



## **ADAPTATION OF THE MARKETING MIX AS A COMPONENT OF THE STRATEGY OF ENTERING A NEW MARKET**

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### **Abstract**

The article examines the strategic significance and specific features of adapting the marketing mix in international markets. The relevance of the chosen topic is driven by the spread of globalization processes and companies' desire to expand beyond national boundaries. There is a need to reach an international consumer audience and ensure competitiveness, which requires companies to put additional effort into researching and organizing a marketing mix that aligns with market characteristics, leading to the necessity of its adaptation.

The article explores the marketing mix's adaptation as a vital component of a company's international expansion strategy. The primary tasks of the study include analyzing the marketing mix, approaching its formation, and examining the specific features of adapting its elements. To achieve the goal, methods of analysis, systematization, synthesis, and graphic methods of information presentation were used. In this way, the composition and essence of the marketing mix elements have been considered. The methodology for assessing a company's marketing strategy, which highlights the need for adapting the marketing mix, is presented and analyzed. The advantages and disadvantages of adapting individual elements of the mix are identified, and the specifics of their formation according to general market trends are clarified.

### **Keywords**

Marketing mix, International markets, Marketing adaptation, Marketing strategy, Elements of marketing, Enterprise.

### **Problem statement**

The spread of globalization processes increasingly pushes businesses to enter international markets every year. Regardless of the industry, foreign economic relations now play a crucial role in conducting business, and international expansion allows companies to boost profits and fully realize their entrepreneurial potential. Business owners may have various reasons for expanding beyond the national economy, but achieving this goal invariably requires a strategic approach. This strategic approach, in addition to performing management functions, involves developing a marketing strategy that strengthens the company's competitive position.

The specific characteristics of markets, the influence of uncontrollable factors, and differences in consumer behavior necessitate a reassessment of the 7P elements that form the foundation of a marketing strategy. This raises the issue of adapting the marketing mix or its elements to the company's new operational conditions.

### **Relevance of the chosen topic**

The topic's relevance is driven by the intensification of globalization processes and businesses' desire to expand beyond national capabilities. The distinctive characteristics of regions and consumers, along with their unique cultures, create the need for a thorough analysis of the marketing mix adaptation requirements and the identification of key aspects to consider when shaping its elements.

### **Analysis of recent research and publications**

The issue of the formation of a marketing strategy in an international aspect was considered in the works of many domestic and foreign scientists, such as S. Gioko, E. Kihonge, I. Havrylyuk, N. Struk, O. Kapral, L. Kvasova, L. Kurbatska, D. Lozovoj, A. Lialiuk and so on. Many scientists also study the theoretical and practical aspects of adapting the marketing mix or its elements. In particular, H. Anjani, I. Irham, L. Waluyati, F. Eze, I. Inyang, E. James, C. Eke, U. Udond, T. Hulyk, A. Naydovska, V. Zabihay, O. Khryniuk, S. Hanich, F. Sudirjo, etc. However, research on the given topic is limited and requires further consideration due to each market's political, economic, technological and socio-cultural features.

### **Purpose of the article**

The study aims to analyze the adaptation of marketing as a component of the company's general strategy for entering the international market.

In connection with the defined goal, the following tasks are solved in the work:

- comprehensive research of the elements of the enterprise's marketing mix and approaches to its formation when entering new national markets;
- consideration of the main stages of marketing strategy evaluation, which determine the need to adapt the marketing mix;
- analysis of the advantages and disadvantages of adaptation of the marketing mix;
- determination of the features of forming 7P elements on international markets.

### Presentation of the main research material and results obtained

Developing a marketing mix in the international market is more complex than creating one in the national territory. It is based on the formation of elements of the mix and their coordination among themselves in such a way as to ensure the competitiveness of the enterprise. Scientists distinguish four main mix components (4P), covering the parameters necessary to stimulate consumer interest in products or a company.

They include:

1. **Product.** A product is not just a commodity but a solution offered to the market to satisfy a need or desire. It may include physical goods, services, or even ideas. Within this element, the product range, product quality, packaging, names, and all other properties of the product that are of value to the consumer are considered.
2. **Price.** The price is the product's value or the value embedded in it. The company needs to establish a price range that will be acceptable to consumers, cover the costs of production and sale of products, and allow them to make a profit.
3. **Place (distribution).** Distribution is the element responsible for delivering products to the consumer. The main tasks of the distribution policy are creating product sales systems and selecting channels, intermediaries, and places of sale for the product or service that will be the most optimal for consumers to see and purchase them.
4. **Promotion** is communication with consumers that can take different forms depending on the tools and media used. Promotion allows the company to inform, remind, and convince the enterprise's target audience about its market offer (Gioko, 2015, pp. 222-226).

Depending on the company's field of activity, an expanded version of the marketing mix (7P) can be developed, which is supplemented with such elements as «people», «process» and «physical evidence». This variation of the mix is particularly crucial for companies in the service sector. The «people» element underscores the pivotal role of employees in providing services, their professionalism, communication skills and the ability to find an individual approach to the consumer. The «process» describes the method and sequence of providing a service, due to which its value is created. And «physical evidence» characterizes the environment in which services are provided: atmosphere, interior design, cleanliness, equipment (Anjani, Irham, & Waluyati, 2018, p. 264). Graphically, the marketing mix is presented in **Fehler! Verweisquelle konnte nicht gefunden werden.**

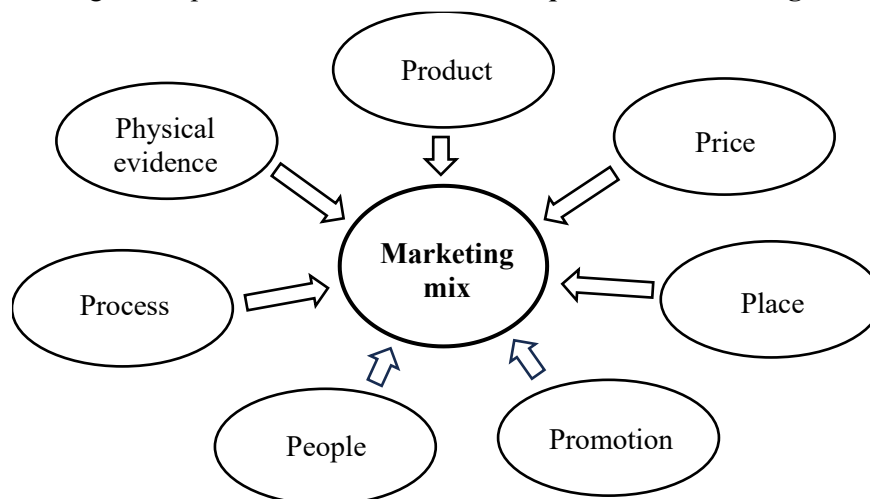


Fig. 1: Marketing mix and its components.

Source: Compiled by the author based on materials (Anjani et al., 2018)

There are two main approaches to forming the marketing mix when the enterprise enters international markets: standardization and adaptation. The first approach involves creating a single marketing strategy for the company in all markets where it is present. This allows the company to achieve the effect of scale, thanks to the same products, a single pricing strategy, distribution channel structures, and a standardized promotion system, through the creation of a universal communication message. Within this approach, the market is assumed to be homogeneous.

Adaptation, in turn, adjusts the marketing mix to each market. This approach requires orientation to characteristic features, which allows the company to create a unique approach to positioning and interaction with

consumers (Eze, Inyang, & James, 2024, p. 1194).

Global experience demonstrates that it is challenging for a company to gain consumer acceptance in a new country without adjusting its marketing mix. This is particularly true for markets that differ significantly in culture and legal framework from the company's home country. Such markets demand extensive research to mitigate potential risks. However, it is essential to note that neither approach is inherently superior. Despite their differences, both are practical and require substantial effort to develop and implement.

To more accurately determine the need for adaptation, it is necessary to conduct a comprehensive assessment of the company's marketing strategy.

Its main stages are as follows (Gavrilyuk, 2023; Struk & Kapral, 2023):

1. Determine the direction of the company's development, form strategic goals, and coordinate them with the enterprise's general goals.
2. Analyze the current state of the enterprise, including an assessment of internal reporting, financial capabilities, labour, and other resources that may be needed to achieve the set goals.
3. Conduct a SWOT analysis to determine possible strategies for further company development.
4. Organization of market marketing research under consideration or evaluation of possible alternatives. Different groups of external factors can be considered within the limits of the company's needs. These may include economic, political and legal, sociocultural, technological, environmental, business factors, and others. At the same time, a special role should be given to considering tax, legal, and political barriers to entering the market since these create the greatest challenges and determine market accessibility.
5. Analysis of the competitive environment in the market. Research of the market volume and prospects for its growth, the level of competition, which determines the further development potential (Kvasova, Kurbatska, & Lozovy, 2023).
6. Analysis of consumers, their needs, desires, behaviour characteristics, and use of products that are similar to those distributed by the company.
7. Choice of the market and the way to be present in it.
8. Formation of marketing strategy and 4P mix. All elements of the mix must meet the market goals, which, in turn, are subordinated to the enterprise's general marketing and strategic goals.
9. Determination of projects and activities that are necessary for the implementation of the marketing strategy.
10. Plan the activities for the implementation of the marketing strategy.
11. Support and monitor the implementation of the marketing strategy. This phase should be continuous, comprehensive, and flexible to prevent the emergence of possible risks

Thus, the company collects data that is necessary for making strategic decisions. Based on the information obtained from the first to seventh stages of the assessment, the company determines the necessary degree of adaptation of the marketing mix to the selected market. Our focus on risk reduction through preliminary analysis allows us to eliminate unrealistic and ineffective options for the development of the enterprise. This is achieved through a thorough comparison of market information, consumer insights, available resources, opportunities, and experience. At the same time, a special attention should be given to the choice of a general exit strategy, or presence in a new market and further orientation to it when forming elements of the marketing mix.

Based on the above, a conceptual model for adapting marketing mix elements in international markets (Fig. 2) can be presented.

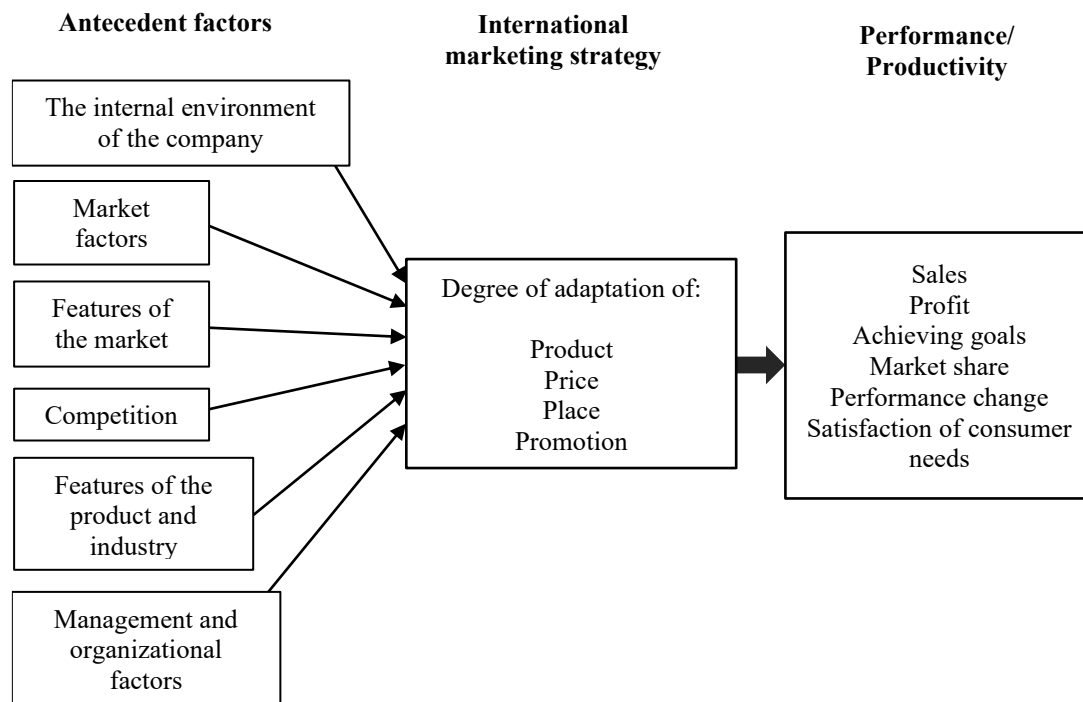


Fig. 2: Conceptual model of adaptation of marketing mix elements in international markets.

Source: Compiled by the author based on materials (Gavrilyuk, 2023); Eke & Udonde, 2023)

Thus, the impact of these factors plays a crucial role in adapting the marketing mix, influencing the effectiveness of the company's operations. Critical indicators of marketing strategy effectiveness include sales levels, profit, achievement of set goals, market share growth, labour productivity, and customer satisfaction. All these indicators generally depend on consumer response and the company's efforts invested in executing the marketing strategy. Depending on the tools the company uses, various criteria of effectiveness can be evaluated, allowing for the creation of a tailored system of metrics that will require ongoing monitoring.

When considering the need to adapt the marketing mix, it is essential to consider the general advantages and disadvantages of adaptation versus standardisation. Table 1 details the main ones.

Table 1: Advantages and disadvantages of adapting the 4P mix.

Features Component	Advantages	Disadvantages
Product	The most excellent correspondence to consumers' needs, increasing product competitiveness, and growing consumer loyalty.	The need to make greater efforts to comply with state and legal regulations, the increase in monetary costs and time for the development and production of new products, and the loss of economies of scale.
Price	Profit maximization through matching needs and creating price differentiation in different markets, considering the population's solvency.	The risk of reduced profitability, the difficulty of managing prices due to inflation, changes in currency exchange rates, and tax levels impact the company's overall image.
Place	Creating production facilities in a new market will reduce sales costs, increase response speed, and improve access to regions through local partners.	Cooperation with local intermediaries without a good reputation is difficult, as are high logistics costs when exporting products, increasing costs for creating sales systems, and supply chain management complications.
Promotion	Building a strong connection with consumers and trust through cultural and linguistic features in communication messages, risk	The high cost of creating advertising, the need for a thorough study of cultural features, the risk of losing the integrity of the brand, the need for time for the enterprise to appear in the eyes of

	reduction through cultural understanding, and the ability to build a new image for transnational clients.	consumers who may distrust foreign businesses, and dependence on local media.
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*Source: Compiled by the author based on materials (Akgün, Keskin, & Ayar, 2014; Lialiu, 2020; Khryniuk & Ganich, 2022).*

From the information provided in Table 1, it can be concluded that adapting the marketing mix requires more effort, time, and investment than standardisation, which are the main drawbacks of this approach. Depending on the product type and chosen market entry strategy, the company may face the challenge of a short product life cycle, creating the need for constant updates in line with market trends. There is also a risk of losing brand recognition and image due to using different positioning strategies.

The general advantages of adaptation include increasing the company's growth potential when the domestic market is limited and unpromising, as well as reducing risks through geographic diversification. Understanding and tailoring the product to the characteristics of consumers is a crucial aspect of this strategy, as it reduces misunderstandings with them, which is especially important when developing product and promotion policies. In practice, it is in the development of these elements of the mix that companies often make mistakes, which are related to sociocultural factors and create a negative impression of the brand.

Product adaptation can be performed in technical, aesthetic, ergonomic and taste-related aspects. Researchers distinguish several levels of product adaptation: unchanged product, necessary adaptation (adapting the product to the legal standards of the country), an adaptation of individual product elements, and the creation of an entirely new product. In practice, the most common types are necessary adaptation and the adaptation of individual elements, such as changing the packaging shape, taste, and colour or updating one or several technical characteristics (Khryniuk & Ganich, 2022).

For example, car manufacturers often adapt to road requirements by positioning the driver's seat on the left or right side. At the same time, food companies create unique flavours tailored to the preferences of different countries. A striking example is the saturation of the Asian market with snacks from global brands featuring unique flavours that are hard to find in European or American stores. For instance, Lay's produces chips with sakura, nori seaweed, Japanese plum, and wasabi. Moreover, the world-famous fast food brand McDonald's chain introduces menu items in various countries corresponding to national food characteristics. This is because the company already had a negative experience with product standardisation. In India, offering regular beef burgers caused public outrage, as cows are considered sacred animals. Due to this mistake, McDonald's experienced a decline in sales and damaged its brand perception. The examples demonstrate product adaptation's impact on consumer demand, which is extremely important.

It is also important to note that packaging, particularly the localisation of language on labels and packaging design, is crucial in building a successful product policy. The design must meet local standards and preferences in terms of colours, images, symbols, and environmental requirements and play a significant role in consumer perception and acceptance of the product.

To adapt pricing policies, it is essential to consider the country's economic situation, the purchasing power of local consumers, and competitors' prices. Depending on the chosen market positioning, the company selects its target price segment.

At the same time, it is essential to consider consumer expectations, which are often based on the price levels they are accustomed to from similar products in their own country. Companies targeting the mass market often need to set lower prices than local competitors to attract the audience.

The development of a distribution policy involves selecting channels for product distribution. Companies that sell products through their own sales department in the domestic market often need more resources to sell directly to customers in international markets. While adapting products to local needs is important, it can be time-consuming. Therefore, to accelerate market entry, intermediary structures, including outsourcing companies, can be used. However, it is essential to note that collaboration with local distributors and agents is not just about distribution, but also about their ability to provide valuable market information, making it easier for the company to conduct market research (Gulyk, Naidovska, & Zabiha, 2021). This support can be decisive for success and significantly accelerate the strengthening of positions in the market.

The promotion element also involves collaboration with local companies that can help better understand and adapt to market needs. These may include marketing agencies and various organisations managing advertising platforms.

Advertising plays a crucial role in adapting communication strategies. It is the most common tool for

promoting a company in international markets due to its ability to reach a broad audience and the possibility of reusing communication messages. Table 2 highlights the most critical aspects to consider when developing advertising for internationalising a company's activities.

Table 2: Features of advertising on international markets.

Aspect	Characteristic
Translation of the text	Adapting text requires a thorough analysis of each market's linguistic characteristics and collaboration with professional translators. They can localize the message without causing misunderstandings or losing the core idea.
Understanding the slogan	The slogan should reflect the central concept of the advertisement and the company's positioning. When choosing different positioning strategies in international markets, a company may encounter the issue of not all consumers understanding the idea conveyed in the slogan.
Consideration of visual and aesthetic preferences	Different cultures perceive colours, shapes, and other attributes used in advertising. The choice of these elements forms the foundation for creating a visual message and enhancing its appeal.
The correctness of the depiction of cultural features	Some cultures have a negative attitude toward representatives of other cultures using their national attributes. Also, a common mistake is to ignore the external characteristics of consumers to whom advertising is directed. This complicates the target audience's perception of the product.
Taking into account the context of current events	The enterprise cannot influence external factors but adapt to them. This involves avoiding hot topics, following trends, and responding appropriately to conflict situations.
Cooperation with local influencers	It is recommended that local stars, opinion leaders, and industry experts be involved in creating advertising to strengthen the company's trust in the new market.
Technicality of advertising	Advertising and the media used for its distribution must correspond to the technological and technical trends of the region where it is used.

Source: Compiled by the author based on materials (Gulyk et al., 2021; N.I., I.M., & N.V., 2014).

The visual image and textual message in advertising primarily attract consumers' attention. Unsuccessful translations of messages or slogans can cause communication problems and even conflicts. So, for example, Pepsi faced an adverse reaction to the inappropriate translation of the slogan «Come Alive with Pepsi», which in the adaptation for the Chinese market read «Pepsi will bring your ancestors back from the dead.» In addition, an essential role in advertising is played by the correspondence of the idea of the message to the company's positioning, since in different markets, the same product can be both a premium product and a product of general use. That is why advertising texts and slogans need a specific localization.

The visual design of advertising is not just about surface appeal, but also about deep-level perception. The external attractiveness of a video clip, banner, or any other advertising medium is what initially draws consumers' attention to the main content of the advertisement and the company behind it. However, the role of colour perception in different cultures must be balanced. For instance, rich and contrasting colours are often preferred in Latin American countries, while in Scandinavian countries, more subdued shades and minimalist images are popular. This underscores the importance of visual design in advertising and its impact on consumer perception.

At a deep level, consumers evaluate the ethics of advertising, its compliance with the cultural and moral requirements of the market, and the context. People are very picky about information and are ready to react to any shortcomings and violently invent additional subtexts. That is why, when creating advertising, the company should anticipate any possible reactions. The use of sensitive topics such as race, gender identity, sexuality, and religion can be controversial. Some nations negatively perceive when a representative of another nationality uses their external attributes, which is considered cultural appropriation. That is why there is now a trend in the fashion industry to involve models with different skin colours and body types – this allows the consumer to associate himself with advertising images and more easily perceive the product.

Involving stars in an advertising campaign is also an effective way to increase the attractiveness of the communication message and the brand's credibility. A clear example is Nike's advertising strategy. The brand is designed for a wide range of consumers and, therefore, advertises stars from various fields of activity: athletes, models, actors, bloggers and so on. Influencers share the experience of using Nike products, subconsciously creating an emotional connection between the company and customers. At the same time, it is crucial to consider

each individual's reputation to avoid a negative attitude towards the entire brand (Allahverdiyeva, Aghayeva, & Tavakkulova, 2024, p. 22).

In turn, technology makes it possible to draw more attention to the message and choose the relevant advertising medium to reach the necessary audience. These two aspects reinforce each other and allow information to reach its recipient. In some regions, advertising on television will be more effective. In others, it will be a banner which forces enterprises to combine an analytical and creative approach in creating and implementing advertising. The use of innovations and the involvement of technologies significantly strengthen the promotion of the brand in developed countries (Sudirjo, 2023, p. 66).

Adapting the elements of the extended marketing mix 7P to local markets is crucial for strengthening brand loyalty. The practical significance of 'people', 'process', and 'physical evidence' in service marketing, which often involves a customized approach, underscores the need for local adaptation. This approach, tailored to the characteristics of local consumers, is particularly beneficial for enterprises aiming to make an emotional impact on their customers.

### **Conclusions**

Based on the conducted research, it can be asserted that in the modern business environment, the development of the marketing mix is an integral part of a company's overall strategy for entering international markets. Its creation involves a preliminary analysis of all potential factors affecting the company's operations in the chosen market and the development of a marketing mix that aligns with the company's capabilities and goals, as well as consumer needs. All mix elements (product, price, place, promotion, people, process, physical evidence) must be coordinated to ensure the desired effectiveness.

The study also identifies two approaches to developing the marketing mix: standardization and adaptation. The company independently determines the need and degree of adaptation, as both approaches have practical significance. Further analysis of adaptation shows that its main drawbacks compared to standardization are the greater need for time, effort, and investment in marketing development. In contrast, its main advantages are better alignment with consumer needs, profit maximization, and increased customer loyalty to the brand.

Given the influence of external factors, competition, strategic goals, and company specifics, each marketing element may necessitate individual adaptation. The complexity of market research and the dynamic nature of market development underscore the need for continuous monitoring and enhancement of the company's strategy, including its marketing component, to ensure competitiveness in selected segments.



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