

LONELY PLANET GUIDES GLOBAL EXPLORERS

Lonely Planet has been global since before it was even a company—in its audience, its scope, and its foundation. The now ubiquitous guidebook brand got its start in 1973 when Brit Tony Wheeler and his wife, Maureen, holed up in Australia to write a pamphlet on their experiences traveling in Asia. The couple had met in their native Britain, found that they shared a love of adventure, and gotten married soon thereafter. For their honeymoon they chose to make a trip that no one at the time believed was possible—a journey from Britain across Europe and Asia via land all the way to Australia. They made it, but were stuck in Australia with 27 cents between the two of them. Tony made the best of the situation by writing the 94-page *Across Asia on the Cheap*, which sold 8,500 copies. From this suitably adventurous start, Lonely Planet ballooned into one of the powerhouses of the growing guidebook and phrasebook industry, with around 500 titles on 118 countries. Lonely Planet now represents one quarter of all English-language guidebooks sold in the world and has annual revenues in excess of \$75 million.

The company has offices in London and Oakland, with its headquarters in Melbourne. It employs 500 office staff and around 300 on-the-road contributors. Thanks to these contributors from dozens of different countries, the company has a global scope and a global perspective, which helps the company successfully market worldwide. The huge diversity of languages, cultures, and interests across their consumer base makes marketing and developing a coherent brand image difficult. To cope with these hurdles, Lonely Planet works on maintaining a balance between consistency in branding and customizing marketing to suit specific target markets.

In 2007, the Wheelers finally relinquished control of the company when they sold it to BBC Worldwide, which is the commercial branch of the British Broadcasting Company. The addition of the BBC's extensive network of distribution channels has helped Lonely Planet to market itself more successfully, and to branch into complementary business areas such as Lonely Planet Images, Lonely Planet Television, Lonely Planet Foreign Rights Team, Lonely Planet Business Solutions unit, and Lonely Planet Foundation (which contributes 5 percent of all profits to international charities and has established a carbon offset program for printing and the travels of all employees). From the start, one of the fundamental tenets of the Lonely Planet brand has been that travel can truly change the world and make it a better place. Through the Lonely Planet Foundation, the Wheelers have tried to make profound differences in the places they visit. Their far-reaching message is being heard loud and clear as evidenced by the 4.3 million unique visitors clicking on lonelyplanet.com each month.

This marketing strategy of selective customization combined with relentless fact checking and updating, and a focus on hiring the best and most knowledgeable travel writers, has earned Lonely Planet a reputation for quality. Lonely Planet books are not only popular; they are considered by many to be the definitive guidebooks. In fact, Jay Garner, the first American administrator in Iraq, considers Lonely Planet such an authority on global travel that he used the book *Lonely Planet Iraq* to develop a list of historical sites worth saving. Another nod to the success of the brand is the fact that in Asia, imitation Lonely Planet guidebooks are now sold alongside imitation Gucci and Chanel handbags and Rolex watches.

No matter what criticisms people may have of Lonely Planet, this single guidebook brand has been responsible for the soaring popularity of adventure tourism worldwide. Because of Lonely Planet, there are surf camps in El Salvador, foreign-owned luxury resorts in Nicaragua, and remote villages in the heights of the Himalayas. Economies based on tourism are monuments to the success of lonely planets marketing strategy.

Lonely Planet continues its trek toward boundless success, due largely to the organization's clear vision of its target market. The Lonely Planet traveler is willing to embrace foreign food and culture, but still wants to do it comfortably and cheaply, if possible. The company reaches its customers through smart marketing strategies that balance a recognizable brand with customization to accommodate local tastes. Lonely Planet has never forgotten that there really is no such thing as global—that the world consists of thousands of different local populations. And Lonely Planet, by knowing clearly who comprises its market and by using smart marketing strategies, has grown from a pamphlet written in a cheap hostel to a huge global brand loved by millions of travelers the world over.

Questions for Discussion

1. Why is Lonely Planet a global success?
2. How has Lonely Planet been able to provide and market guidebooks that are useful across languages and cultures?
3. How could Lonely Planet guidebooks help marketers to develop effective marketing strategies in targeted foreign markets?

SOURCES: "About IDG," *International Data Group*, http://www.idg.com/www/home.nsf/AboutIDGForm?OpenForm®ion_WW, accessed April 13, 2006; Sam Perkins and Neal Thornberry, "Corporate Entrepreneurship for Dummies," *Harvard Business School Publishing* (Case BAB 114).

DOC MARTENS MAKES STRIDES AROUND THE WORLD

Got a pair of Doc Martens in your closet? Maybe you're wearing them now. Perhaps you're wearing a pair of classic 1460 boots or a twin-strap sandal. Maybe your best friend is wearing a pair of guys' Grip Trax boots or even some wingtips. You're probably familiar with the distinctive yellow stitching, heel loop, and two-tone soles of Docs. The color names are pretty amazing, too—Bark Grizzly, Tan Analine, Aztec Crazy, Black Greasy. Even if you can't tell what colors these really are, you get curious. You scroll through the offerings online; you try on a pair in a shoe store. They look pretty clunky, but the Docs fit. When you walk around in them, your feet are really comfortable.

Doc Martens, or Docs or DMs, as they are often known, are officially named Dr. Martens, after their German inventor Dr. Klaus Maertens. Maertens, a physician in the German Army during World War II, injured his ankle on a ski trip to the Bavarian Alps in 1945. He'd been skiing in his uncomfortable army boots, and as he was recovering from his ankle injury, he spent a lot of time thinking about how to improve the boots. He came up with a design for a boot made of soft leather with air-padded soles.

Half a century later, consumers everywhere swear by their Docs. Now available in more than 250 styles of boots, sandals, and shoes, Doc Martens are worn by men, women, and children around the world. Madonna wears them, and so did Pope John Paul II, who had his own exclusive line in pure white. Police officers and postal carriers, construction and factory workers, students and supermodels all wear them. Docs are sold in 78 countries, with two-thirds of them bought by American consumers. The firm has offices in such diverse places as Australia, Poland, the Philippines, Singapore, Turkey, the United States, and the Ukraine. Even the United Arab Emirates boasts an office for Docs. People can buy them at retail stores or online from just about anywhere in the world. Unless you are stationed in Antarctica or climbing Mt. Everest, you can probably get a pair of Docs.

Since 1960, Doc Martens have been manufactured by R. Griggs, one of the two largest shoemakers in the United Kingdom (the other one is C&J Clark, maker of the Clarks brand). Despite its size, however, Griggs faces serious competition from other designer shoe manufacturers, as well as sports shoemakers such as Nike and Reebok. Because of fierce competition and uncertain economic conditions that have affected sales in the shoe industry in general, Griggs made the painful decision to move all of its manufacturing to China several years ago. Many companies

in Europe have experienced similar pressures. Chinese manufacturers can produce goods cheaper than European facilities can. Since China is now considered a global trade power, having surpassed Taiwan and South Korea as the largest exporter of sport shoes to the United States, footwear companies everywhere are feeling the pinch. But Griggs marketers believe that the move was critical to the survival of its Dr. Martens brand.

In addition, the marketers behind the Doc Martens brand have changed their entire global strategy, rescinding foreign licenses and focusing more on marketing the brand than on manufacturing the boots. Now, all marketing and sales efforts are overseen from the firm's UK headquarters. When Docs were allowed to return to South Africa, for example, it was under a stricter agreement than the one that was previously in force. "We are importing the Doc Martens—we don't manufacture them," explains Stewart Franks, international brand director for South Africa's Jordan Footwear. "That will ensure that there is standard uniformity in the quality of the shoes themselves."

Perhaps the most innovative effort by Docs' marketers is the firm's current Web site. The site not only provides all the usual information and access to styles, but it also introduces "VEER: A Series of Documentaries," a program in conjunction with *Sports Illustrated* that is currently touring college campuses. Described as "6 films about people taking a different direction," the project focuses on six individuals who form the cutting edge of art, music, and other fields. Visitors to the site can click on each one of the films, download it, and watch it. They can follow Janette as she struggles to make it as a DJ or John, Adam, Mark, Whylee, or Ndidi as they make their way in various pursuits. The films have an edgy quality, as does the site itself, which features black-and-white photography. After 50 years, Doc Martens are cool again, on the feet of a new generation. You could say they are walking tall, around the world and back again.

SOURCES: Company Web site, <http://www.drmartens.com>, accessed October 30, 2004; "R. Griggs, Limited, Company Profile," *Hoover's Online*, <http://finance.yahoo.com>, accessed October 21, 2004; "Dr. Martens Shoes," *Onlineshoes.com*, <http://www.onlineshoes.com>, accessed October 21, 2004; "Doc Martens," *TheFreeDictionary.com*, <http://encyclopedia.thefreedictionary.com>, accessed October 21, 2004; Karin Schimke and Mzolisi Witbooi, "Cool Doc Martens Is Back with a Thump," *Cape Argus*, September 7, 2004, <http://www.capeargus.co.za>; Matt Forney, "Tug-of-War over Trade," *Time Europe*, February 23, 2004, <http://www.time.com/time/europe>; "Dr. Martens Moves to China," *BBC News*, October 24, 2002, <http://news.bbc.co.uk>.

Questions for Discussion

- 1.** Dr. Martens are now manufactured in China. Should the company also market its shoes directly to Chinese shoppers?
- 2.** Marketers for Doc Martens are using Internet technology to reach consumers via the documentaries presented on the Web site. Describe other creative ways they could use Internet technology to attract consumers.
- 3.** Does the move to China affect Dr. Martens' image and risk exposure?
- 4.** Do you think it was a good idea for Dr. Martens to rescind foreign licenses for its products at this time? Why or why not?

GLOBAL MARKETING AT EVO

The ski and snowboard community is relatively small, so Evo—the Seattle-based snowboard, ski, skateboard, and wakeboard store—is always looking to maximize its exposure, and that means crossing borders and going global. The company started as an online outlet, selling close-outs and used gear to bargain hunters. Over the years, it expanded its offerings to include first-quality new stuff, trips to exotic locales, and a retail store in Seattle.

“There’s a ton of really exciting things that happen here at a regional level that have an impact on the global community,” says Molly Hawkins, head of marketing and PR at Evo. One of the most effective ways the firm reach its consumers is through advertisements and editorial pieces in the top snow sports magazines. Publications such as *Freeskier Magazine*, *Powder*, and *The Ski Journal* all have international circulations.

International exposure is nice, but selling the gear keeps the lights on. Expertise in e-commerce makes for a fairly easy transition into the global marketplace. Canada, not surprisingly, is one of Evo’s largest international markets. “Our daily unique [web visitors] for example, are 64,000 from Canada,” notes Molly. The United Kingdom, Germany, Australia, and Korea are also quite big for Evo with daily visitors to their Web sites in the 20,000 range—and that’s in July!

But, here’s the rub: all of the products Evo sells are name brand items that are for sale in local shops overseas. These brands often restrict the sales of their products to licensed resellers within a particular geographical zone. With the Internet, these rules become quite complicated. Evo can’t stop someone in Japan from placing an order. The firm is working with its resellers to come up with a way to honor the contracts but still serve customers everywhere.

The world of business is becoming increasingly borderless, but there are still cultural issues to grapple with. Marketing is a particularly difficult thing to do globally. If language were the only hurdle, it would be fairly simple to translate. Unfortunately, even among English-speaking nations, cultural subtleties and colloquialisms can turn an innocent euphemism into a deeply offensive word. “I work with a lot of our vendors in marketing, looking for ways to co-promote their products through Evo,” says Molly. “Like Rossignol, based out of Europe. Its business style and its designs and branding and marketing ideas are definitely, different.” Molly and her staff tend to leave the marketing

of the company pretty generic. Their main propositions: best brands, best prices, and a top-notch knowledge base really know no boundaries.

Evo has extended its commitment to a boundaryless world by offering extreme skiing and boarding expeditions to some of the world’s most incredible destinations. “EvoTrip is such a natural extension of the Evo brand,” says Bryce Phillips, Evo’s founder, “and we’re doing it with great activities—skiing, snowboarding, surfing.”

“EvoTrip is definitely unique,” says Molly. “There are other companies that are doing something similar, but our product is a little different in that we take people on extreme trips that people like Bryce and people here at Evo have actually been on. They know the intricacies of getting around these areas and so we offer experience. Our guys have that insider info, that connection.”

“The reason why I get so excited about this concept is that it is near and dear to what all of us value,” says Phillips. “It’s just like, getting out there, learning more about different cultures, doing the activities in different parts of the world and seeing beautiful locations you might never have seen before.” Through a partnership with online travel site JustFares.com—and local guides and professional athletes in each country—Evo will offer trips to South America, Japan, Indonesia, Switzerland, and many more locations. It’s not all about the adventure, of course; sound business is behind it all. Every trip allows Evo’s “ambassadors” to get in front of their potential customers in each of the countries they visit. No translations. No miscommunications. No boundaries.

Questions for Discussion

1. Why doesn’t Evo need to tailor its marketing to different countries? Do you agree with their decision to present one marketing message? Why or why not?
2. What challenges do e-commerce companies face when selling their products abroad? Do you believe brands have the right to limit a company’s right to sell internationally?

SOURCE: Video case (of the same name) from Louis E. Boone and David L. Kurtz, *Contemporary Marketing*, 14th ed. (Mason, OH: South-Western Cengage Learning, 2010), VC 7–8.

ESPN'S WORLDWIDE REACH

It began by mistake. Back in the late 1970s, Bill Rasmussen decided to launch a cable station to broadcast Connecticut-area sports. With the assistance of his partners, Rasmussen leased a building in Bristol from which to broadcast and then bought some satellite time. Only after signing the agreement did he learn that his satellite coverage was national—and his small-scale plan of New England sports coverage began to grow. The early name for the channel—Entertainment and Sports Programming Network—proved too much of a tongue twister and, in 1985, they settled on the ESPN acronym as the corporate name. The letters now stand for nothing—except a sports phenomenon.

Since those early days during which the network scrambled to televise whatever it could—from a men's pro, slow-pitch softball game to its first NHL game in 1979—the organization has grown dramatically, filling what Will Burkhardt of ESPN says is now a saturated market for televised sports in the United States and rapidly moving overseas. "We reach 150 to 155 million households around the world [excluding the United States]; that encompasses about 180 markets and territories," says Burkhardt. ESPN reaches all seven continents, including one of the scientific stations located in Antarctica. The expansion has taken place over the last 15 years, beginning when ESPN provided groundbreaking coverage of the America's Cup international sailing race from Australia in 1987. That race seemed to be a turning point not only for ESPN, but for cable broadcasting itself. From there, ESPN purchased a majority interest in the European Sports Network (called Eurosport) and began service to 25 Middle Eastern and North African nations. In addition to its Eurosport market, ESPN's largest international markets have become China, India, and Argentina.

Burkhardt notes that ESPN entered the international marketplace because of a "desire to grow outside of the U.S. borders and to take what we had learned in the United States in terms of people's passion for sport . . . and bring that to the international marketplace." This was around the same time that cable and satellite television were expanding around the world, so ESPN's timing seemed perfect.

However, marketing around the world isn't easy. For instance, although India has a huge middle-class population, middle class in that country means that a family might earn about \$1,800 per year, as opposed to an American middle-class family's earnings of \$35,000 per year. Thus, attracting viewers to pay for television is more difficult in India. In addition, the infrastructure for cable television is very different from that of the United States, which requires more effort for ESPN marketers. India has tens of thousands of cable entrepreneurs serving approximately 100 customers each, instead of a giant like AOL Time Warner, which

serves 13 million. Still, ESPN thinks that serving India is worth the effort and tailors its programming to the single most-watched sport in the nation: cricket.

In the burgeoning South American markets, where sports fanatics thrive, viewers can watch all kinds of programming—Argentine rugby, Argentine polo, Brazilian basketball, and Brazilian tennis, to name a few. But Burkhardt emphasizes that ESPN starts with a regional marketing strategy, "building a bed of programming from which you then start to localize." Currently, most broadcasts are in English or the local language, but dealing with some countries' multiple local dialects is extremely difficult. In addition, consumers in smaller markets want to see broadcasters of their own nationality instead of ESPN's standard crew of broadcasters. "There is no question that people in Mexico would prefer all of our commentators to be Mexican, instead of some who are Argentine," remarks Burkhardt. ESPN simply can't afford to provide this degree of customization yet.

Ultimately, ESPN's goal is to reach as many households worldwide as possible, despite any difficulties in penetrating new markets. For example, the company landed a huge deal that gave it distribution rights in Latin America for all four rounds of the Masters Golf Tournament. ESPN Latin America alone is now distributed in more than 11 million households in 41 countries and territories, broadcasting in English, Spanish, and Portuguese.

In spite of victories like the Masters broadcast, perhaps one of the greatest challenges to ESPN is that the company must, in large part, make its pitch to cable and satellite television operators before its programming ever reaches the consumers themselves. Those operators conduct business in different ways, they lack rating systems, and some even replace ESPN programming with homegrown shows. Then there are political challenges, such as when ESPN was thrown off Chinese cable after the United States mistakenly bombed a Chinese embassy in Eastern Europe. And there are legal tangles in each country that need to be dealt with, as well. But sports is an international language that tries to provide entertainment without political ramifications, and people everywhere love to watch. "We're obviously not trying to promote any kind of political message through showing an American baseball game," says Burkhardt. And perhaps that is the key to ESPN's success—its ability to bring sport to everyone, everywhere, anytime.

SOURCES: Telephone interview with Will Burkhardt of ESPN, January 2000; "TV Listings," 8 February 2000, <http://www.espn.go.com>; "ESPN International Lands Masters for Latin America," company press release, 11 November 1999, <http://www.espn.go.com>; Michael Hiestand, "Did You Know? ESPN is 20 Today," *USA Today*, 7 September 1999, <http://www.usatoday.com>; "Looking Back, Back, Back..." company press release, 6 September 1999, <http://www.espn.go.com>; Rudy Martzke, "ESPN at 20," *USA Today*, 18 August 1999, 2c.

Questions for Discussion

1. How have environmental forces affected ESPN's worldwide marketing efforts?
2. Why is it important for ESPN to be global? What might be some barriers to trade for ESPN?
3. How would you describe ESPN's global marketing strategy?
4. Search ESPN's Web site at <http://www.espn.go.com> and summarize what it is doing in international markets.