BUS622 Week Two | Assignment

We are thrilled to be able to learn from Steve's vast experience. Steve is chairman and editor-in-chief of Forbes Media. He's authored a number of thought-provoking books. And he's greatly sought ought for his opinions and thoughts as he regularly appears on various television and news programs. Additionally, Steve was twice a candidate for presidency of the United States.

Steve, you have a very global view. And we wanted to hear your thoughts on a couple of global marketing questions. When global marketers are doing an environmental analysis to expand to a new market, a new region, or a new country, what key criteria do they need to consider for successful expansion?

Well, they have to understand what their market is. Who are the people there? What are their needs and wants? Also have to understand how things operate there. You may change things when you get there. Cultures change, societies change.

But if you go in there thinking you know what you're doing, you may know in a narrow sense. But if you don't have a real sense of what the market is, you're going to have unnecessary problems and perhaps failure. So you may have to make adjustments initially to win people's acceptance for a product.

And so you have to have that basic respect. You're going to show people what you think is something that's great and new. But you also have to understand they may not accept it the way they would in another market. Each group of people are different.

And so if you go in with that basic respect of sizing up what the area is, it doesn't mean you have to conform totally with that. You may think there's areas where we can bring in some improvement. But if you do so with the attitude we respect you, hopefully you'll respect what we're offering you, you've got a shot at success.

Great, great, great advice there. What are some of the driving and restraining forces affecting global expansion today?

Well, what affects global expansion is, you may want to go into a market where the government may not want you there. Or they may want something in return that they shouldn't want in return. And so you have these artificial barriers. They're what we call non-tariff barriers. Tariff is another word for sales tax.

And so they may have sales taxes on products. If you want to export there, they may have crazy regulations there that prevent you from easily putting up a facility there. They may have local restrictions on what you can and cannot do. So it's a whole web of things that you have to look at in going overseas. And those are the real barriers. When barriers are lowered, people prosper. When they're raised, we all suffer.

Very good. Thank you, Steve, for your comments on that.