

What are some marketing activities?

Market research, product development, pricing, promotion, sales, and logistics.

How might a product get modified in foreign countries?

In foreign countries, a product can get modified in terms of

- Package
- Package weight (e.g., lbs vs. grams)
- Package colors
- Legal requirements (regarding the materials of the package)
- Language requirements
- Labeling requirements
- Ingredients

E.g., some religions forbid alcohol, pork, beef, etc.

- Style
- Fashion is subjective to the culture

Compare the two most common distribution channels. Which one is more common in Canada?

B2C = When a business sells directly to the customer.

B2B = When a business sells to other businesses.

B2B is more common in Canada.

What is the typical distribution chain for a product?

Producer à Importer à Wholesaler à Retailer à Customer

What distribution channel can small businesses use to reach international customers?

E-commerce websites, such as Amazon, Etsy, Taobao, etc.

Why is the price of a product abroad more expensive than in the home country?

Many reasons

- Shipping costs
- Tariffs
- Exchange rate fees
- Insurance
- Costs for translators and consultants and lawyers
- Packaging modifications

Compare the 5 common types of pricing strategies.

Markup pricing = When a business adds an additional % to the cost of the product.

- Example: product costs \$10. Company wants a 20% profit. So they price the product at \$12.

Penetration pricing = When a business enters a new market with a very low price, then later increases it.

Price Skimming = When a business enters a new market with a very high price, then later lowers it.

Premium Pricing = When a business prices their product to be higher than the competition to have a luxury image.

Discount Pricing = When a business sells a large amount of a product for a lower cost per unit.

- Usually wholesalers sell at a discount.
- Example: Costco

Psychological Pricing = When a business prices a product with a number that the local culture likes.

- Example: pricing 9.99 instead of 10.00, or 9.88 in China

What are three ways to promote products internationally?

1: Use existing ads

- You can use this if the foreign country is similar in language and accent to the home country (e.g., USA and Canada)

2: Translate the ads

- Have to be careful about translation errors

3: Create new ads

- Best if the foreign culture is very different from the domestic c