

Globalization And Marketing – A Positive Impact Upon Society And Businesses?

Oluchi Iduoze

Rahama Tijjani

Chetin Ibraimi

Abstract: Nowadays financial trade transactions happen every minute around the globe and consumers buy products from different regions of the world efficiently and freely because of the impact of globalization and marketing. Globalization is a global system that creates interdependence and interconnection of countries, enterprises, government driven by the advancement in technology, low trade barriers, heightened competition and free flow of trade. Globalization and modern technology are interconnected because they have the same advantages such as improved production, better communication etc.

Therefore, this particular essay will investigate the effects of globalization and marketing and their positive impacts on society. Trade liberalization, political and economic independence and mostly cultural interconnectedness effectively fetched several opportunities for the countries and marketing phenomenon has diversely changed. The empirical investigation and its justification further connected with the effects of globalization on the amount of co-marketing alliance along with international marketing related performance of organizations from two dissimilar economic contexts like developed economics and emerging economies.

I. INTRODUCTION

Globalization comprises the creation and multiplication of new and existing trade and value channels that lowers political, economic, cultural and geographical boundaries. Globalization ease global marketing however, survival in the market is required. Survival in the competitive global market is essential to stay relevant and make profit, hence the big role marketing plays in satisfying customer wants, influencing potential customers and retaining customers. “The globalization of marketing activities includes specific tasks such as the organization of worldwide efforts, the research of domestic and foreign markets, the finding of new partners, the purchasing of comprehensive support services, and the managing of costs of the international transactions” (Goran, 2002). Reasons to market globally are for multinational enterprises to enter foreign markets, the increasing numbers of merger, acquisition and joint ventures, the increased level of standardized products, quality standards sold internationally (Sheth,1986). Many Multinational companies derive efficiency and productivity in operations, by maintaining

sustainable business practices driven by globalization through media platforms that puts companies on their toes for the need for more environmental friendly resources. The five barriers that was highlighted upon the formation of the European market/Pan-European market in 1992 were: Tariffs, Quantitative restrictions, market entry restrictions, market subsidies. (Dalgic, 1992). However, the elimination of these barriers by forming the European market community decreased cost of production, increased product choice and quality and increased economic growth. The market will be equivalent to any national market, but larger in size and with different types of consumers from different cultures, moreover, enabling globalization (Doz 1987, Dalgic, 1992). Research shows the relationship between marketing strategy and environment is linked to globalization. This is because of economic freedom that allows Multinational ocmpanies enter similar market environments and transfer competitive advantage successfully than dissimilar markets. (Viswanathan and Dickson, 2007).

Some researchers perceive globalization as a root form of inequality between countries, within countries, communities

and people and the threat it has to environmental sustainability. The debate of globalization to inequality, unfair trade and social justice, environmental destruction is accumulating to if it has impacted the world positively or negatively. The drastic inequality in the 21st century was traced to globalization. Research of the effects of globalization states “Africa and Latin America lived in poverty at the end of 1990 than the start of the decade” (ILO, 2004).

II. POSITIVE IMPACT OF GLOBALIZATION ON SOCIETY

Globalization is having a dramatic impact for something good or bad on global economies and on people's lives. Some of the major positive impacts of globalization are associated with inward investment planning that connect with jobs and skills of the local people and when that knowledge gets shared among people they get to know about different aspects. Foreign currency and wealth brought to the local economy help to maintain proper resources, services and products and necessary investment plans with the coordinated support aspects can be maintained. The business infrastructure gets maintained properly and this aspect connects with proper health, education along with some small businesses. The sharing of ideas and managing lifestyles along with experiences can generate and process better products and service management planning so that focused understanding gets maintained and creates structured applicable directions and integrations. Globalization also increases consciousness of actions in faraway portions of the world. As an example we can state that the UK was speedily made mindful of the several business specific approaches and this generates proposed planning and directions so that understanding of the different other countries get specified in this segment. Bílková, (2021) globalization helps to generate major firm performance and this helped to create and initiate the ideas about focused action directions by defining the proposed aspects generated in this segment. The global market expansion with the developed countries association with it directs the key understanding about privatization approaches and considers proper customer demand specific associations (Belk, 2019). Number of transactions also increased and direct investment inflows with the concentration on the major businesses got maintained in this segment. The applicable support specific directions and managing the communication assistance in this context helpfully generate major support specific approaches.

Globalization generates cross-cultural associations and this aspect defines the key ideas about affluent system plans and builds proposed understanding where proper background of the business and international action follow-up become prominent (LUTSIV, 2020). Such perspective further implies the idea about consumer culture and accesses those aspects effectively to generate and channelize inevitable support specific directions while taking care of the current planning. As an example it can be presented that in America McDonalds represent cheap, fast, and convenient food and it is not the same for the other countries and Russia along with China involves different cultural experiences. The foreign trade

becomes equally supportive and appropriate which processes with better control specified approaches and structure effective and capable understanding that is connected with powerful action follow-up (Zhu, 2022). View of actions and related activities and consider structured approaches in this prospect powerfully can present and initiate the following directions so that necessary approaches can be constructively accessed so that necessary understanding by creating structured business specific aspects. With a focused plan and generating the ideas about capable action projections get maintained by following powerful marketing approaches and this can be learnt by the other organizations which are major players globally.

III. THE IMPACT OF GLOBALIZATION TO OPEN MARKET

The benefits of globalization outweigh the drawbacks and effects in many countries, for example it compelled China's economic growth, employment and productivity (Moore, 1992). Which resulted to increased standards of living in the country. Globalization benefits both the upstream and the downstream value chain system. For example, if enterprises outsource to reduce cost, cost reduction will directly allow lower prices, increase demand, increase profit, increased market share, increase competitive advantage and more room for growth and development. An open market and economy is a foundation for the productivity, growth and development of enterprises across the globe.

“The prospect of liability for failing to meet standards often motivates better environmental performance” (Esty and Gentry 1997). Globalization and marketing strategies have inspired technological acquisition and knowledge sharing from a country to another for improved waste management and control. Multinationals' joint ventures, and franchise are successful because of improved information and telecommunications technologies (notebook PCs, fax machine, intercontinental video conferences, electronic mail and so forth). ICT are changing the nature, speed and geographic reach of management (Theuerkauf 1991). Technology allows devices become channels in the value chain with numerous advantages surrounding marketing solutions to create, deliver, analyze, data collection, metrics report and interaction. For example, accessing the channels to which products are marketed to customers such as website response or social media response allows measuring customer behaviors resulting in improved efficiency by personalizing customer interaction on the website. In turn, how customers feel toward messages that are personalized can influence the effectiveness of those messages (Aguirre et al. 2015).

Marketing channels allows enterprises measure and record the retention rates, average order amounts, purchase rates, and costs to serve the customer, which fosters decision making and improves competitive advantage. Research by Keegan mentions survival as one of the motives to marketing and globalization (Keegan, 1989). The drivers that motivates global marketing are categorized as market, competition, cost and government. (Johansson, 2000).

IV. GLOBALIZATION AND ASSIMILATION OF MARKETING TO INCREASE FIRM PERFORMANCE

The circumstance that globalization is impacting business is indisputable since people have witnessed extraordinary changes in the marketing and that eventually changed the business environment that have instigated transformations marketing activities of firms around the globe. To attain superior marketing enactment in this globalization era, organizations need to maintain relationships with customers, partners and diverse other parties in this value chain (Bundziková and Jánošová, 2021). As a result, it has seen that an increasing trend following some strong cooperation among organizations is happening.

Structuring some of the prominent theoretical perspectives it can be stated that the transaction cost economics and the classical industrial organization from where we gain understanding about market power perspective can proceed with cooperative arrangements like strategic alliances. This alliance is associated with appropriate association with excellent alternatives for businesses to accomplish the impacts of globalization and conquer greater performance.

The expansion of any organization's strategic aptitudes and the lessening of opposition are two chief purposes for the propagation of supportive strategies that connect with strategic alliances in today's corporate environment (Jánošová and Labudová, 2020). Here, one aspect is highly prominent which is understanding partnership in the business and maintaining internal as well as external partners to create strong strategic alliances between different countries. On the one hand, it is recommended that global market related opportunities support firms to connect with worldwide capitals and increase into diverse overseas markets, consequently, improving performance of the firm. On the contrary, different challenges also can generate as the number of competitors also increase due to its expansion and managing those competitions can be highly challenging in this prospect. A strong understanding about the current directions and building supportive approaches to create and specifically maintaining effective and supportive action pathways in this context helps to maintain better competitive arrangements and related associations (Sharifonnasabi *et al.* 2020).

V. GLOBALIZATION AND COOPERATIVE ARRANGEMENTS AMONG BUSINESSES THROUGH MARKETING

The circumstances that globalization is upsetting business are highly witnessed as well so fundamental action association and building supportive directions need to be followed. Building on the ideas regarding conceptualization of Sharifonnasabi *et al.* (2020) connected with relational exchanges and maintaining strong marketing association for current and future engagement. Coordinating different marketing activities and creating standard support specific assistance towards effective market share, profitability planning and fundamental task management helps to form supportive ideas about specific task directions and

specifications. The huge investments in the research and development further connected with continuously managing cutting-edge business performance and supporting applicable action projections by associating with different technological changes (Jánošová and Labudová, 2020). As a result, the key trend here connected with better competition management and channelizing effective ideas about strong market justifications. In these co-marketing associations more insights on globalization drives collaboration in international marketing actions and this aspect helps to form standard support specific directions so that international marketing performance and related directions are adequately proposed (Rosokhata *et al.* 2020). Despite this particular knowledge of the occurrence of globalization, insufficient endeavors have been made to evaluate its impacts on organization. Some significant changes due to globalization on the businesses get to see and this aspect connected with the 'context driven' discipline with the supportive action associations and effectively build structured approaches to create better engagement. Amid globalization where some of the dramatic changes have happened significantly generate a major background for strategic and innovative marketing approaches and this context associates with economic liberalization as well. To be considered emerging countries with the standard market follow-up and associations helps to direct the ideas regarding international partnership management and consider standardized future approaches where overall action aspects can be followed (Belk, 2019).

Creative technology management and consider perfect understanding of the current market can propose and structure the necessary ideas regarding unique characteristics of the products and services presented by the different companies. Some of the privatized companies are generating and creating supportive ideas regarding better resource planning and structure proper branding values through this applicable marketing procedure. Some of the newly privatized companies with incomplete resource endowments and typically following the smaller size of the businesses and here some of the strategic directions and necessary action approaches require constructing. Providing the aforementioned discrete features of organizations from developing economies, it is thought-provoking to study those globalization impacts different firms and whether these impacts are comparable to or dissimilar from those of organizations in industrialized markets (Nitsenko *et al.* 2019). In addition, meanwhile the mainstream research in the different business values along with disciplines simply emphasizes on organizations in industrialized nations with little interest in the emerging-economy firms, the study related firms in an emerging-economy context also needs to minimize this gap in the literature and therefore deliver opportunities for future investigation.

A. AN ANALYSIS OF THE GLOBAL MARKETING STRATEGY USING THE MARKETING MIX ON MCDONALD:

PRODUCT: McDonald innovate in expanding their product line and introducing more products to their menu. Their products include Hamburgers, sandwiches, salads, desserts, beverages etc. it was initially known for its burgers

but expanded over the years, reducing dependency on one market segment.

PRICE: McDonald uses strategies like bundle pricing strategy and psychological pricing (Meyers, 2021). Bundle pricing is offering meals in bundles like happy meal (a meal that comes with other discounted products) while psychological pricing is using prices in rounding numbers. Bundle costing allows customers optimize the value of their products at an affordable cost and psychological allows consumers buy based on their affordability.

PLACE: MacDonalD’s owns numerous stores worldwide, with locations easily traced. They distribute their products in restaurants, Cafes etc. They also have virtual locations to comfortably buy products in many locations using the MacDonalD’s app and post mate websites.

PROMOTION: Advertising has been known for the most notable tactics of promoting the company over the years, other tactics includes sales promotion, direct advertising and public relations. Additionally, My McDonald’s rewards program, gift cards etc.

McDonald’s global marketing strategy has paved way to enabling customer loyalty worldwide. It approach has allowed expansion, growth, profit and customer attention. It is a leading fast food chain with numerous restaurants globally. However, to survive a competitive market with multiple competitors such as Burger king, Dominos, any other restaurant and new entrants’ innovation, expansion is crucial. “The Multinational introduced wine in France, super-big hamburgers in the U.S.A., rice in China, hamburgers without beef in India, Beer in Germany, Filipino-style spicy burger in Manila ((Talpau, 2011), to attract many demographics such as kids they introduced a playful clown to entertain the kids, with toys in their meal packs. Globalization has pushed marketers to adopt a sustainable competitive advantage with the help of technological advancements used in eliminating waste and controlling gas emission. The level of marketing standardization is from the level of customer response to the marketing mix, the transferability of competitive advantage, and homogeneity of economic freedom across markets. (Viswanathan and Dickson, 2007). McDonalds has been expanding globally through franchising. They have 275,000 franchisees all over, who undergo training at the Hamburger university which is a training program university launched by McDonalds in 1961 to train and maintain the standard of the fast food chain. The Enterprise works with several independent suppliers globally, it collaborates and works closely to ensure adhering to food safety, handling food storage, manage risk and creating contingency plans. The Company invest \$1 billion annually in marketing to maintain its market share, allow innovation and satisfy customers with speed, efficiency and convenience.

B. MARKETING STRATEGY THAT BOOST MCDONALD’S GROWTH:

- ✓ **ACCELERATING IN TECHNOLOGY (DIGITAL, DRIVE THRU, DELIVERY);** Digital channels such as mobile apps accounts for 25% sales in 2021 in the top markets which includes U.S, U.K. Germany, Japan. Which is also a 60% increase over 2020.

- ✓ **PROMOTIONAL STRATEGY:** the loyalty program known as “My McDonald Rewards which allow customers to earn 100 points for every \$1 spent on certain purchases” (Chris,2022). This strategy enables increased customer engagement in My McDonalds apps and allows rewarding customers loyalty.
- ✓ **FRANCHISING** – McDonald’s continues to expand through franchising using the franchisee recruitment initiatives. The multinational is situated accross119 countries, with 40,031 restaurants at the end of 2021, moreover 90% are franchised (McDonald, 2022).

Year	Sales	Revenue
2020	\$90 billion	\$20 Billion
2021	\$112 Billion	\$23.2 Billion

Table sourced from McDonalds website at: <https://www.mcdonalds.com/us/en-us.html>

Table above shows impact of marketing and globalization in boosting growth in McDonalds.

VI. CONCLUSION

The overall discussion of the essay is connected with globalization and marketing which has different positive approaches and consider effective strategic understanding which generates applicable support based assistance for the companies. As the companies are becoming global in nature, they are increasing their commitments and effective trading plan along with marketing processes. The individual support specific approaches and consider support based criteria in this segment state the ideas about followed action directions and structure helpful approaches with better action associations and directions. Strong foreign investment, strategic alliances and structure competitive assistance in this context can generate the focused assistance related to overall growth and development.

The impact of globalization has fostered better standard of living and better business growth. It has more advantages than disadvantages. “The globalization of marketing activities includes specific tasks such as the organization of worldwide efforts, the research of domestic and foreign markets, the finding of new partners, the purchasing of comprehensive support services, and the managing of costs of the international transactions” (Goran, 2002). McDonalds has shown how effective marketing strategies boost growth with the use of technology such as My McDonalds app, digital marketing, and promotional strategies such as McDonalds rewards. Multinationals aim to survive the competition in the market, because consumers are prone to different substitutes in price, menu, location, ambience, delivery, digitalized apps and services. The choice of the entry mode and the type of global marketing mix to adopt facilitate the process of entering into foreign markets. Entering a foreign market with the same marketing mix to domestic market is known as standardization, while adaptation can be defined as entering a foreign market with different marketing mix. These may be driven by differences in consumer tastes, wants and needs, national cultures, economic and technologic levels, market structures, ways of doing business, political stability, government policy, laws and regulations” (Akgu et al, 2014).

“The international marketer must deal with differences in foreign environments from the characteristics of domestic environments hence, the importance of global marketing strategy as a point of critical success factor.

REFERENCES

- [1] Akgün, H. Keskin, H. Ayar, (2014), Standardization and Adaptation of International Marketing Mix Activities: A Case Study, *Procedia - Social and Behavioral Sciences*
- [2] Aguirre, E., D. Maher, D. Grewal, K. de Ruyter, and M. Wetzels (2015), Unraveling the personalization paradox: The effect of information collection and trust-building strategies on online advertisement effectiveness, *Journal of Retailing*, 91 (1):34–49.
- [3] Bílková, R., 2021. Digital marketing communication in the age of globalization. In *SHS Web of Conferences* (Vol. 129, p. 06002).EDP Sciences.
- [4] Belk, R., 2019. The future of globalization: a comment. *International Marketing Review*.
- [5] Bundžíková, R. and Jánošová, D., 2021. The impact of globalization on the selected aspects of the regional marketing. In *SHS Web of Conferences* (Vol. 92).EDP Sciences.
- [6] Chris Kempczinski (2022), A year of resilience and great progress, McDonald's Annual report. Available: <https://corporate.mcdonalds.com/content/dam/gwscorp/assets/investors/events-presentations/meeting-resources/MCD%202021%20Annual%20Report.pdf> (Accessed: May 3, 2022).
- [7] Dalgic, T. (1992), "Euro marketing facts of fictions?" in Crittenden, V.L (Ed), *Developments in marketing science*, Vol 15.
- [8] Doz, Y. (1987), *International Industries: Fragmentation versus Globalization, Technology and Global Industry*, Washington DC
- [9] Esty, Daniel, and Bradford Gentry, (1997), "Foreign Investment, Globalisation, and the Environment," *Globalization and the Environment*, edited by Tom Jones (Organization for Economic Cooperation and Development: Paris).
- [10] Goran Svensson (2002), *Beyond global marketing and the globalization of marketing activities*
- [11] International Labour Organization (2004), *A Fair Globalization: Creating opportunities for all*, World commission on the Social Dimensions of Globalization, Geneva. Available: https://books.google.com.ng/books?id=GxaITDsLMxUC&dq=globalization+&lr=&source=gs_navlinks_s, (Accessed: May 1, 2022).
- [12] Johansson, J.K. (2000), *Global Marketing: Foreign Entry, Local Marketing & Global Management*, Irwin McGraw-Hill Companies, Boston, MA
- [13] Jánošová, D. and Labudová, L., 2020. The impact of globalization on regional marketing. In *SHS Web of Conferences* (Vol. 74, p. 01009).EDP Sciences.
- [14] Keegan, W.J. (1989), *Global Marketing Management*, Prentice-Hall, Englewood Cliffs, NJ
- [15] LUTSIV, B., 2020. BANK MARKETING IN THE CONDITIONS OF DIGITAL GLOBALIZATION. *World of finance*, (1 (62)), pp.20-32.
- [16] Sheth, J. (1986), Global markets or global competition, *The Journal of Consumer Marketing*, Vol. 3 No. 2, Spring, pp. 9-11
- [17] Sharifonnasabi, Z., Bardhi, F. and Luedicke, M.K., 2020. How globalization affects consumers: Insights from 30 years of CCT globalization research. *Marketing Theory*, 20(3), pp.273-298.
- [18] Theuerkauf, I (1991), *Reshaping the Global Organization*, The Makinsey Quarterly, No 3.
- [19] Viswanathan, N.K. and Dickson, P.R. (2007), The fundamentals of standardizing global marketing strategy, *International Marketing Review*, Vol. 24 No. 1, pp. 46-63
- [20] Zhu, Z., 2022, March. The Positions in Soccer and Marketing and Globalization of Soccer in the World. In 2022 7th International Conference on Financial Innovation and Economic Development (ICFIED 2022) (pp. 3195-3200).Atlantis Press.