

resulting efficiency and social fairness of parallel imports:

- prices are basically the same, all over the world
 - sellers get a fair price for their commodities
 - buyers don't pay too much,
- since no-one is able to exploit a national monopoly position!

The importance of parallel imports has increased substantially over the last years. Two major determinants of this development can be given:

- 1 the shift within the marketing mix of globally operating companies
- 2 the tendencies towards unification of the European market

(shift within the marketing mix)

First, let me address the shift within the marketing mix.

Years ago, life was easy: in accordance with Prof. Porter's elaborate work on marketing strategy, a company had three options:

- either to make a product that has a better quality than the other products available on the market (differentiation; e.g. a solid but rather expensive Mercedes-Benz); or
- to make a product at lower costs than its competitors, in order to have competitive advantage by being able to sell at a lower price (cost leadership; e.g. a plain but cheap Hyundai); or
- to make a product with characteristics that make it unique within its market, but also appeal to just a limited number of people (market niching, e.g. an uncomfortable, noisy, ridiculously expensive but -to some people- incredibly enjoyable Ferrari).

If you elaborate this study into its impact for the corporate marketing mix, you will notice that the 'centre of gravity' is on the PRODUCT: the physical characteristics of the product are dominant; the other elements of the marketing mix (PRICE, PLACE, PROMOTION and -according to some contemporary scientists- PERSONNEL and POLITICS) are merely used to sustain the physical product characteristics, but they don't add a substantial value to the marketing position of the product.

These days, easy as they might be, are over. Do you remember how pitty we felt for those Japanese manufacturers of hifi equipment,