATIONS PRODUCTS AND SERVICES ARE PUSHED OR PULLED INTO
FOREIGN COUNTRIES

Related and Supporting Industries

Firm Strategy, Structure, and Rivalry

Chance

Government

16-4 Current Issues in Competitive Advantage

Hypercompetitive Industries

COST AND QUALITY

TIMING AND KNOWHOW

ENTRY BARRIERS

The Flagship Firm: The Business Network with Five Partners

Blue Ocean Strategy

Additional Research on Competitive Advantage

Summary

Discussion Questions

Case 16-1 IKEA (continued)

Case 16-2 Everything Is Awesome, Everything Is Cool at LEGO

Chapter 17 Leadership, Organization, and Corporate Social Responsibility

Case 17-1 A Changing of the Guard at Unilever

17-1 Leadership

Top Management Nationality

Leadership and Core Competence

17-2 Organizing For Global Marketing

Patterns of International Organizational Development

INTERNATIONAL DIVISION STRUCTURE

REGIONAL MANAGEMENT CENTERS

GEOGRAPHIC AND PRODUCT DIVISION STRUCTURES

THE MATRIX DESIGN

17-3 Lean Production: Organizing The Japanese Way

Assembler Value Chains

Downstream Value Chains

17-4 Ethics, Corporate Social Responsibility, and Social Responsiveness in the Globalization Era

Summary

Discussion Questions

Case 17-1 Unilever (continued)

Glossary

Author/Name Index

A

B

Table of Contents

C
D
E
F
G
H
I
J
K
L
M
N
O
P
Q
R
S
T
U
V
W
Y
Z

Subject/Organization Index

A
B
C
D
E
F
G
H
I
J
K
L
M

Table of Contents

N
O
P
Q
R
S
T
U
V
W
X
Y
Z