UNIT 14 INTERNATIONAL MARKETING PLANNING, ORGANISING AND CONTROL

Structure

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14.0 OBJECTIVES

After studying this unit you should be able to:

- explain the issssues involved in international marketing planning
- develop a useful framework for international marketing planning
- utilise the data generated through checklists to develop an international marketing plan
- identify the issues to be considered in developing an international marketing control system
- explain the sequence of control process used to control overseas marketing operations.

14.1 INTRODUCTION

A multinational corporation manufacturing and marketing a consumer durable product is faced with a problem. The CEO of the corporation has portrayed the following scenario: The corporation has just entered into the French market, investing heavily in developing the manufacturing facilities. Since, the idea was to gain economies of scale, the corporation resorted to penetration pricing. It was at this time that the country manager 'France' revealed to the CEO that the French market share of 80% was being rapidly eroded by competition. Competition, according to the country manager, was eating into the market share from two directions. On the one hand, the substitute product industry had developed rapidly and, on the other hand, the only competitor, who was manufacturing a differentiated product, had stepped up his advertising expenditure.

The country manager wants to introduce a substitute product and undertake an aggressive promotion programme to combat competition on both sides. He believes that he can muster the required resources within the country. The question facing the CEO is whether to approve the country manager's proposal or not.

From the above example, it becomes clear that every organisation needs to direct and coordinate its marketing effort. For undertaking this, it must frame a marketing plan. While the task of developing a domestic marketing plan is in itself complex, it gets further compounded when a firm gets into international operation; for international marketing entails a multi country scenario necessitating marketing planning at two levels viz., country level and corporate level. Having developed the marketing plan, the corporation must implement them again at two levels i.e., at country level and at the corporation level. These are the issues that have been addressed in this unit.

14.2 DEVELOPING AN INTERNATIONAL MARKETING PLAN

As already pointed out, the marketing plan must be developed at two levels i.e., at the country level and at the international level.

- **At the country level** the marketing plan resembles any doemstic marketing plan, in the sense that it lays down the strengths and weaknesses of the organisation and the opportunities and threats faced by the organisation. It proceeds to set an objective along with the assumptions. Having done the above, it lays down a broad action plan, the organisation structure and the control system necessary for accomplishing the above plan.
- **The international marketing plan** is more than a mere integration of the country plans, for it seeks to direct and coordinate the activities of the corporation on a global basis and at a country level. These variables are: (1) Knowledge of the Market, (2) Knowledge of the product and (3) Knowledge of the marketing systems. The corporation must decide how will it obtain information about all these variables on a global and country basis. This information will then be formalised into a marketing plan to provide guidance to each country manager.

14.3 ISSUES IN FRAMING THE MULTI-NATIONAL MARKETING PLAN

One of the issues that has to be faced while framing the multinational marketing plan relates to the marketing strategy that has to be adopted. Every organisation must decide whether to follow a standarized marketing approach or a multi-domestic marketing approach or a blend of the two approaches. Let us try to understand the brief description of these two approaches is presented below:

14.3.1 Standardised Approach

This refers to standardisation in four major decision areas of marketing viz., product decision, price decision, promotion decision and the distribution decision. The organisation should decide about this as a policy. The underlying premise of the standardised approach is recognition of the globalisation of market. Theoder Levitt in his article on 'The Globalisation of Market' points out that because of technological and communication revolution, consumers in one country would know about the products that are available in other countries and would seek to procure them through formal or informal channels. Once this premise is accepted, it should become possible for an organisation to encash the advantages of standardisation, which include cost saving in all areas right from manufacturing (because the message becomes common as demonstrated by Exxon's "put a tiger in your tank"). The corporation also has the advantage of maintaining the international customer, a class which is growing as demonstrated by the increase in international air traffic, for, wherever he goes in the world, he is sure of getting the same product. However, this approach is not free from limitations. Although theoretically, a corporation may demand standardisation in practise, it is not always possible because of heterogeneity of the markets. Thus, tariffs dumping laws, retail price

maintenance laws etc. may limit standardisation of price variable and non-availability of media vehicles may limit standardisation of communication variables. Since this approach has, however, found many advocates within practising managers, they attempt standardising variables partially. Thus, in the case of promotion variables, the messages are unified, very often the movies shot are standardised as demonstrated by Oglivy and Mather. The brand variable is also standardised and in the case of product variables certain major parts are standardised so that cost savings can be taken advantage of, while at the same time, the heterogeneous characteristics of the markets are also not ignored.

14.3.2 Multi-Domestic Approach

The multi-domestic approach to market planning emanates on the basis of the assumption that markets are heterogeneous and therefore the marketing strategy decision in a country should specifically cater to the needs of that country. This approach is rated as the true marketing approach by some multinational companies. This approach however, fails to explain the existence and prosperity of large multinational companies and the success of their global strategies. Though markets are heterogeneous, standardisation is possible in many areas. The existence of common brand names like IBM, Levis, etc., and their popularity the world over proves this. But it must be remembered that even these organisations may not standardise all their variables and/or may not cater to heterogeneous markets.

Check Your Progress A

1) What is the problem faced by the CEO of the Corporation referred to in this unit?

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2) **What makes it possible for a company like Levis or Benettton to market its product globally although they are traditionally accepted as belonging to the domain of multi-domestic approach?**

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14.4 ORGANISATION FOR INTERNATIONAL MARKETING

Planning will not give success unless it is properly implemented. Therefore, once the plan has been prepared it becomes necessary to implement it. For this, resources have to be deployed and efforts have to be directed to utilise resources effectively. This is possible only when a structural framework exists for allocating the requisite authority and responsibility. This structure should be capable of meeting the varying challenges inherent in international marketing. It is, perhaps, for this reason, that international marketing organisations are characterised by flexibility. Development of such organisational structure should be preceded by development of a plan. Such a plan is undertaken at the corporate level and, normally, the following parameters are considered:

- Company objectives and history

- Government policies influencing the firm's opertions
- Decision-making policy and the levels involved in decision-making
- Length of chain of command
- Degree of control
- Degree of involvement in the marketing functions.

These parameters, along with the available resources are aligned with objectives on a production or a function or a geographical basis. The basis also takes into account the method of decision-making.

Historically organisational structures were designed around the production function. However, in the present global economy where organisations fight intensively to attract and retain customers, it is the finance and marketing functions which give rise to the organisational structure. Most of the existing organisations can be identified as belonging to one of the three categories: centralised, decentralised or regionalised.

14.5 FRAMEWORK FOR INTERNATIONAL MARKETING PLANNING

As noted earlier, planning in the international context is more difficult than planning for domestic operations, partly because there are more unknowns in the former than in the latter. However, conceptually it encompasses all the steps used in the preparation of any typical marketing plan. To reiterate, a marketing plan shall normally consist of the following steps:

a) Diagnosis of the situation or situation analysis.

b) Identification of corporate strengths and weaknesses as well as environmental opportunities and threats.

c) Definition of the objectives.

d) Forecasted estimates of sales, costs, and profits.

e) Designing an appropriate marketing programme based on objectives and estimates.

f) Deciding on the relevant appropriations for the plan.

Definition of the objectives is considered by some as the first step in the marketing planning process. Others feel that realistic objectives should be set only after the SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis and in the light of the information and data thrown up by situation analysis. What is, however, important to bear in mind is that since marketing planning is an iterative process, it requires monitoring, revaluation and adaptation of objectives and strategies in the light of constantly changing environment. Strategic planning in the international marketing should encompass the following decision areas:

Commitment decision : Considering the resource position of the firm and its home market situation, does the international market offer an attractive opportunity worth striving for?

Area of operation decision : Which country/countries present the most attractive alternative(s) as potential target markets?

Entry mode and operations decision : What could be the most effective entry technique for entering the international markets and conducting the marketing operations?

Marketing organisation decision : What is the best possible organisational arrangement which will gurantee sufficient flexibility in and effective control over operations?

Marketing mix decision : Which possible combination of the marketing mix elements would be most suitable to achieve the objectives in the given environment?

All the above decisions are inter-linked and inter-dependent. Combining these decision areas with the general planning process generates an international marketing planning matrix given in Table 14.1 below. Each cell in the matrix represents a step in the

interactive process of the overall strategic planning function. Some of them (as you will note) are part of the review and reassessment process that must be carried on till the final plan emerges.

Table 14.1 : International Marketing Planning Matrix Steps in the Planning Process

Decision Areas	Diagnosis of the Situation	SWOT Analysis	Objectives	Sales/Cost Profit Forecasts	Marketing Programme	Budget
a) Commitment						
b) Area of operation decision						
c) Entry mode and operation						
d) Marketing organisation						
e) Marketing mix						

The matrix given above provides an overall framework for planning. Detailed marketing information would need to be generated and analysed in order to fill in the matrix and evolve the marketing plan relevant to a given situation. Given below are the check lists (adapted from Hans B. Thorelli, and S. Tamer Cavusgil (1990) International Marketing Strategy 3rd Edition, Oxford) of information pertaining to each decision area that must be generated/utilised to evolve the marketing plan. The lists are not exhaustive, they merely illustrate the type of information that forms the data base for such a plan.

14.5.1 Commitment Decision : Checklist

The commitment decision is based upon valid and defensible reasons for entering international markets. The reasons must include an analysis of corporate objectives, resources, philosophy and the sources of differential advantages sought in going international. Following are the factors that need to be considered while making the commitment decision:

A) Reasons for entering into international markets

- Sturation in domestic markets
- Greater profitability
- Pre-empting competition
- Excess liquidity
- Alternative growth strategy
- Better utilistion of current resources and differential advantages
- Excess or obsolescent inventory
- Securing sources of supply

B) Own resources, strength and weaknesses

- Domestic operations under control
- Differential advantages
- Image of high quality
- Cost advantages
- Manpower skills
- Finances
- Patents, technology

- Marketing expertise

C) Own objectives and philosophy

- Growth objectives
- Growth strategies followed (e.g. growth through market expansion or product development in current products or new products, growth through reinvested earnings, attitude towards mergers and acquisitions)
- Profitability, return on investment
- Attitude and preferences regarding risks
- Liquidity preferences
- Market share desired

D) Country preference

- Developed, industrialised countries
- Developing countries
- State trading countries

Definition of the above variables would help finalising the commitment decision, and enable determination of the type and extent of commitment in a given area of operation.

14.5.2 Area of Operation Decision : Checklist

Once, in the context of the commitment decision, the type of country preferred has been decided, the specific country alternatives may then be evaluated. Unless specific reasons compel choice of a particular country, several alternatives within a given type must be analysed with respect to both international and the local marketing environment. The factors that may be considered for this analysis include:

A) International environment

- Relations between domestic country and country chosen (say country X)
- Relations between chosen country X and third countries
- Tariffs and non-tariff barriers in country X
- Currency stability and foreign exchange regulations
- State of infrastructure and infrastructural costs (e.g. transportation, communication, energy)
- Counter trade requirement

B) Local marketing environment

- Population size, growth, composition, etc.
- Government stability
- Income, size, growth, per capita, etc.
- Economic development, growth rate, developmental policies
- Agricultural, mineral, industrial scenes
- Inflation
- Government controls and regulations
- Local business culture
- Philosophy towards cooperation, competition
- Business ethics
- Respect for contracts
- Cartelisation

C) Marketing infrastructure

- Availability and reliability of marketing data and research skills
- Literacy
- Media
- Advertisement agencies
- Distributive network facilities
- Availability and reliability of communication system
- Transportation avilability and costs

D) Market structure and demand

- Consumption pattern and buyer behaviour

E) Financial needs and analysis

Short Term

- Investment needs
- Sales volume forecast
- Profitability estimate, return on investment

Long term

- Taxation, incentives, etc.
- Currency stability and convertibility
- Profit, dividend remittance and repatriation prospects

F) Overall suitability

- Country X fit in a regional approach
- Country X as part of a global market portfolio

14.5.3 Entry Mode and Operations Decision : Checklist

This checklist helps determine the appropriate mode of market entry, the first part of the international operations plan. It is essential that the plan incorporates the general assumptions and specific forecasts on which it is based and that it be prepared in written form, especially if it is a 'first' or 'initial' plan.

A) Objectives

- Sales volume expected during initial period (Market share)
- Profitability, return on investment (note: the larger the scale of operations, the more likely will be the chances of negative profits during the buildup period)
- Permissible risk exposure
- Going in for quick profit and then quitting vs. aiming for a lasting commitment
- Philosophy of ownership vs. joint ventures, etc.
- Data feedback for future decisions: Test marketing or other marketing research, collection of data to determine desirability and form of long term commitment – all the while keeping costs of data generation and analysis in mind

B) International environment

- See checklist A of Area of operations decisions (see 14.5.2 in this unit)

C) Local marketing environment

- See checklist B of Area of operations decision (see 14.5.2 in this unit)
- Local government view of the firm's kind of production

- Could the firm (and should the firm) try for favoured treatment from Government?

D) Market structure and demand

- See checklist D of Area of operations decision (see 14.5.2 in this unit)
- Detailed industry and company sales forecast

E) Resources

- Expected sources of differential advantage (See checklist B of commitment decision)
- Local validity of own patents and trademarks
- Availability of company personnel with local experience
- Tasks to be performed by company, tasks to be contracted out; marketing research, advertising, distribution may all contracted out, if desired, given sufficient local infrastructure.
- Available sources of supply relative to expected sales volume, supply from headquarters or from other subsidiaries or from outside firms. Adequacy of sources and their ability to adjust to possible fluctuations in demand.

F) Mode of market entry

- Director exports from home base
- Indirect exports through home country channels
- Direct exports through outside distribution channels
- Direct exports and sales through local sales branch
- Licensing, franchising, technology transfer
- Foreign direct investment (FDI) in joint venture
- FDI in wholly-owned assembly or integrated production facilities.

14.5.4 Marketing Mix Strategy : Checklist

Assuming the international commitment decision has been made, the country or countries selected, and the most likely mode of entry determined, this checklist enumerates the strategic aspects in the overall marketing plan. These include the underlying strategic concept, rationale, general thrust, and consideration of appropriate and matching marketing mix variables.

A) Strategy

- Overall concept of the firm's international marketing strategy. The strategy should be explicitly related to local objectives and to the company's perception of differential advantage and should include definition of market niche, if nichemanship is sought.
- Rationale for contemplated differentiation from domestic strategy, if any. Such deviations are often desirable and at times, may become even inevitable. As they do affect synergy, their justification should be made explicit.
- Homogenisation or segmentation of local demand.

B) Marketing mix implication of strategy

- *Product:* Opinions, models to be marketed, modifications for local markekt if any, product simplification, invention (includes packaging, branding, labelling).
- *Price:* Skimming vs. penetration. Price relative to current and potential competition; price relative to the firm's policies elsewhere. If the price is very high compared to the domestic price due to tariffs, freight distributor margins, etc. the belief that it will be accepted locally must be justified. If planned local price is very low, the side-effects on company operations elsewhere must be analysed.

- *Promotion and market intelligence:* Budget, theme, media, timing. If substantial resources are to be committed, plan for measurement of promotional effectiveness must be included. Marketing research and feedback mechanism.
- Distribution channels
- **Functions to be performed by channel members or distributors. Exclusive vz. selective distribution**
- Margins, promotional allowances (if any)
- Short term vs. long term commitments. Need for future flexibility
- Pre-sale and point of sale services
- Post-transaction service
- Service and warranty system
- *Spare parts:* Locally manufactured or procured vs. imported from home country or subsidiary
- Location of Service Points
- Handling of customer complaints
- Training of service personnel including independent repairmen
- *Networking and trust:* Plan for the build-up of goodwill and customer confidence. The larger the operations and the longer its time perspective, more important will be trust.

14.5.5 International Marketing Organization : Checklist

To bring the plan into fruition warrants a proper marketing organisation. This checklist includes among various factors, the type and nature of coordination between headquarters and international units, scheduling, performance evaluation (audit), and preview of subsequent planning periods.

A) **Headquarters service and coordination**

- Manpower allocation at headquarters (HQ) and overseas
- Organisational adjustments at HQ, if any
- Identification of areas of HQ direction, assistance and consultation. Areas of local autonomy
- Reporting arrangements
- Pricing and other policies for intra-company transfers

B) **Schedules**

- **Step-by-step timing of activities and the attainment of sub-targets. PERT or flow diagram techniques may be helpful here.**
- Budgeting
- Master budget
- Projected profit and loss statements for each reporting period
- Proforma balance sheets for each reporting period
- Cash flow projections in each reporting period

C) **Action potential at the end of the planning period:** This is an advance audit of operational performance, assuming full implementation of the plan. At the end of the period, a post-audit should be undertaken, including re-evaluation of the commitment decision and its future implication. These management audits should comprise items of the type indicated below:

- Resource profile, including personnel skills
- Differential advantage

- Market structure and demand
- Trust and goodwill
- Patents and trademarks
- Standing arrangements with local suppliers and customers
- Competitive position
- Performance relative to budget
- Performance relative to other aspects of objectives and plan
- Impact on host country.

D) **Contingency plan:** Contingency planning is a standby plan for emergencies, such as labour strike, import restriction, fluctuation in exchange rate, problems in obtaining finance, rise in costs, power failure, transportation problems, etc. In short, some vital assumption regarding the future turned out to be incorrect.

E) **Long-term plan:** If the initial plan could go through without much problem, the long-term plan should at least present a sketch for the next three to five years.

Check Your Progress B

Select any three organisations operating in international markets. Study together marketing plans at least for the past three to five years to analyse how the marketing plans have been influenced by (a) reasons for entering international markets; (b) corporate strengths, and (c) marketing infrastructure available.

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14.6 INTERNATIONAL MARKETING CONTROL

International marketing displays an interesting paradox with respect to control situations. While control of multinational operations is far more formidable and poses additional challenges, not many business firms exercise control over international operations as thoroughly as they should. The additional difficulty in control of international activities emanates from a number of reasons. The speed and width of environmental change in a multinational company is a factor dependent on each of the markets in which the company operates. As the rate of exchange and the characteristics undergoing change differ in each of these national markets, this dimension becomes complex. In addition, the far greater heterogeneity of environmental challenges makes the task of the marketing controller more difficult. In larger companies, the size of international operations necessitates formation of intermediate headquarter, creating an additional organisational level for the control mechanism. Further, international operations present unique communication problems emanating from the distance between markets and corporate headquarters, and variations in languages, cultures and business practices across the national markets. Thus time lags, cultural lags, communication lags and varying objectives contribute to the problem of establishing and managing effective international marketing control systems.

In order to perform at optimum profit levels consistently, all functional areas need systematic control and coordination. While the requirements of an international marketing control system are similar to those of the domestic system, the specific challenges posed by the former necessitate that consideration be given to the following:

a) Since international control can seldom be as complete as that of domestic operations, the tools used need to be reasonable and realistic. A cumbersome or complex system is likely to become non-functional soon.

b) The cost of control system must be commensurate with the benefits accruing from it.

c) In order to be effective in meeting the challenges posed by the rapidly changing environments in heterogeneous market places, the control system must be sensitive and quick so that the organisation retains the flexibility to react to environmental opportunities and challenges.

d) The control system may need variation according to the needs posed by different subsidiaries. Though this sounds a simple theoretical principle, most companies tend to adopt a standardized system regardless of the type of country and location in which the system is to be operationalised.

e) The control system in the international markets needs to be streamlined enough so that the corporate headquarter is not inundated with masses of data, but only key variables are presented to alert the organisation to departures from the planned performance.

14.7 CONTROL SEQUENCE

The control operations in international operation follow similar logical sequence as that in domestic marketing though the implementation may vary depending on the relationships among the steps involved in the control process. Figure 14.1 shows the international marketing control systems.

Figure 14.1 : International Marketing Control System

Establish Objectives →	Select Control Methods →	Set Standards →	Locate Responsibility →	Establish Communication ↘	Continuous review of results →	Corrective action
Reassess Objectives and Modify, if needed →	Review Methods and modify, if needed →	Reconsider Standards and modify, if needed →	Review Location of responsibility, if needed →	Evaluate Communication and modify, as needed ↗		

Companies may differ in the entry objectives they seek in international markets. For the purpose of designing adequate control systems, management needs to clearly outlines its specific long run and short run objectives in respect of specific international markets. Companies with distant foreign subsidiaries often fail to communication enough about the firms objectives and goals relating to specific operating units. Unless objectives are conveyed explicitly they cease to have relevance to the opeating units.

The methods chosen for international control may be direct or indirect. Direct control methods include contractual arrangements and equity sharing. Communication and competition are used as indirect control methods. Organisations vary in the extent and degree of control, regardless of the method of control used.

While contractual arrangements represent a mechanism for direct control, their existence does not automatically generate control. Quota provision and licence requirements therefore are applied by international marketers in the contractual arrangements, to facilitate direct control. Most parent companies also augment these control provisions with other methods.

When the parent company participates in the policy making and/or administration of its foreign subsidiaries, more effective control is ensured. Similarly, ownership participation enables the parent company to exercise closer control on international operation.

Depending upon the objectives to be achieved, standards of performance are used to evaluate performance of the operating units. The performance standards can be in relation to profits, sales volume, channel performance, achieving and gaining market share and other such measures deemed relevant.

Revenue and expense budgets both form/part of the standards set for international operations. There may be a tendency on the part of some companies to understate expenses and overstate revenue. It is advisable that country specific research and analysis of budget estimates preceds formation of these standards. In order to provide for an overall comprehensive control system, standards should be set at all levels of operation. These should be reviewed to ensure realism and consistency with corporate goals.

Location of ultimate responsibility for international operation is usually a difficult problem because of complexity of international organisations. Coodination between the respective functional area of the parent company and the foreign subsidiary becomes imperative. The need for coordination becomes more important when a multinational company organises its international operations on product basis. As far as possible, to facilitate centralised action and coordination, the primary responsibility for control should be located with one person.

Formalised, defined communication systems become imperative in the context of international control procedures, in contrast to the domestic marketing, where informal communication is quite often utilised in addition to the formal ones.

An important ingredient of the communication system comprises the tools used for information collection. The approaches used are examination of company records, routine reporting periodic enquiry and fold audits.

Company Records: Depending on the information needs, some companies use primarily the analysis of the aggregate sales or profit figures of their overseas business units supplemented by the routine reporting system information. This type of analysis may give an idea of the overall position of the firm's international operations.

Periodic Enquiry : Most parent companies including those who have entrusted their overseas operations control to the subsidiaries themselves, institute a system of periodic enquiry about their marketing operations and their effectiveness. The sources of information could be organisational, including functional departmental heads or non-organisational including customers and channel members. This sort of periodic enquiry, specially if it is in the context of specifically defined objectives, helps in sensitising the parent organisation to the variation from the planned performance and even the possible reasons for it.

Routine Reporting or Monitory System: Parent companies, which prefer centralised control, tend to develop and implement a monitoring system consisting of standardised report formats, submitted periodically. The reporting formats are designed to make interpretation of variance possible. These monitoring systems include routine reports by field sales personnel and channel members. A routine reporting is time consuming. The system should be periodically reviewed to ensure that it is economical, accurate and relevant.

Field Audits: It may be felt at some times that reported information is not adequate enough to provide a full, in-depth understanding of international business scene. Without perceptual understanding of the location and environment, it may be difficult to appreciate some of the peculiarities of the situation that the management may have to deal with. A system of periodic field visits may provide the organisation with greater insights into the marketing problems unique to a given external market. The periodicity of the audit visit would depend upon the number and kinds of problems encountered in the foreign market, the profit potential of the area, the capabilities of the local managerial personnel and the cost of these visits. To make effective use of the field audit as a control tool, the field auditor must plan in advance, an audit checklist.

Evaluation and Corrective Action: This final step in the control process involves the comparison of actual performance with planned performance. Information generated from the markets needs to be compared with predefined, established norms and standards for different operational areas. If the expected and the actual results vary, corrective action needs to be taken in terms of modifying either operations and procedures or the standards and objectives, if they seem to be unrealistic in the context of the altered circumstances. In the case of issues involved in international marketing, there is a greater possibility of time lag between initiation and implementation of corrective action. It is, therefore, important that both evaluation and remedial action be initiated as continuing, iterative activities. An additional safeguard against the possibility of time lag is the development of contingency plans to meet unanticipated market conditions.

Check Your Progress C

With respect to the organisations studied in response to "Check Your Progress B", study the control systems used by them. Comment upon:

a) The difference between domestic and international control operations

b) The control tools used

c) The communication systems established for control purposes.

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14.8 LET US SUM UP

International marketing planning presents the challenges of responding to different environmental variables and integrating national, regional and international planning inputs into an overall plan that best utilises organisational resources to exploit oppotunites. This unit discusses the complexity of international planning and provides an overall framework for strategic marketing planning.

Strategic planning in the international marketing context comprises of five decision areas: (1) the commitment decision, (2) area of operation decision, (3) entry mode and operations decision, (4) marketing organisation decision, and (5) marketing mix decision. All these decisions are inter-linked and inter-dependent. Detailed checklists of information pertaining to each of these five decision areas that must be generated to formulate the marketing plan have been provided in this unit.

Planning as an activity necessitates control because when a company plans, it must also make arrangements to monitor the plan output and take corrective action. The unit presents a sequential description of the international marketing control process and lists out factors worthy of consideration while designing control mechanisms for international marketing. At the outset, however, it should be clear that there is no single ideal organisational structure.

14.9 TERMINAL QUESTIONS

1. Differentiate between domestic and international marketing planning.
2. How do entry objectives in a given foreign market affect the marketing planning for that market? Explain with examples.
3. What barriers make controlling international operations more complex than controlling domestic marketing activities? Explain with the help of specific examples.
4. Explain how are contractual arrangements utilised for effecting control of international operations?
5. Comment upon the communication systems that can be established for effective control systems.
6. Discuss briefly the sequence of control process used to control overseas marketing operations.