

International Marketing in the Digital Era. Collaboration of Sustainable and Contemporary Knowledge

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Abstract

We witness unprecedented turn to the digital marketing. International Marketing, as a specific field of the marketing science, is no exception of the general trend. In this article, the trendsetters are presented, but also a different approach is followed. It is argued that the new metrics should be taken into consideration, but at the same time, the sustainable knowledge should not be neglected, because the traditional knowledge should work in conjunction with the newly appeared marketing tools. What is more, the “new” metrics are often built on the solid foundation of prior knowledge, which every marketing professional should be armed with.

Keywords: marketing, international marketing, digital marketing

1. Introduction

In today's fast-developing world, globalization is entering and heavily influencing each aspect of our lives. Every element of the surrounding environment has undergone changes in one way or another. And International Marketing is no exception. It is also influenced by the ITC infrastructure development and the marketers should accept and master the challenges offered by this fast development. The tools of the digital marketing might be the key to this mastering.

In this article it is argued that the traditional tools and the contemporary marketing tools (in the face of digital marketing) should work in conjunction in order to enhance company's performance on the global market place. The main objectives of the article are to conduct a literature review and empirical check of the above-mentioned argument. For the empirical check a case study approach was chosen.

2. International marketing: scope and challenges in the global world

2.1 About the understanding of what International Marketing is

The American Marketing Association (AMA) (2017) defines Marketing as the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. This definition, widely known and widely accepted by the marketing professionals all over the world, sets the scope and challenges of the domestic market. More or less international marketing includes all the element of the mix, as well as the policies, strategic decision etc., the key difference is the level of uncertainty and risk of the international marketing environment. The set of uncontrollable factors is larger. Another thing that plays a key role is the set strategic decisions for adaptation or standardization of the elements of the mix, because the company operates in at least one foreigner market / in more than one country. According to Cateora (2016) this apparently minor difference, "in more than one country," accounts for the complexity and diversity found in international marketing operations. Marketing concepts, processes, and principles are universally applicable, and the marketer's task is the same... The answer lies not with different concepts of marketing but with the environment within which marketing plans must be implemented. The uniqueness of foreign marketing comes from the range of unfamiliar problems and the variety of strategies necessary to cope with different levels of uncertainty encountered in foreign markets.

The following table presents some understandings of academia and institutions dealing with international marketing.

Table 1: International Marketing defined¹

American Marketing Association	International marketing is the multinational process of planning and executing the conception, pricing, promotion and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational objectives.
Czinkota, Rokainen (2012)	International marketing consists of the activity, institutions, and processes across national borders that create, communicate, deliver, and exchange offerings that have value for stakeholders and society. International marketing

¹ The author is aware of the discussion and differences between Global and International Marketing, but the term International is accepted in the current article. Just two points of view are presented in the current footnote: According to Best (2016). Global Marketing: Global marketing occurs when a company looks at the entire world as one market and markets to almost all countries worldwide. A global company needs to understand the requirements to service country-specific customers with global standard solutions and products. Berman, Evnas (2002) Global marketing is an advanced form of international marketing in which a firm addresses global customers, markets, and competition.

	has forms ranging from export–import trade to licensing, joint ventures, wholly owned subsidiaries, turnkey operations, and management contracts.
Best (2016)	International marketing is the export, franchising, licensing or full direct entry of a marketing organization into another country. This can be achieved by exporting a company's product into another country; entry through franchising or licensing in the target country; or direct investment in a foreign country. The development of the marketing mix for that country requires international marketing. This can be as straightforward as an extension of existing marketing strategies to a total customization of the marketing mix (product, price, place and promotion) for a specific country
Berman, Evnas (2002)	International marketing involves marketing goods and services outside the home country.
Kotler (2016)	A firm that, by operating in more than one country, gains R&D, production, marketing, and financial advantages in its costs and reputation that are not available to purely domestic competitors.
Cateora (2010)	International marketing is defined as the performance of business activities designed to plan, price, promote, and direct the flow of a company's goods and services to consumers or users in more than one nations for a profit. The only difference between the definitions of domestic marketing and international marketing is that in the latter case, marketing activities take place in more than one country.

Source: The author (based on the cited sources)

As it is obvious from the above-mentioned, the scope and challenge of international marketing are significant. When doing marketing abroad, marketers should also have in mind all the differences of the foreigner consumer in order to be able to fit the tastes and preferences of that consumer¹. Since the entry modes are widely discussed in publications concerning International Business and Marketing, in the current article the focus will be on the purely marketing aspects with the presumption of the international consumer and international marketing mix in mind².

How, from the perspective outlined in the previous section, could we measure the result of marketers' efforts in international marketing? A vast variety of metrics are available. In this article some of them will be mentioned - those which serve as indicator for future performance of the company and their strategic role will be pointed out. These are Customer Satisfaction Index, Customer retention rate,

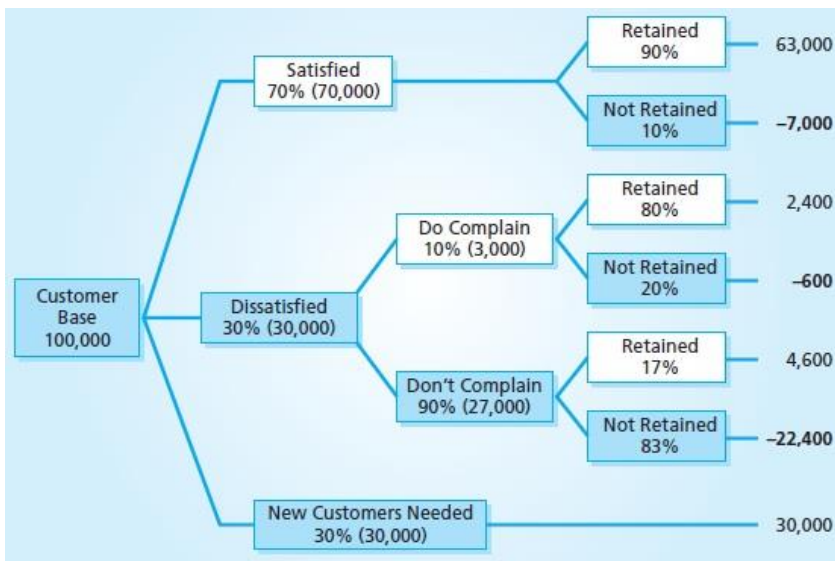
¹ Here the consumer buyer is the concern. The business buyer and the business buyer behaviour are only mention in the article.

² Entry mode, internationalization, internalization are not mention here, because the choice of a company how to grow should be studied from complex, interdisciplinary point of view. If we tap into this vast knowledge (UPSALA Model, OLI paradigm, born global companies etc.) we risk the loss of focus. For further details see publications of Kogyt, Dunning, Czinkora, Cateora, Doole, Boeva etc.. Of course, publications on the matter are available from many other authors.

Customer Recommendation, Customer recommendation, Net Marketing Contribution and so on. These metrics enable the company to better identify relative competitiveness in pricing, product performance, product availability, service quality, customer satisfaction, and customer loyalty. These are metrics which could be applied by marketers engaged in domestic marketing, as well as by marketers in international marketing, but with the differences of the international marketing in mind.

The following scenario, proposed by Rojer Best (2016) could be easily applied in this article as well. The scenario shows how important is to make customers complain in order to better serve them. It also shows the importance of having in mind the voice of the consumer. Another angle exploit here is the interdependence between marketing and financial performance of the company.

Figure1. Customer satisfaction, complaint behaviour, and customer retention



Source: Market Based Management, Best (2016)

An important conclusion that could be reached from the figure above is that one of the concerns of the contemporary marketing, is how to encourage customers to “complain” or said in other words – how to provide the company with feedback. International Marketing is no exception of this concern, but here additional knowledge should be applied – knowledge concerning cross-cultural differences, country specifics etc. or said in a few words: the international marketing environment.

3. Digital marketing or the trendsetters.

3.1. Understanding digital marketing.

Following the initial idea of the article the understanding of digital marketing will be presented in a table again.

Table 2 Digital marketing.

American Marketing Association	Digital Marketing is the use of digital or social channels to promote a brand or reach consumers. This kind of marketing can be executed within social media, search engine, internet, mobile devices and other channels. It requires new ways of marketing to consumers and understanding the impact of their behaviour.
Bains et al., (2011)	Digital marketing facilitates many-to-many communications due to its high level of connectivity and is usually executed to promote products or services in a timely, relevant, personal and cost-effective manner.
Yasmin, et.al. (2015)	Digital marketing embodies an extensive selection of service, product and brand marketing tactics which mainly use Internet as a core promotional medium in addition to mobile and traditional TV and radio.
Järvinen, J., & Karjaluoto, H. (2015)	Digital marketing refers to marketing that uses electronic devices and channels to support marketing objectives.
Slavova (2016)	Digital marketing is an integral part of the company's marketing strategy and aims to create long-term relationships with customers, reflecting the new realities in today's world of connectivity between consumers and between them and organizations.
Kotler and Armstrong (2009)	Digital marketing is a form of direct marketing which links consumers with sellers electronically using interactive technologies like emails, websites, online forums and newsgroups, interactive television, mobile communications etcetera.
Kotler (2016)	Digital and social media marketing is using digital marketing tools such as Web sites, social media, mobile apps and ads, online video, e-mail, and blogs that engage consumers anywhere, anytime via their digital devices.

Source: The author (based on the cited sources)

The definitions provided in the table outline the understandings of the different authors about what is digital marketing. The points of view of the presented authors differ, but there is something which combines them: the idea of the digital marketing as a set of tools which serves to better reach your customer with your product offerings. Once reached, the customer could be engaged in consumer journey, loyalty loop etc. if the company successfully applies a set of other tools to satisfy and retain him/her.

3.2. Selected digital marketing tools

Which are the most useful tools that could be applied to serve in better understanding the international consumer? There is no single best answer of this question, but the trend that is still forming is clear. Of course, the dynamics of the international environment might shift this trend, but it is worth presenting the most frequently used instruments of the digital marketing for the last year (2019). Different classifications differ, the situation becomes even more complicated, when it comes down to international marketing. For that reason ranking in order of importance is irrelevant. That's why here only a few widely used groups tools are listed. These are:

Email Marketing Tools

Marketing Automation Tools

Paid Advertising Tools

Market Research Tools

Search Engine Optimization Tools

Landing Page Tools

Social Media Automation Tools

Social Media Monitoring Tools

These groups of tools are useful and helpful for the digital marketing specialist and they are also useful when it comes down to better understanding our customers, their behaviour and when better and faster reach is required. That is why they could be called digital marketing instruments in favour of the international marketer.

The world knows another point of view. According to Eldreman (2010) "The internet has upended how consumers engage with brands. It is transforming the economics of marketing and making obsolete many of the function's traditional strategies and structures. For marketers, the old way of doing business is unsustainable." It is worth mentioning that actually the above-mentioned authors (see Table 2) do not reach to such radical conclusions. Based on the research done in the professional career of the author of the current article and based on the opinion of world-wide recognised marketing professionals, it could be said that so far we have not witnessed such thing. Yes, no one can deny the tremendous role of the digital marketing, but as of today the companies are still using traditional marketing and they are constantly trying to balance between digital and traditional.

3.3. How do the marketing professionals interrelate digital and international marketing?

In 2011 Emma Durant offers “A 9 step approach to help understand your global customers” This model has been implemented successfully by various business. The essence of this model will be provided on the next lines, because it clearly outlines the interaction digital – international marketing

Step 1. Confirm your global business customers

Step 2. Add your range of digital audiences to the mix

Step 3. Confirm your key regions

Step 4. Match the Global priorities with the local realities

Step 5. Start digging to really get to know your customers!

Step 6. Look at the sales hurdles

Step 7. Digital habits

Step 8. Compare findings across regions

Step 9. Develop a layered global customer view

The link between digital and international marketing is clear and evident once more by the presentation of this model. Nowadays, with the advance of ITC infrastructure, it could not be denied that that international marketers could bridge the gap between the domestic and international market a bit easier. This, in turn, is a prerequisite for faster and less risky internationalization of the company. It is also true that despite the data glut most of the marketing managers of international companies are still complaining of the lack of information of the right kind, but at least the international marketing research process could be executed in an easier way.

4. Case studies. Use of digital in company’s marketing strategy

The case studies in the article are developed on the base of publicly available secondary sources of information, as well as on author’s observations. The aim of the case studies is to illustrate the collaboration between digital and international marketing of the contemporary companies. The official and fan pages in different social media platforms are also used in the case studies.

The first case is dedicated to the multinational car manufacturer Mercedes-Benz¹²³⁴. Here are presented selected successful implementations of digital marketing in the development of the international marketing strategy of the company. The idea is to examine the social media platforms as a digital marketing ground for the company's development.

Mercedes-Benz

Facebook

Mercedes-Benz has the greatest following on Facebook where the brand's principal global account gathers more than 20 million followers. Instead of geo-targeting for their Fan Page, they run separate regional accounts dedicated to particular countries, car classes as well as business units like Mercedes Benz Museum and sponsored events including Mercedes-Benz Fashion Week Australia to name one.

Their main Facebook account is very well planned and organized, as they maintain their presence on it by posting regularly 2-3 times a day. The content posted is quite often linked back to the corporate website promoting recent blog posts that incorporate stunning, high quality, photographs presenting not only the car itself but above all the lifestyle it represents. Powerful digital storytelling is used by presenting customer's stories as a way to further strengthen brand's message and to help other customers to identify themselves with their products.

Twitter

Even though they have a smaller community on Twitter than on Facebook, they are much more active on this platform by posting regularly an average of 6-8 times per day. They tend to use popular hashtags such as #MidweekMotivation to make their social message more impactful over the world.

Instagram

Instagram is for Mercedes-Benz the second most important social media platform as to the number of followers, and the first one as to the level of engagement they get

¹ <https://www.mercedes-benz.com/en/>

² http://www.just-auto.com/news/mercedes-benz-announces-digital-marketing-plan_id170680.aspx

³ http://www.digitaltrainingacademy.com/casestudies/2014/12/social_tv_case_study_mercedes_tells_interactive_twitter_story_to_boost_brochure_requests_by_140.php

⁴ <https://www.reference.com/vehicles/mercedes-benz-s-target-market-55582ab2ef50048e>

from these over 6 million followers at their global account and 1.5 million fans on their US account.

They put great effort in producing dedicated and unique for this platform content. Quoting Mark Aikman, general manager of marketing services at Mercedes-Benz USA: "It's important to create original content and not recycle images and videos". He also adds: "Success is built on the quality of aesthetics. Imagery is everything on Instagram."

According to their official website, Mercedes-Benz is investing massively in the development of its digital competence as part of its 'best customer experience' sales and marketing initiative.

"To meet the challenges of digitalisation as effectively as possible, we are adopting new approaches in terms of our organisation and our processes. We will be fundamentally changing the structure and modus operandi of our digital sales activities. We want to become faster and more agile, working in small teams with flat hierarchies, and considerably increase our own digital real net output ratio," said Jens Thiemer, head of marketing, Mercedes-Benz Cars. "This move sees us implementing a true change in culture, which will make us even fitter for the digital age." Jan Brecht, CIO at Daimler, adds: "We have devised a new structure for our digital sales activities, which strengthens the already adopted measures in terms of structure and personnel"

Mercedes Turned a Hashtag into a Digital Marketing Phenomenon

"It was smart digital marketing, and the social media ads clearly paid off. Mercedes reports that they experienced a 54% increase in website traffic from the Instagram and Facebook users that saw only their branding ads (the pretty ones with the fancy trunk layouts). If that wasn't impressive enough, their traffic increased by 580% when people saw both the visually appealing ads and the click-through ones."

As it could be seen from the case, successful collaboration between the traditional tools and digital marketing tools serve in favour of the multinational corporation.

Uber's mobile app

According to Berman (2016), a good mobile marketing campaign needs to capitalize on 3 major advantages of mobile marketing. These advantages include: 1. mobile marketing devices always being on, always connected, and always with the consumer; 2. mobile marketing's ability to generate location- sensitive offers; 3. the ability to offer mobile marketing messages that are highly personalized.

Uber's app is the most innovative tool in this industry – it was made when it was accessible, wanted and even needed. Customers are able to experience the traditional service, but improved in many and various ways. The business objectives of branded apps are classified into 5 categories – communication, customer relationship marketing, sales, open innovation and marketing research.

Based on the previous sentence, it could be assumed that Uber's app is a tool-centred one, since it allow customers to show their motives and requirements, when it comes to using the Uber service. They are doing so by approving the driver, by using the rating system, by referring Uber to their friends, thus getting free rides etc. This approach could serve the consumers and could be applied in different countries, here lies the key to Uber's success of using digital marketing tools in international marketing.

The Bulgarian Case. Management Financial Group in collaboration with Explora

According to their official website. Management Financial Group (MFG) is a holding company, uniting leading providers of non-bank financial services in Central and Eastern Europe. MFG manages a rich portfolio of successful business models in the field of consumer loans, loans for micro and small businesses, credit cards, digital business and other alternative financial products and services. MFG brings together companies with different experience, history and traditions. Some of the institutions in the structure of MFG are in the initial stage of their development, some are rapidly developing and growing, others are well established in their industry with over 14 years of experience. More than 8 300 employees and associates in over 450 offices in Bulgaria, Ukraine, Romania, Poland and Macedonia take care of our customers. In addition, MFG is focused on developing and commercializing a comprehensive portfolio of financial services, including lending, payments and investments.

Together with Explora (Digital marketing Agency) they manage successfully to boost the international marketing of the company.

On the official website of Explora is stated: In 2016, we started working with our client Fintrade, a non-banking, financial institution specializing in business lending. As with any B2B client, here, in the beginning of our collaboration, we had serious challenges that were to explore the market, define the right target audiences and choose the right digital channels to reach them.

Later on, they succeed and the results are obvious. This gives us one more field of application of the digital market in the company's international marketing efforts – the b2b channels.

The three case studies once again outline the importance of the digital marketing in the international marketing efforts of the contemporary international company.

Conclusion

The current article tried to shed light on how working in conjunction the tools of the digital marketing and the sustainable body of knowledge in the field of marketing and international marketing could enhance the company's international presence and performance. The conclusion is evident. Neither the traditional nor the digital marketing serve the company's performance at their best applied separately. They should be applied in conjunction. This was confirmed from the literature review and the case studies. Of course the article did not give universal answers, but its sole purpose was to provide ground for further investigation of the matter, reasoning and empirical research.

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