



# Harvard Business Review

REPRINT H02BTA  
PUBLISHED ON HBR.ORG  
SEPTEMBER 07, 2015

## **ARTICLE** **MARKETING**

# The Most Common Mistakes Companies Make with Global Marketing

*by Nataly Kelly*

MARKETING

# The Most Common Mistakes Companies Make with Global Marketing

by Nataly Kelly

SEPTEMBER 07, 2015



Marketers often find themselves at the forefront of a company's global expansion. The marketing team is usually responsible for carrying out the market research that will determine where a company should expand, and it's usually charged with creating a plan for attracting customers.

As a former business consultant to marketing executives at companies trying to expand globally, I've noticed some common marketing roadblocks that can stand in the way of international success:

**1. Not specifying countries.** Executives tend to think about overseas markets in vague regional terms (e.g., “We’re shifting our focus to Asia,” or “We’d like to double our growth in Europe”), but this oversimplification is problematic. Ask people what they mean by “Europe” and you’ll get widely varying answers—Western Europe, the European Union, the euro zone, and so on. Customers identify at the national level, and marketers need to remember that every country has its own local laws, cultural norms, forms of currency and payment, and unique business practices.

It’s essential to break up broader geographic “markets” into individual countries with distinct revenue and lead generation goals—and to conduct adequate local market research. Being more specific from the beginning helps tremendously with prioritizing one market over another, creating a staffing plan, and budget allocation—all of which are necessary for helping a company achieve its desired global goals. Research into local markets has to be aimed at understanding the market size, the challenges customers face, the solutions they currently have, and where your product can fit in. Many companies fail to think about these basics of product positioning at the country level and overlook things like strong local competitors.

**2. Not paying enough attention to internal data.** Developing a global market entry strategy requires more complex and specialized market research. In the vast universe of data that can help you figure out which markets are best for you, the most important data points are: 1) how much estimated opportunity is available in that market, 2) how easy it will be for your company to do business in that market, and 3) how much success you’ve already had with that market.

Many companies rely heavily on external data sources to guide this decision-making. However, analyzing your own data will help you answer the latter two questions and determine whether you have a strong product-market fit. Are you seeing a surge in leads from a particular market, in spite of not investing heavily there? Do you see a shorter sales cycle or a higher win rate in some countries? Is the average purchase price higher in a given market? Third-party data sources don’t know your customer or understand your brand – only you can answer these types of questions. Marketers can do a better job of utilizing their own data to prioritize their global marketing decisions.

**3. Not adapting their sales and marketing channels.** Many companies (especially Western ones) believe they can enter new markets by following the same playbook that brought them domestic success. While brand consistency is important, different markets favor different sales and marketing approaches. For example, in countries where relationships have a higher cultural value, such as Japan, selling products and services through local partners, such as resellers or channel partners, achieve faster success than direct sales models. Conversely, SaaS, online, and “touchless” sales models are often popular in markets where the cost of living is higher and automation is prized, such as the Nordic market.

Similarly, marketers need to change up their own channels according to the behaviors of each market, and this can vary across countries within the same region. For example, in Brazil, a marketing campaign might find more success with promoted messages on Facebook due to the

popularity of this social network there, while in other Latin American countries, Twitter might attract a larger audience more quickly, and thus be a more effective marketing tool. While some channels work across a large number of markets, you want to explore what delivers the best result in each market by conducting detailed market research that relies heavily on local, in-country experts in advance.

**4. Not adapting the product offering.** Companies achieve “product-market fit” one country at a time. Yet all too often, companies try to launch identical products in different markets, ignoring the fact that they’re dealing with very different customers. For example, a software company won’t succeed abroad if it sells the same product that it sells at home if users in the new market aren’t as familiar with certain advanced features. Instead, they should start with a more basic version of the product to get people accustomed to it. Likewise, a more advanced market might require more features than a product currently has available.

Pricing is a similar issue. Because the value proposition varies from one market to the next, pricing will vary. While it’s not always essential for companies to change their pricing structure for international markets, many companies find that they are able to grow much more quickly by making adjustments at the local level. Forms of payment vary widely from one country to another. Marketers need to consider different pricing strategies for markets that are predominantly cash-based versus credit card-oriented, for example.

**5. Not letting local teams lead the way.** One of the most disappointing mistakes that I’ve seen companies make is that they hire highly competent, intelligent local people to serve their overseas markets, but then fail to consider their input when making strategic decisions.

In my global consulting engagements, marketing executives would often ask me, “What do *you* think our best way forward is in France? Why aren’t we succeeding there? What should we do differently?” My answer was often, “Ask your local teams.” They would frequently admit that they hadn’t tapped resources like the salespeople who sold there, and their local partners, vendors, consultants, and customers.

This is extremely important, because these individuals not only know the country in question, they know your business. The biggest challenge companies face with incorporating local insight tends to be communication. The marketing team must therefore put a system in place to help ensure that local views are captured and disseminated frequently enough. Don’t bring your company into a country the hard way. Leverage your existing relationships, and make sure to give their feedback extra weight. They are by far your most credible advisors.

**6. Not thinking through the global logistics.** Marketers use software that enables them to publish content on their website, send out email communications, publish social media updates, and carry out other key marketing tasks. But the same tools don’t support every market. For example, perhaps the software you use to conduct webinars only supports five languages, while your marketing

automation software allows you to market in dozens of languages. Maybe your payment solutions only work for a few countries, but yet your CRM is filled with contacts from more than 100 countries.

Marketers need to ensure that they can actually market to people in the countries they're looking to enter, which means considering details like how to display local currency, being able to email customers in their time zone, and supporting the languages customers speak.

As business continues to become more global, companies can gain competitive advantage by focusing their marketing efforts on targeting the right international markets and adapting their products and strategies to appeal to local customers. They'd be wise to avoid these pitfalls.

---

**Nataly Kelly** is the VP of Marketing (Localization) at [HubSpot](#).

---