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Organization of international market introduction: Can cooperation between central units and local product management influence success

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Technologie- und Innovationsmanagement

Working Paper

Organization of International Market Introduction: Can cooperation between central units and local product management influence success?

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Abstract

- When organizing international market introductions multinational companies face coordination problems between the leading central organizational unit and local product management. Based on the assumption that international market introductions are initiated and managed by a central unit we examine the impact of cooperation between the central unit and local product management on success.
- Our survey of 51 international market introductions reveals that the quality of the cooperation with local product management indeed has a positive influence on success. Yet cooperation itself is not sufficient – to make international market introductions successful local product management needs to be actively involved in the decision making process as well.

Key results

- This paper identifies cooperation with local product management as a success factor of international market introductions.

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Introduction

Developing consumer winning new products is quite a challenge for every company, but even more for a MNC. To take advantage of synergies and cut on cost they need to develop standardized new products that can be launched homogeneously in as many markets as possible. Executing its “path to growth programs” Unilever has reduced its number of brands tremendously and wants to focus solely on so called „leading brands“ – strong brands which can be offered globally (Unilever 2002). Following this strategy of developing standardized global products the organisation of international market introduction is more and more centralized: Unilever, Masterfoods and GlaxoSmithKline have founded for example “skunk works”. These are separate units, usually in a different location, where a dedicated team is working centrally on innovation for the European or global market (Murphy 2003). Once the product and the launch strategy are finalized the central unit hands it over to the subsidiaries.

But in reality consumers are not as homogenous as these central and standardized approaches do wish for. Culture, language, habits and needs are still pretty diverse across local markets. Quite often international market introductions fail because diverse local consumer needs have not been taken into account sufficiently. Since the knowledge about local consumer needs lies within the subsidiaries it is rather questionable if a central management of developing and introducing a new product without or just a late local subsidiary involvement can fulfil local consumer needs sufficiently. But if the new product does not meet consumer needs it is doomed to fail. In addition, a very late or even no involvement of local managers in the process of an international market introduction can lead to acceptance and coordination problems. Worst case they simply reject to launch the new product in their market.

Assuming that cooperation between the central unit and subsidiaries would positively influence consumer need based international market introduction of a new product and its local acceptance, the research objective of this study is to investigate whether cooperation with local subsidiaries can improve success of centrally organized international market introductions.

First we describe the process of international market introduction and look more specifically into the definition and impact of cooperation. Based on a set of hypotheses drawn from recent research we build a conceptual research framework, which is validated by a quantitative survey. Based on the survey results we will draw conclusions and give detailed recommendations on how to improve cooperation in international market introduction.

Research Framework

The objective of an international market introduction is a successful launch of a new product. Thus, the international market introduction process summarizes all strategic and tactical marketing planning and decision making processes describing how these processes have to be broken down into consumer, competitor and company related tasks (Call 1997, Lach 2001). The company decision to develop and launch a new product marks the starting point of this process. The end point is reached when all objectives that have been set specifically for this market introduction are achieved (Figure 1).

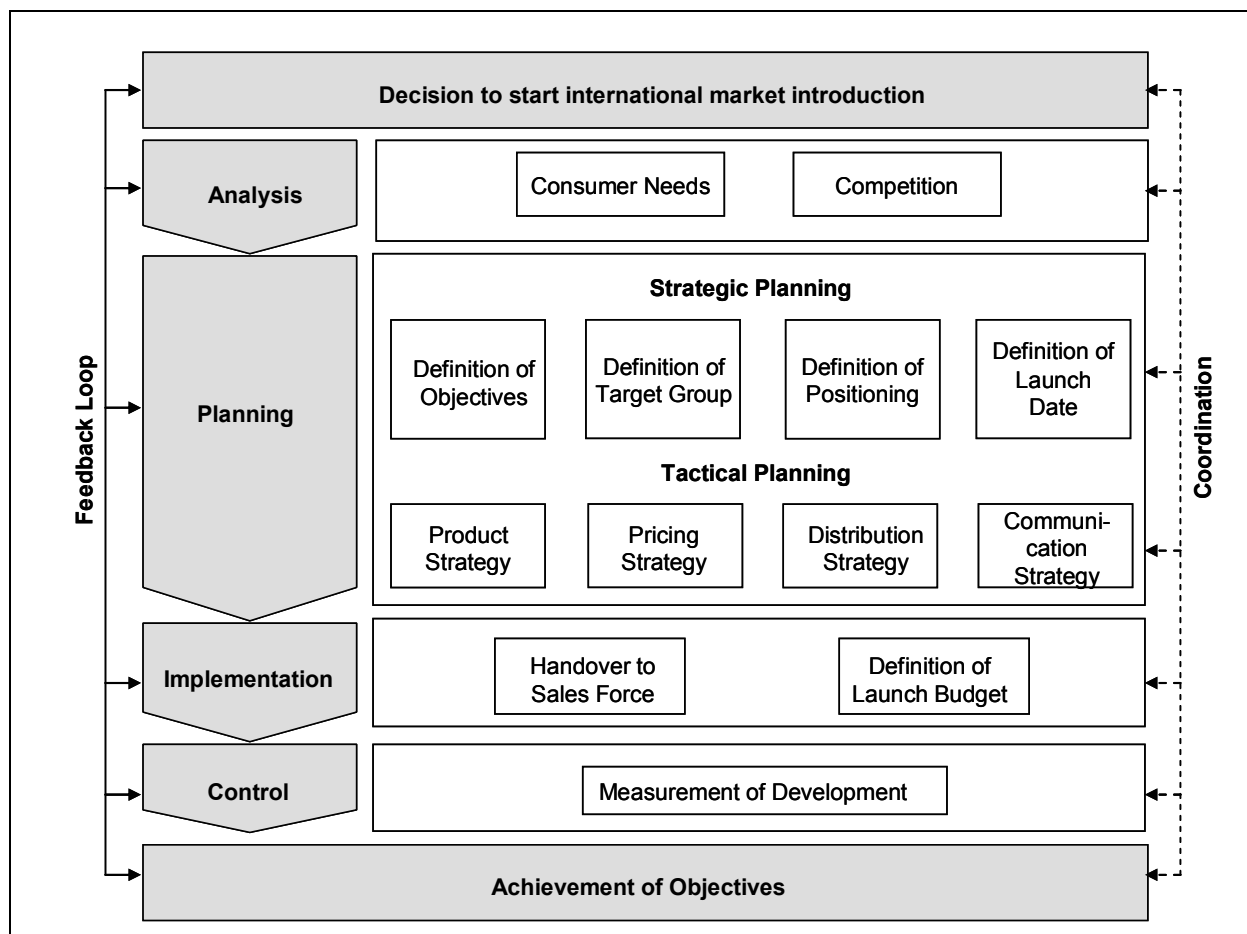


Figure 1: International Market Introduction Process Overview (Sauter 2002, Meffert/Bolz 1998)

International market introductions usually aim to launch a new product globally in markets where a company is already present. Assuming that a standardized and centralized approach is taken, it becomes evident that the implementation of this process is a complex task. Just one single unit of the MNC can hardly fulfill it. Therefore roles and responsibilities are usually shared between central and local units. The central unit is responsible for initiation of the process, steering and control. Usually this central unit is organized as European or global product management, innovation department or lead country. At a local unit level the local

product management of the subsidiary usually assumes responsibility. But if roles and responsibilities are shared a fair amount of coordination and cooperation is required.

In general the term „cooperation“ describes a common fulfilment of a task within a company. It also describes the scope and intensity of this common fulfilment (Schreyögg 1999, Zentes 1992). In the context of innovation management cooperation is the common term to describe collaboration between different functional units, e. g. Pinto & Pinto use cooperation to describe collaboration between R&D and Marketing (Pinto/Pinto 1990). Therefore, in the context of international market introductions cooperation between a central and a local unit shall describe the scope and intensity with which each task of the process is fulfilled by both parties together.

Research on cooperation in international market introduction to date is quite limited. Chryssochoidis & Wong have confirmed that a high degree of cooperation is positively influencing timeliness of international market introductions (Chryssochoidis/Wong 1998). Further research has shown that in particular communication between central and local units is positively affecting new product acceptance by subsidiaries (Boutellier/Lach 1997, Goshal/Bartlett 1998). Thus, we can assume that cooperation between the central unit and local product management could have a positive effect on the success of international market introductions. All local consumer information could be considered early in the development. This would lead to improved timeliness, better acceptance of the new product by the subsidiary and probably higher acceptance by local consumers. Hence we assume a direct influence of the cooperation on the success of international market introductions:

Hypothesis 1: Cooperation between the central unit and local product management in terms of all tasks of international market introduction can positively influence the success of international market introductions.

But cooperation could also influence success indirectly. Successful new products are based on sufficient market knowledge. Assuming the an increase of cooperation would lead to an increase of local market knowledge by the central unit, this could lead to better target group definition, a more focused positioning and a more influential communication strategy, thus to a better overall quality of all elements of the international market introduction. Hence:

Hypothesis 2: Cooperation between the central unit and local product management in terms of all tasks of international market introductions can positively influence the quality of elements of international market introductions.

An indirect influence on success via the quality of the elements would be given only, if the quality itself would have an impact on success. The influence of quality has been confirmed

by a number of surveys, e.g. Benedetto has proven that the quality of the marketing mix elements is positively impacting the success of market introduction (Benedetto 1999). In this study we look specifically at the impact of the quality of the elements of market introduction in an international context. Hence:

Hypothesis 3: The higher the quality of elements of international market introductions the higher is the success of international market introductions.

A key problem of market introductions are changes made late in the process. When the new product is designed, 90% of the costs required later are getting fixed in this early phase. Therefore it is crucial that all information is available and considered already early on. Any changes that have to be made later on can lead to a cost increase and a delay of the launch. In addition, if these required changes have to be made under time pressure, this leads to half-hearted solutions only (Bouttelier/Corsten/Lach 1997). Especially when these changes have to be made after launch it can become very expensive. Examples from the automotive industry show that calling back cars from the market requires substantial payments of damages, leads to losses in image ratings and more severely in turnover (Bouttelier/Lach 2000). An intense cooperation with local product management could make sure that all required local information is taken into account early on preventing costly changes later in the process. Hence:

Hypothesis 4: Cooperation between the central unit and local product management in terms of all tasks of international market introductions can reduce the degree of changes made after launch.

Thus cooperation could influence success of international market introduction also indirectly via changes made after launch, but only if these changes themselves would influence success negatively. For national market introductions there is already evidence that successful new products have shown less problems during production and after launch (Rothwell et. al. 1974, Rothwell 1985). Hence we propose for international market introductions:

Hypothesis 5: The fewer changes are made to the elements of international market introductions after launch the higher is the success of international market introductions.

Yet the degree of changes made after launch is probably influenced by the quality of the elements. A high product quality will lead to a higher acceptance rate by consumers and won't require any changes and if the communication mix is working, again no changes will be necessary. Hence:

Hypothesis 6: The higher the quality of the elements of international market introductions the

fewer changes are made after launch.

These hypotheses represent our research framework enabling us to validate the impact of cooperation between the central unit and local product management on the success of international market introduction (Figure 2). Since every hypothesis needs to be examined for every task of the process we have formulated sub-hypothesis respectively (see appendix).

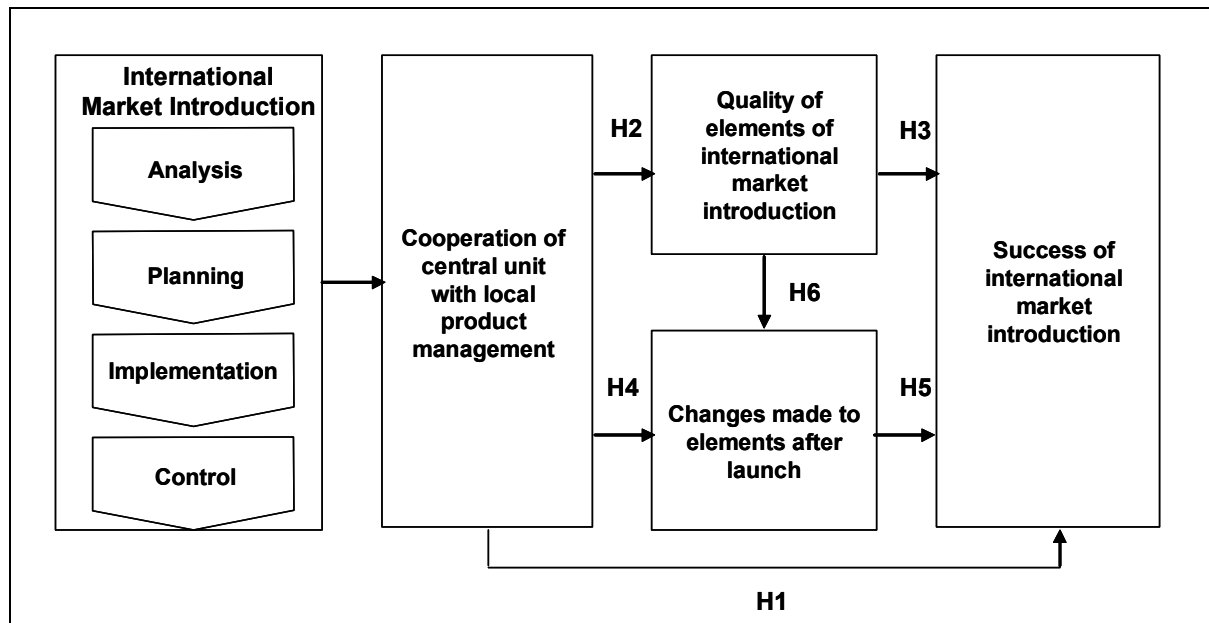


Figure 2: Research Framework

Research Methodology

Respondents and Industry

To test our research framework we used a key informant sample of local product managers at subsidiaries of MNC's in Germany, Austria and Switzerland. We have chosen MNC's from the consumer goods industry only, first to keep the sample homogenous to enable clear managerial recommendations (Schröder 1994) and secondly because this industry has been chosen for research on NPD success factors just rarely (Haake 2000).

The selection of the sample was based on the following criteria:

- subsidiaries of MNC of the consumer goods industry
- with a minimum turnover of 50 Mio. €, and
- owning at least 3 foreign subsidiaries.

In addition every subsidiary had to have an own local product management that is involved in international market introductions.

Addresses were drawn from the company databases Hoppenstedt and Kompass, and member lists of the Swiss Society of Marketing, Society of Companies Selling Cosmetics and

Promarca. In total 211 subsidiaries meeting these criteria were identified. The every subsidiary was called to identify the name of its marketing director.

Data Collection

In parallel a mail survey questionnaire was developed and pre-tested. Since the total number of subsidiaries identified was quite low, we decided to mail 3 questionnaires to each subsidiary in order to boost sample size. The questionnaires were mailed to the local marketing director in March 2004 with a request to distribute it to his local product managers. Every local product manager was asked to select the latest international market introduction were he has been working on, but which has been initiated and managed by a central unit (last incident method). In total, 51 questionnaires were returned, each of them representing a distinct international market introduction.

Measures

Based on the research framework we first asked in general whether cooperation between the central unit and local product management took place or not for each task of the process. If they were cooperating we let the local product manager evaluate intensity and quality of the cooperation (Lawrence/Lorsch 1967). Similar to Langerak we used a 5 point Likert Scale to measure intensity of cooperation ranging from 1= very low to 5= very high and quality of cooperation ranging from 1= very bad to 5= very good (Langerak/Peelen/Commandeur 1997). Success of the international market introduction was also to be evaluated on a 5-point Likert scale ranging from 1=a total failure to 5=a big success.

Results

Cooperation with local product management as direct success factor

First we looked at every single task of the process and divided the sample in a group where a cooperation took place and a group where no cooperation was practiced. An F-Test was performed to test both group for significant difference in terms of success of the international market introduction. Results showed no significant differences, indicating that cooperation as such is not critical for the ultimate success. This is probably caused by measuring cooperation on a general level, rather than on its individual dimensions, e.g. number of visits made, number of e-mails exchanged. Even though where a way of cooperation existed, e.g. some e-mails were exchanged the actual quality might have been quite low. Thus we postulate that

intensity and quality of cooperation significantly influence market success.

When cooperation took place we asked local product managers to evaluate intensity and quality of cooperation. First we looked at the independence of both dimensions via correlation analysis. The evaluation of intensity and quality of cooperation showed a significantly positive correlation with the exception of definition of brand name, product range and distribution strategy. Thus quality of cooperation is evaluated as very good if its intensity was very high. Therefore we were focussing on quality of cooperation only for testing our hypotheses.

Hypothesis 1 predicts a direct influence of cooperation on success. To validate this hypothesis the degree of correlation between quality of cooperation and success of market introduction was measured. Correlation shows significantly positive results for the majority of tasks (see Table 1). Exceptions are definition of brand name, design of packaging, definition of product range, definition of distribution mix, hand over to sales force and definition of launch budget. Hypothesis 1 can therefore be partly confirmed. **Fehler!**

| Hypothesis | Task | Correlation coefficient, <i>r</i> (Quality of cooperation and success) | Hypothesis confirmed (✓) rejected (x) |
|---|--------------------------------------|---|--|
| Analysis | | | |
| H1a | Analysis of consumer needs | 0,487** | ✓ |
| H1b | Analysis of competition | 0,406* | ✓ |
| Strategic Planning | | | |
| H1c | Definition of objectives | 0,496** | ✓ |
| H1d | Definition of target group | 0,470** | ✓ |
| H1e | Definition of positioning | 0,490** | ✓ |
| H1f | Definition of launch date | 0,396** | ✓ |
| Tactical Planning | | | |
| H1g | Definition of product concept | 0,596** | ✓ |
| H1h | Definition of brand name | n.s. | x |
| H1i | Design of packaging | n.s. | x |
| H1j | Definition of product range | n.s. | x |
| H1k | Definition of pricing strategy | 0,490** | ✓ |
| H1l | Definition of communication strategy | 0,383* | ✓ |
| H1m | Definition of distribution strategy | n.s. | x |
| Implementation | | | |
| H1n | Hand over to sales force | n.s. | x |
| H1o | Definition of launch budget | n.s. | x |
| Control | | | |
| H1p | Measurement of development | 0,315* | ✓ |
| * Significance at the 0,05 level ** Significance at the 0,01 level | | | |

Table 1: Correlation of quality of cooperation and success of international market introductions

These results show that quality of cooperation has a positive impact on success for almost all tasks of international market introductions, but especially for tasks in the early phases of analysis and planning. In the later phase of tactical planning and especially in the phase of implementation there is almost no influence. Here local product management can probably

decide itself about tasks and elements. Thus, these are already tailored to local needs and cooperation with the central unit is not critical for success anymore. Yet in the phase of control cooperation becomes crucial again. Here the central and local unit need to analyse together the new product performance in the market and have to agree on adjustments needed.

Cooperation with local product management as indirect success factor

In addition to the direct influence of cooperation on success we also wanted to test the indirect influence. Based on hypothesis 2 we looked at the correlation of quality of cooperation on selected tasks and the quality of the corresponding elements of international market introductions.

| Hypothesis | Task/Element | Correlation coefficient, r (Quality of cooperation and quality of element) | Hypothesis confirmed (✓) rejected (x) |
|---|--------------------------------------|--|---|
| H2a | Definition of target group | n.s. | x |
| H2b | Definition of positioning | 0,456** | ✓ |
| H2c | Definition of product strategy | n.s. | x |
| H2d | Definition of pricing strategy | 0,405* | ✓ |
| H2e | Definition of communication strategy | 0,328* | ✓ |
| H2f | Definition of distribution strategy | n.s. | x |
| * Significance at the 0,05 level ** Significance at the 0,01 level | | | |

Table 2: Correlation of quality of cooperation and quality of elements

As results in Table 2 show, hypothesis 2 can be partly confirmed. The analysis confirms that cooperation with local product management when defining the positioning has a significantly positive influence on the positioning quality. The same is true for pricing definition and communication strategy. Thus, the quality of these strategies can be improved when the central and local unit are cooperating. With regard to target group definition we assume that target groups are usually fixed – there is a specific definition that is not changing for every new market introduction. It is just a question of selecting the right target group, which can probably be done by the central unit without intense cooperation. The same is true for the distribution strategy. In the consumer good industry distribution is handled via retailers, but the retailer landscaped is quite fixed. Thus the distribution strategy is basically fixed and can often be decided by the local product management only – cooperation between central and local unit is therefore not required.

Again, an indirect influence of cooperation on success via the quality of the elements would only exist if the quality itself would have an influence on success – as stated in Hypothesis 3. As shown in Table 3 we can report a significantly positive correlation between the quality of elements of international market introductions and success. Thus Hypothesis 3

is confirmed: The higher the quality of elements the bigger is the success of an international market introduction.

| Hypothesis | Element | Correlation coefficient, r (Quality of element and success of market introduction) | Hypothesis confirmed (✓) rejected (x) |
|---|--------------------------------------|---|---|
| H3a | Definition of target group | 0,536** | ✓ |
| H3b | Definition of positioning | 0,527** | ✓ |
| H3c | Definition of product strategy | 0,438** | ✓ |
| H3d | Definition of pricing strategy | 0,448** | ✓ |
| H3e | Definition of communication strategy | 0,492** | ✓ |
| H3f | Definition of distribution strategy | 0,529** | ✓ |
| * Significance at the 0,05 level ** Significance at the 0,01 level | | | |

Table 3: Correlation of quality of elements and success of international market introductions

Apart from the indirect influence of cooperation on success via the quality of elements we proposed another indirect influence via changes made after launch. Based on hypothesis 4 we assessed the influence of cooperation with local product management on the degree of changes made after launch. As the results of the correlation analysis show, for none of the activities a significant correlation between cooperation and degree of changes could be measured (Table 4). Thus hypothesis 4 is being rejected. However, an analysis of the means and standard deviation showed that the degree of changes made after launch were only quite low.

| Hypothesis | Task/Element | Correlation coefficient, r (Cooperation and degree of changes made after launch) | Hypothesis confirmed (✓) rejected (x) |
|---|--------------------------------------|---|---|
| H4a | Definition of target group | n.s. | x |
| H4b | Definition of positioning | n.s. | x |
| H4c | Definition of product strategy | n.s. | x |
| H4d | Definition of pricing strategy | n.s. | x |
| H4e | Definition of communication strategy | n.s. | x |
| H4f | Definition of distribution strategy | n.s. | x |
| * Significance at the 0,05 level ** Significance at the 0,01 level | | | |

Table 4: Correlation of cooperation and degree of changes made after launch

Hypothesis 5 proposed that the fewer changes are made after launch the higher is the success of international market introductions. We applied again correlation analysis to test the influence of the changes made on success (Table 5). We can confirm a significant negative correlation only for the pricing strategy, concluding that the fewer the changes made to pricing after launch, the higher is the success. However, the correlation coefficient is rather small, indicating a weak influence of pricing strategy. Thus, hypothesis 5 is rejected.

| Hypothesis | Element | Correlation coefficient, r (Degree of changes) | Hypothesis confirmed (✓) |
|------------|---------|---|-----------------------------|
|------------|---------|---|-----------------------------|

| | | made after launch and success) | rejected (x) |
|---|--------------------------------------|---------------------------------------|---------------------|
| H5a | Definition of target group | n.s. | x |
| H5b | Definition of positioning | n.s. | x |
| H5c | Definition of product strategy | n.s. | x |
| H5d | Definition of pricing strategy | -0,256* | ✓ |
| H5e | Definition of communication strategy | n.s. | x |
| H5f | Definition of distribution strategy | n.s. | x |
| * Significance at the 0,05 level ** Significance at the 0,01 level | | | |

Table 5: Correlation of degree of changes made after launch and success of international market introduction

In addition we wanted to look at the impact of the quality of elements of international market introduction and changes made after launch proposing a positive impact in hypothesis 6. Results confirmed that with the exception of target group definition and distribution strategy there is a significant positive correlation between the quality of elements and the degree of changes made (Table 6). Therefore it can be confirmed for the majority of elements: the higher the quality the lower is the degree of changes that have to be made after launch. As explained earlier target group definition and distribution strategy are basically fixed, thus they won't be changed after launch in general even if the product is doing very badly. Thus hypothesis 6 can partly be confirmed.

| Hypothesis | Element | Correlation coefficient, <i>r</i> (Quality of elements and degree of changes made after launch) | Hypothesis confirmed (✓) rejected (x) |
|---|--------------------------------------|--|--|
| H6a | Definition of target group | n.s. | x |
| H6b | Definition of positioning | - 0,305* | ✓ |
| H6c | Definition of product strategy | - 0,297* | ✓ |
| H6d | Definition of pricing strategy | - 0,422** | ✓ |
| H6e | Definition of communication strategy | - 0,397** | ✓ |
| H6f | Definition of distribution strategy | n.s. | x |
| * Significance at the 0,05 level ** Significance at the 0,01 level | | | |

Table 6: Correlation of quality of elements and degree of changes made after launch

Assessment of additional success factors

In order to explain the degree of influence of cooperation on success of international market introductions we wanted to look more closely on 2 additional factors of possible influence: participation in decision making and cultural distance.

Participation of employees has been identified as a critical success factor in implementing global marketing strategies (Belz/Müller/Senn 1999). Therefore we assume that cooperation itself might not be sufficient. Probably it is equally important that local product management can actually participate in the decision making process and can truly influence the diverse tasks of an international market introduction.

Thus we divided the cases in 3 groups: in the first group every decision was made by the

central unit only, in the second group both central unit and local product management were deciding together, and in the third group decisions were made solely by local product management. We were then calculating mean scores for the success of the international market introduction for each group individually and probing for significant differences applying an F-test (Table 7).

| | Success of international market introduction (Mean from 1-5) | | |
|--|---|---------------|-------------------------------|
| Decision for ... were made by | Central unit only | Both together | Local product management only |
| Definition of target group* | 3,1 | 3,7 | 3,9 |
| Definition of positioning* | 3,1 | 3,8 | 4,0 |
| Definition of product strategy* | 3,1 | 3,7 | 4,1 |
| Definition of pricing strategy* | 2,9 | 3,5 | 3,8 |
| Definition of communication strategy* | 2,7 | 3,6 | 3,7 |
| Definition of distribution strategy | 3,0 | 3,1 | 3,6 |
| <i>One-Way ANOVA, F-Test, *Significance $p < 0,05$</i> | | | |

Table 7: Influence of participation on success of international market introductions

The analysis shows that the mean scores of the success are significantly different between the groups apart from the distribution strategy. Again, the distribution strategy is basically fixed and therefore no joint decision making is required, but for all other elements it can be confirmed that participation in decision making significantly influences success. When looking at the mean scores for success it becomes evident that they are lowest in the group where the decisions were made by the central unit only. Success of international market introduction was higher when both together or the local product management only were deciding. Even though we were asking only local product managers from the German speaking area, we were evaluating international market introductions that could have been initiated and management in every country of the world. Looking at the location of the central unit that was responsible for initiation and management, almost 1/3rd of the evaluated international market introductions were managed from Germany. In about 55% of the cases the location of the central unit was in one or more of the European countries, including France, UK, Belgium, Netherlands, Italy, Denmark and Spain. In about 15% of the cases the international market introduction was managed from overseas, e.g. from the US, Canada and Japan. Quite often cooperation is influenced by the cultural differences of the parties involved. Since Austria and Germany share a common language and cultural background, it is probably easier to manage a market introduction for Austria centrally from Germany rather than from Japan. Thus the cultural distance between the central unit and the local product

management might as well have an influence on the success of international market introductions.

To prove this assumption we divided the sample based on the location of the central unit in one group where the market introduction was managed from Europe and another group where it was managed from outside Europe. Using an F-test we looked for significant difference between these groups with regard to success. The results were positive (Table 8). The success rate was significantly higher for the international market introductions that were initiated and managed by a central unit located in Europe.

| | Location of central unit | |
|---|--------------------------|-----------------------|
| **International market introduction was | in Europe | outside Europe |
| A high/very high success | 61% | 30% |
| A failure/total failure | 7% | 70% |
| Neither a success nor a failure | 32% | 0% |
| <i>One-Way ANOVA, F-Test, **Significance $p < 0,01$</i> | | |

Table 8: Influence of cultural distance on success of international market introductions

Therefore we can conclude that cultural distance between central unit and local product management significantly influences the success of international market introductions.

Summary and Conclusion

MNC's generally try to initiate and manage international market introductions centrally to use synergies and save cost. Yet this central and standardized approach requires a sharing of roles and responsibilities between a central unit responsible for initiation and management of the international market introduction and local product management responsible for the actual launch of the new product in its local market. But this approach bears the risk that local market needs are not taken into account sufficiently, coordination problems arise and rejection amongst local managers appears. Quite often, this leads to an ultimate failure of the new product.

Based on these assumptions this study examined the impact of cooperation with local product management on the success of international market introductions initiated and managed centrally.

Survey results show that the simple act of cooperation itself is not influencing success. But if cooperation takes place then the quality of cooperation is critical for the success of the

international market introduction. The quality of cooperation is impacting success directly but also indirectly. The higher the quality of cooperation, the higher is the quality of the elements of international market introduction and this quality of elements has a positive impact on success. Both the direct and the indirect influence were confirmed for almost all tasks of the process, but especially for the ones in the early phases. Therefore, the central unit should cooperate with local product management right from the beginning. In addition, participation of local product management in decision-making has also been identified as a success factor of international market introductions. Thus, cooperation with local product management alone is not sufficient – local product management has to be able to take part in the decision-making process, too. Success of international market introduction was also influenced by the cultural distance between the central unit and local product management: the higher the cultural distance the higher the failure rate, probably because local market needs were not taken into account sufficiently. The closer the central unit, the more likely they can obtain local knowledge, but the higher the distance the more important is it to use the local product management as a profound source of detailed market knowledge.

Thus based on the research results we can give following recommendations for successful management of international market introduction:

- The higher the cultural distance of the central unit, the more it should cooperate with local product management;
- When the central unit cooperates with local product management, the cooperation needs to be of high quality and take place without exception for all tasks of the process;
- Local product management should participate in all decisions with regard to all elements of the international market introduction.

While this study has shed light on the influence of cooperation on success in international market introduction of new products some potential limitations exist. First of all the results are limited to the consumer goods industry in the German speaking area. Further research might want to expand the framework to other industries and include local subsidiaries across a range of different countries. With regard to the sample we have to consider that the approach to boost sample size by sending 3 questionnaires to each subsidiary bears the risk of distorting the sample, because subsidiaries who sent back 3 questionnaires are slightly overvalued compared to those who sent back only one. Even though this research has clearly identified cooperation with local product management as a success factor of international market introductions we have to point out that higher levels of cooperation lead to higher levels of

coordination required, e.g. more travel, more phone calls, more meetings, which could impact success negatively. Probably an optimum exists and further research should be looking into this. As a last word of caution we have to highlight that successful management of international market introductions may not only focus on cooperation but has to consider all other success factors as well.

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Appendix

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|-----|--|--------------------------------------|--|
| H1a | Cooperation between the central unit and local product management in terms of... | Analysis of consumer needs | ...can positively influence the success of international market introductions. |
| H1b | | Analysis of competition | |
| H1c | | Definition of objectives | |
| H1d | | Definition of target group | |
| H1e | | Definition of positioning | |
| H1f | | Definition of launch date | |
| H1g | | Definition of product concept | |
| H1h | | Definition of brand name | |
| H1i | | Design of packaging | |
| H1j | | Definition of product range | |
| H1k | | Definition of pricing strategy | |
| H1l | | Definition of communication strategy | |
| H1m | | Definition of distribution strategy | |
| H1n | | Hand over to sales force | |
| H1o | | Definition of launch budget | |
| H1p | | Measurement of development | |

| | | | | |
|-----|--|--------------------------------------|---|------------------------|
| H2a | Cooperation between the central unit and local product management in terms of... | Definition of target group | ...can positively influence the quality of the... | Target group |
| H2b | | Definition of positioning | | Positioning |
| H2c | | Definition of product strategy | | Product strategy |
| H2d | | Definition of pricing strategy | | Pricing strategy |
| H2e | | Definition of communication strategy | | Communication strategy |
| H2f | | Definition of distribution strategy | | Distribution strategy |

| | | | |
|-----|------------------------------|--------------------------------------|---|
| H3a | The higher the quality of... | Definition of target group | ...the higher is the success of international market introductions. |
| H3b | | Definition of positioning | |
| H3c | | Definition of product strategy | |
| H3d | | Definition of pricing strategy | |
| H3e | | Definition of communication strategy | |
| H3f | | Definition of distribution strategy | |

| | | | | |
|-----|--|--------------------------------------|--|------------------------|
| H4a | Cooperation between the central unit and local product management in terms of... | Definition of target group | ...can lower the degree of changes made to the ... after launch. | Target group |
| H4b | | Definition of positioning | | Positioning |
| H4c | | Definition of product strategy | | Product strategy |
| H4d | | Definition of pricing strategy | | Pricing strategy |
| H4e | | Definition of communication strategy | | Communication strategy |
| H4f | | Definition of distribution strategy | | Distribution strategy |

| | | | |
|-----|--|--------------------------------------|---|
| H5a | The fewer changes are made to ... after launch | Definition of target group | ...the higher is the success of international market introductions. |
| H5b | | Definition of positioning | |
| H5c | | Definition of product strategy | |
| H5d | | Definition of pricing strategy | |
| H5e | | Definition of communication strategy | |
| H5f | | Definition of distribution strategy | |

| | | | | |
|-----|-------------------------------|--------------------------------------|--|------------------------|
| H6a | The higher the quality of ... | Definition of target group | ...the fewer changes are made to the ... after launch. | Target group |
| H6b | | Definition of positioning | | Positioning |
| H6c | | Definition of product strategy | | Product strategy |
| H6d | | Definition of pricing strategy | | Pricing strategy |
| H6e | | Definition of communication strategy | | Communication strategy |
| H6f | | Definition of distribution strategy | | Distribution strategy |