

# Contents

<i>List of Figures</i>	9
<i>List of Tables</i>	10
<i>Acknowledgements</i>	13
<b>1 Introduction</b>	<b>15</b>
European marketing case studies	16
So, what is European marketing?	16
<b>2 European prospects for Computer Software Products Inc</b>	<b>20</b>
The product	21
Sales and marketing	21
The current situation	22
Case questions	22
<b>3 Repsol: The barriers come down in Spanish petrol retailing</b>	<b>23</b>
The European oil and petrol market	23
Single Europe barriers to trade	27
The protected Spanish oil and petrol distribution market	29
Repsol SA, Spain	30
Elf Aquitaine SA, France	31
British Petroleum, UK	33
Case questions	35
<b>4 BAT Tobacco moves into Eastern Europe</b>	<b>36</b>
European cigarette markets	36
BAT Tobacco worldwide	38
BAT Tobacco and Eastern Europe	39
Case questions	42
<b>5 Philips Whirlpool and the pan-European customer</b>	<b>44</b>
European market for domestic appliances	44
Domestic appliance manufacturers	45
The target market for European domestic appliances	46

	The new Philips Whirlpool marketing mix	47	
	Philips Whirlpool pan-European advertising	48	
	Case questions	50	
<b>6</b>	<b>Marketing research for Courtaulds' new 'Tencel' fibre</b>		<b>51</b>
	European textile and chemical fibre markets	51	
	Courtaulds' textile activities	52	
	Courtaulds' new 'Tencel'	53	
	Marketing strategy for Tencel	54	
	Tencel's customers	54	
	Case questions	55	
<b>7</b>	<b>Strategy options for Irish telephones</b>		<b>56</b>
	The market for telephone handsets in the EC	56	
	EC telephone handsets market – note on competitive activity and market opportunities	57	
	Case questions	59	
<b>8</b>	<b>The battle for the European breakfast cereal market</b>		<b>60</b>
	Market background	60	
	European market segments	61	
	European marketing strategy based on market segmentation	62	
	Product profitability in breakfast cereals	63	
	Distribution and promotional support	63	
	European company market shares and brands	64	
	The joint venture in European breakfast cereals	65	
	The battle for the European market	65	
	Case questions	67	
<b>9</b>	<b>North American entry strategies for Eastern European markets</b>		<b>68</b>
	Procter & Gamble's entry to the Czech and Slovak detergents market	68	
	Tampax entry into the markets of the former USSR	70	
	The launch of Procter & Gamble's 'Wash & Go' in Poland	71	
	US West telephone services to Czech and Hungarian markets	72	
	Chevron Oil in Kazakhstan	73	
	Case questions	74	
<b>10</b>	<b>Jacobs Suchard UK expansion</b>		<b>75</b>
	Jacobs Suchard SA	75	

	European expansion into the UK	76	
	UK chocolate confectionery market	77	
	Jacobs Suchard UK options 1989	77	
	Case questions	80	
<b>11</b>	<b>Marketing the new European mobile cellular telephone network</b>		<b>81</b>
	What is the pan-European mobile telephone cellular system?	81	
	European public service telephone total market	82	
	Pan-European mobile cellular telephone market size and growth	83	
	Pan-European mobile telephone market customers	84	
	Pan-European mobile telephone marketing mix	85	
	Conclusions	88	
	Case questions	88	
<b>12</b>	<b>European car pricing</b>		<b>89</b>
	Background	89	
	Car prices across Europe	90	
	Reasons for differing car prices across Europe	91	
	Reasons for national price differences in 1991	94	
	Case questions	95	
<b>13</b>	<b>Marketing mix for AlpenFerien</b>		<b>97</b>
	Company customers and competitors	97	
	Company product and pricing	97	
	Company promotion	98	
	The future	99	
	Case project	99	
<b>14</b>	<b>McDonalds Restaurants marketing mix across Europe</b>		<b>102</b>
	Company background	102	
	European restaurant market	103	
	McDonalds: the drive for standardisation	104	
	McDonalds customers	105	
	The McDonalds marketing mix	105	
	McDonalds and the single Europe	108	
	Case questions	109	
<b>15</b>	<b>Marketing organisation for Electrolux 'white goods' business</b>		<b>110</b>
	Background to marketing structure	110	
	Electrolux 'white goods' organisation structure	112	

Implications of the organisation structure 114  
Case questions 115

**16 The CMB packaging merger 116**

Business background: the European packaging market 116

European packaging business strategy 117

The two companies 118

The merger 120

Case questions 124

*Appendix: Populations of some European countries 125*

# List of figures

- 1.1 European marketing: decision-making process
- 3.1 Oil consumption trends in Europe
- 4.1 Cigarette consumption in Eastern Europe
- 4.2 Cigarette consumption in the EC
- 5.1 Estimated sales of domestic appliances
- 6.1 Courtraulds Textiles plc
- 8.1 Concentrated European grocery buying
- 10.1 Confectionery consumption across the EC
- 11.1 Public service telephone turnover
- 12.1 Motor vehicle sales in the EC
- 13.1 Europeans who went away on holiday
- 13.2 Countries visited during main holidays
- 13.3 Main holiday destinations
- 14.1 McDonalds' turnover outside the USA
- 15.1 Electrolux organisation for its white goods operation
- 16.1 The CMB inverted pyramid

# List of Tables

- 1.1 The cases and their links with European marketing issues
  - 3.1 European oil and petrol companies
  - 3.2 European retail distribution trends
  - 3.3 Prices for selected oil products in September 1987
  - 3.4 Summary of single Europe barriers in the oil industry
  - 3.5 Turnover (pesetas billion)
  - 3.6 Operating income (pesetas billion)
  - 3.7 Assets (pesetas billion)
  - 3.8 Revenue (francs billion)
  - 3.9 Operating profit after income taxes (francs billion)
  - 3.10 Assets (francs billion)
  - 3.11 1988 geographical analysis (francs billion)
  - 3.12 Turnover (£m)
  - 3.13 Operating profits before tax (£m)
  - 3.14 Assets (£m)
  - 3.15 US\$ exchange rates (June averages)
  - 4.1 World tobacco and cigarette companies
  - 4.2 BAT Tobacco worldwide activity
  - 5.1 Leading companies' worldwide sales of domestic appliances
  - 5.2 Ownership of selected domestic appliances
  - 7.1 EC subscriber lines 1987
  - 8.1 European breakfast cereals market
  - 8.2 UK breakfast cereals market: main segments
  - 8.3 European company market shares
  - 10.1 1988 European confectionery market shares
  - 10.2 UK chocolate market: manufacturers' shares of segments 1988/9
  - 11.1 Projected sales of cellular telephones and GSM network sales in Western Europe 1990-2000 at constant 1990 prices
  - 11.2 Cellular telephone subscribers in Europe in 1990
  - 11.3 Telephone prices in UK
  - 12.1 New car prices across Europe
- Repsol SA, Spain
- Elf Aquitaine SA, France
- British Petroleum, UK

- 12.2 Car ownership across the EC
- 12.3 VAT and additional sales taxes on new cars
- 12.4 Wage costs in selected countries
- 12.5 Comparative prices (1991 £s)
  
- 14.1 Proportion of household expenditure devoted to restaurants, cafes and hotels (excluding alcoholic drinks)
- 14.2 McDonalds marketing mix: product
- 14.3 McDonalds marketing mix: price
- 14.4 McDonalds marketing mix: promotion
  
- 15.1 Electrolux consolidation of brand names
  
- 16.1 Source of raw materials for European packaging
- 16.2 Turnover of European packaging companies
- 16.3 Shareholding in the merged CMB
- 16.4 Financial results of the merger to 1990