

## Chapter 8 Global Marketing

Your answers must reflect the definitions and information in my lecture.

1) In 250 words, discuss McDonald's global expansion.

McDonald most income come from their foreign restaurants and only their 31% comes from their USA restaurants, which means that they have been really good at dominating the international commerce, their restaurants are in countries like China, India, Russia and Brazil, whose happen to have big population, renown cities and have a big impact on the global commerce. They also have been able to adjust and modify their products to other people's needs, unique characteristics and life style, for example, India's restaurant also have a vegetarian menu and in France you can ask for a cup of wine, they give every country different products on their menus, sometimes adding something or removing others. We know that every country is different and so as their people, traditions and customs vary according to the place, area, country, etc. and having different specific menus makes such a big difference for the customers because it is a way of showing them that they care about them beyond the economic (and the fact that they don't just sell things without thinking about the impact it will have) to actually take their time to investigate what can work for them and make it more comfortable for foreign costumers to eat at their restaurants. It gives McDonalds a little extra credit for making the perfect mix of cultures for them, never loosing their scent but adjusting on what could be and odd against them and that's one of the good reasons why McDonald has become what it is now and it is known around the globe.

2) What are the BRIC nations?

Brazil, Russia, India and China it is a global community that had been having a really good potential for growth.

3) Why are the BRIC nations so important to marketers?

Because they help globalization and production and that has an impact on goods and services.

4) What are the four items used to asses global markets?

Economic analysis using metrics, infrastructure and technology, government actions and sociocultural analysis.

5) List all subcategories in #4.

Economic analysis using metrics:

- General economic environment
- Market size and population growth
- Real income

Infrastructure and technology:

- transportation channels
- communication incomers

Government actions:

- Retired holders exchange controls
- Trade agreements

Sociocultural analysis:

- Power of distance
- Uncertainly avoidance
- Individuals
- Not masculine the entire orientation

6) What are GNI and GDP?

GNI: Gross National Income

## GDP: Gross Domestic Product

7) Define the items in #6.

GNI: amount of money earned by business and people of a country.

GDP: amount of money or value of the goods and services of a country.

8) What HDI stand for?

Human Development Index.

9) Define HDI.

It includes life's expectancy of birth, educational levels and the standar living in a country.

10) What is the big mac index?

It suggests that exchange rates should adjust to equalize the cost of basket of goods wherever they are purchased around the globe.

11) What is the U.S.A. trade deficit?

USA imports more than they export.

12) Why is population growth important to marketers?

Because countries that are growing, in the future would have a big amount of people purchasing products and paying for services.

13) What does proctor and gamble do to evaluate real income?

They sell one-use shampoo bottles on countries where people can afford it.

14) What does cadbury do to evaluate real income?

It is sold in different portions depending on the place and according to what people can afford.

15) What is infrastructure defined as?

Basic facilities, services and installations needed for a community or society to function.

16) List the key elements marketers are concerned with regarding infrastructure?

- transportation
- distribution channels
- communications
- incomers

16) Define the items in #16.

- transportation: system to transport goods
- distribution channels: must be able to transport the goods with a reasonable cost
- communications: media access, the way people can find out about the products
- incomers: banks, legal and regulatory systems

18) Define government actions.

Represents the impact of the government when people do business.

19) List the different government actions.

- Tariff and quota
- Exchange controls
- Trade agreements

20) Define the items in #19.

- Tariff: it is a tax that raises prices
- Quota: puts a maximum limit onto how much you can bring into a nation
- Exchange controls: they are limitations on the sale/purchase of products
- Trade agreements: nations get together and allow each other certain things like tax free or products across the borders, benefits

21) List Hofstede's dimensions.

- Power-Distance

-Uncertainly avoidance

-Individuals

-Masculinity

22) Define each item in #21.

-Power-distance: strength of social hierarchy

-Uncertainly avoidance: amount of tolerance cultures has on unpredictability

-Individuals: people's own goals and desires

-Masculinity: orientation

23) List the global entry strategies.

-Export

-Franchising

-Strategical alliance

-Joint venture

-Direct investments

24) What concerns might Lady Gaga's promoter have when looking to book performances, globally?

Disruptions, people can find offensive the way she acts, dresses, or talks, because every country have different customs and ways of thinking.