Lessons from Product Standardization Failures in International Markets

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Lessons from New Market Failures

Somewhere around 1974, a senior engineer named M Nath, who was working in a multinational company in India, worked hard to develop a machine which was meant to wash clothes and dry them. This machine was supposed to perform both functions. At that time, if we look at Western countries, this machine was very successful and popular. This made him more confident about the success of the product because it was an emerging trend in India. The company had a lot of resources, and he was considered to be sitting on a pot of gold. The product was named Laundromat. He used his own equipment to develop this machinery, and many marketing campaigns were conducted in many schools, colleges, hospitals, etc. The expectations were high due to the insight into the same product demand in Western countries. Unfortunately, the results came quite the opposite; the concept of self-service machinery failed, resulting in no sale of the product in the market.

What were the causes of these failures?

The causes of failure are as follows:

- Due to the shortage of space in residential houses in India, people did not even bother to buy such machinery.
- Another reason was that the cost of this machinery was quite high, which made washing clothes quite expensive.
- The need to wash extensive clothes in hospitals and hotels was required, as the machinery was designed to wash for a short period of time.

Were the failures preventable? If so, how?

Various factors blocked the success of the product:

- Due to the high cost of installation.
- No, encouragement from the government
- With the large size of the machine, more space was required than the existing alternatives.

- The distance between the users and makers made it difficult for them to reach it.

These failures were preventable; if they had planned all these things in the beginning, they should have reduced the size of the machinery and made it more efficient and capable of washing more clothes at the same time (Yang, 2017).

Special Brand Roles

There is a list of roles that a company needs to follow in order to compete with the market to bring its product within the reach of each and every individual and make it accessible at every single location:

1. Appeal to a specific market portion not presently being covered by the other brands of the company.
2. To protect the leading brands
3. To serve as a company profit-maker
4. To attract new customers towards the franchise.
5. To provide prestige to the entire brand portfolio.
6. To raise the vendor requirement in the store.
7. To appeal to consumers who are looking to change the product brand.
8. To increase competition within the organization
9. To crop economies of advertising and sales.

There are numerous brands that are fulfilling these roles in one way or another, but the brand that is very consistent in making progress among these roles is P&G. Procter and Gamble relocated its top-level LUVS Diaper brand to assist as a value fighter among the other brands in the market and stored brands to protect Pampers premium brand. Similarly, we have many examples of brands that try to fulfil these roles in order to compete in the market.

Ethical Issues In Global Market Entry

What are some ethical issues that an organization may face when entering the global market?

An organization suffers from a number of ethical issues while entering the global market. As a business tends to expand globally, it is not only required to understand an organization’s mission, vision, or goals (Ali, Al-Aali, 2015). It must also keep an eye on the ethical and moral issues that it can face while entering the global market. When an organization takes the initiative to expand in the global market, then it must also take preventive measures to control the ethical and moral issues that it might face during expansion. Only by keeping these things in mind can it be successful in expanding into the international market.

Some of the common issues that the business might face include working standards, working conditions, outsourcing, workforce diversity, trust, integrity, opportunity, human rights, religion, political barriers, overall environment and federal laws and legislations.

Is it ethical to market potentially harmful products to minors? Why or why not?

It is highly unethical to market a potentially harmful product unless you let the audience know the negative side of the product. It is only unethical when you are hiding the truth from the customers. If you want to sell a product which can have harmful effects, then you are obligated to let people know about the negative side of the product.

Do organizations have different brand messages for different ethnic/cultural groups? Why or why not?

Organizations have different marketing strategies that are tailored to the target culture and audience. Customers belong to different cultures having different norms and values. Different marketing strategies are used to market the product on a large scale in order to capture the maximum audience. Brands portray different messages according to the target audience.

Holistic Marketing

In consumer marketing, every brand markets its product in such a way that it mentions the point of difference from other consumer products. They keep their focus on the points that provide their product an edge over the other competitive products. By doing this, they capture their audience to achieve product success. Hence, it is very important for brands to plan their marketing strategy strategically. Sometimes, the lack of argument dialogue can cause a loss of customers. Marketing teams need to design their marketing strategies in such a way that they can get a maximum number of customers (Master, 2018).

It is important to learn the roles and responsibilities of marketing and then implement those strategies in the specific target market. Creating a marketing strategy also includes the integration of various components of marketing.

The holistic marketing concept is actually based upon the design and development of the marketing plans and programs and then the implementation of those plans and activities on the target market. These activities help to recognize their width and the dependencies among the marketing plans. Holistic marketing refers to everything that matters in marketing. There are four components of holistic marketing: internal, integrated, social, and relationship marketing.

Corporate Code of Conduct

A code of conduct is a company's statement that is written for the employees of the company, generally protects the rights of the employees, and informs employees about the company's expectations.

Procter and Gamble, a worldwide multinational consumer goods company, has one of the best corporate codes of conduct among other multinational companies. The code of conduct highlights the company's norms and values and describes the company's approach to corporate business conduct. The code of conduct states the company's principles, values and purpose.

The code of conduct tends to cover various fields regarding the company's operations and legal and ethical issues, favourable conduct in the workplace as well as commercial rights of the employees and consumers (Kolk, 2005).

The code of conduct of Procter and Gamble states that "P&G has built their organization in such a way that the men and women they possess in the company will always be their significant asset."

Was it written to address international/global standards or just domestic market standards?

It is written in the code of conduct to address the international standards of the company as well as the domestic market.

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