



ASSIGNMENT MEMORANDUM

SUBJECT : INTERNATIONAL MARKETING 2 (IM2)

ASSIGNMENT : 2ND SEMESTER 2011

Prescribed textbook: Cateora, P.R., Gilly, M.C., and Graham, J.L. 2009. *International Marketing*. 14th edn. McGraw-Hill.

ASSIGNMENT [90]

The answer could be structured in several ways, but as the question makes specific reference to the marketing mix for a consumer food product, this would be as good a structure to use as any. The following matrix sets out the main considerations. Students are not expected to formulate their answers as a matrix, but the elements should be covered.

Geographic element	Product, packaging, brand	Distribution	Price	Promotion
Earth's surface (terrain)	Product/packaging not affected. Rough terrain may require special packing.	Distribution affected if mountains or similar, split country/region into sub-markets; e.g. Andes, rivers.	Price to consumer affected by transport costs, which are affected by terrain	Promotion might need to be to each sub-market, not national.
Climate	If product suited to specific type of climate or season, then obvious effect. Packaging influenced by e.g. humidity. Some products might require insulation against excessive heat or cold.	Channels of distribution not affected. Physical distribution affected if climatic conditions sometimes severe – bigger stockholding needed.	If climate requires special packaging or transport, price will be affected.	Promotion may be possible only at certain times because of climatic conditions.

Countries	South America comprises many countries, each with regulations on food products. Legislation on labelling. Brazil Portuguese, other countries Spanish.	Channels will vary from country to country.	Basic export price should be standard, but terms of delivery and transport and other costs will affect price to consumer.	Different forms of promotion probably required for different countries because of cultural differences, different distribution channels.
Peoples	Cultural tastes influence acceptance of food products, packaging design, even pack sizes.	Purchasing habits dictate appropriate channels of distribution.	Different average income levels affect acceptance of price.	Promotional methods dictated by cultural norms.
Industries	Could be competition from local industry. There are various implications of this, which the student should explore.			
Resources	A country's resources would have an impact on an imported food product to the extent that a country rich in resources might have a high per capita income, creating a wealthy market. Agricultural resources might increase the chance of competition from local food products.			

Textbook Reference: Cateora et al. 2009: Chapter 3

PRESENTATION [10]