"INTERNATIONAL MARKETING STRATEGIES OF MSME's-WITH SPECIAL REFRENCE WITHEXPORTING FIRMS"

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Abstract---Purpose-The intent of this paper is to spotlight the marketing strategies of Micro, Small and Medium scale exporting firms to identify the factors related to the international marketing in Indian context as well as to identify most dominating constituent factors of international marketing strategy.

Design/Methodology/Approach- In the present study we have used convenience sampling in order to get more insight about the research issue in the concern context. In our study there are 48 respondents who are SMEs exporters where SMEs of Leather 25 and Glass 23.In sample units, we concern to Exporters to get the response by mangers, directors, assistance managers or any person who relate to the export control process and used factor analysis.

Findings- In research we had studied the marketing strategies of the exporting firms to take decision in the regard of exporting and found factors which helps MSME's to export their products in international market.

Originality/Value- Notable number of research and surveys has been conducted on marketing strategies of different firms but MSME's are the base for economic development and have a major share in providing employment as well as they covers a huge part of exports through various marketing strategy

Keywords--- International marketing strategies, export, small scale industries

I   Introduction

In international working, need to take the prominent decisions of the marketing program for the exporting in the international marketing. This is very competitive situation for the organization to work in international market because when they simultaneously go for to achieve the objectives of local and global   efficiency and responsiveness (Power and Loyka, 2010).

In the regard of economic activities, exporting activity is one the most important activity today, there is no vague framework for export's researching activity toward the B2B industrial relationships in the global market. The most important thing is that industrial firms most contribute in bulk in International business growth and economic activities (Calantone and Knight, 2000) and a generous proportion is exported of industrial merchandise (Tzokas et al., 2000). Now a days marketers' dominant intention is to improve their efficiency and understand the mechanism of build relationship in among firms (Katsikeas, 2006). At zero point of B2B operations, Effective management activity is there of International marketing strategy (Sharland, 2001;

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Katsikeas, 2006). In international B2B operational management is to construct value recommendation in international market which can fulfill the wish of offshorepatrons to make their good sustainable positioning in global market.

This is the purpose of our research is to create a marketing strategy which would be adopted by the international business markets and the target audience would be the small exporting firms.

1.1. CONCEPTS OF INTERNATIONAL MARKETING

1.   Domestic marketing: All the activities of the marketing which to be concerned with the geographical boundaries of nation

2.   Comparative marketing: When more than two marketing systems are to be studied, is called comparative marketing. In study identified the similarity and dissimilarity. It consists to comparison in analytical form in different countries.

3.   Foreign marketing: It covers marketing of products and services within the foreign country.

4.   International trade: It is considered the flow of goods and services between the countries outside its geographical area. It provides macro phenomena of market national and international by the help of Balance of payment.

5.   International marketing: In international market when any face the challenge and not succeeds or fail then marketing effort help to sustain and success of company in the foreign market.

6.   Global marketing: In global marketing activities we decide that which marketing plan and program are to be implemented in worldwide that must to be accepted.

1.2. MEANING AND DEFINITION OF INTERNATIONAL MARKETING & MSMES:

As per AMA, "International Marketing is the multi-national process of planning and executing the conception, prices, promotion and distribution of ideal goods and services to create exchanges that satisfy the individual and organizational objectives".

The application of marketing principles are to be simplify to more than one country, is called international marketing. Where, there is a crossover that what is commonly concerned in global and international marketing.

Marketing strategyfollows the company's best notionas how a company can earn profit with the help of its expertise and resources in the market.Marketing strategies are the sources by which company bring about its marketing objectives which arebothered with the 4 P's" (McDonald, 1999).

A marketing blueprint subsists of auniversallyunified but externally focused on a set of variety that how organizations directs its patrons in the context of cutthroat surroundings (Bradley, 2003).

The term "marketing mix" initially used by Neil Borden in 1953 in AMA presidential address and coined the term "MARKETING-MIX", (E. Jerome McCarthy), who was a very renowned marketer come up with the 4 'P' classification in 1960.

1.3 MEANING OF MSMES:

The role of SMEs is often argued in terms of well- known contribution like regional development and employment in developing countries.

In India MSMEs are categorized in two forms such as:

ACCORDING TO MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

Manufacturing enterprises	
Description	**INR**
Micro enterprises	Up to 25 lakhs
Small enterprises	Up to 5 cr.
Medium enterprises	Up to 10 cr.
Services enterprises	
Description	**INR**
Micro enterprises	Up to 10 lakhs
Small enterprises	Up to 2 cr.
Medium enterprises	Up to 5 cr.

 *As per the amendments in MSMED ACT, 2006(economics time 2018)

A bill was passed in loksabha, Government proposed to classify MSME's on the basis of annual turnover which is as follows.

ENTERPRISES	ANNUAL TURNOVER
MICRO	UPTO 5 CRORE
SMALL	5 CRORE TO 75 CRORE
MEDIUM	75 CRORE TO 250 CRORE

 *Source-Economic times

1.4 IMPORTANCE OF MSMES IN INDIA

• In India, 9% contribution of GDP in development in Indian economy by the growth of SMEs.

• SSI targets to domestic and global market.

• MSMEserves jobs to over the 100 million people.

• 32% contribution of SMEs is in manufacturing sector.

II NEED OF STUDY:

As India's economy expanded, contribution of SME's are 45% of the output of industry, In employment 42 million , In export 40%, one million jobs created per annum and more than 8000 best quality products in international markets. (As per -SMALL AND MEDIUM BUSINESS DEVELOPMENT CHAMBER OF INDIA)

• India is a developing country now, where SMEs supports less to countries as compare to developed countries.

• So find out the international marketing strategies which may support to SMEs to export the goods in foreign market so that our small business can develop and easily work in dynamic market and help in development of the economy.

• As we know that environment is used to remain dynamic where company consist their different strategy to increase the market share over the international market. However, there is no strategy or specific plane which helps to let a company get success. Therefore we have chosen the topic on the basis of literature review and our view.

• In past years academicians have used two ways to measure the extent of adaptation and standardization i.e. orientation towards product and process. In the research we analyze the marketing strategy adaptation decision by the chosen of the four dimensions of marketing such as product, price, promotion and distribution (Lages, 2008).

III OBJECTIVES OF THE RESEARCH

• To diagnose the elements related to the international marketing strategies in Indian context.
• Identification of most dominating constituent factors of international marketing strategy.

IV RESEARCH METHODOLOGY:

In this research we have used Descriptive research design, in order to get more insight about the research issue in the concern context.

The growth of Indian economy basically depends on the exports as well as for increasing the economic strength exports is required, the main concern of this study.

In this study the object was to know the marketing strategy elements used for international marketing adopted by MSME.

Such organizations are ready to study because they can't afford to lose. They have limited financial resources and rely much more on shortterm Survival outcomes than larger firms (Lages and Montgomery, 2004; Lages et al., 2005b).

Small firms show the large portion of the firms and don't have resources so much as large firms have. Need of the capital must be very high for exporting. Small firms must depend on their resources because it is difficult to give them access to credit. These firms play an important role in GDP as well.

In sample units, we concern to Exporters to get the response by mangers, directors, assistance managers or any person who relate to the export control process.

In our study there are 48 respondents who are SMEs exporters where SMEs of Leather 25 and Glass 23.

In study we used the Convenience sampling technique which helps in selection the respondents.

Convenience sampling is a Non- probability sampling method. In this researcher easily reach to the respondents and collect the data.

Sample of the SMEs exports firms is to be taken from the Agra and Firozabad because they are the main region for these industries.

Primary source was only there to collection the response by physically met with them. In previous export marketing research data has been collected by the in-depth personal interview with managers of SMEs.

In study there is only Primary source where data has been collected by help of physical meet with Micro, small and medium enterprises and asked the some specific questions though the structured questionnaire and sent by Google documents.

We had collected the data through structured questionnaire with 7- point Likert scale, ranging from 1. Strongly disagree 2. Disagree 3. Somewhat disagree 4. Neutral 5. Somewhat agree 6. Agree. 7. Strongly agree.

To analyze the data we used exploratory factor analysis.

According to the definition of MSMEs in Indian context, there are two sectors:

Sectors	Micro	Small	Medium
Manufacturing sector	Up to Rs. 25 lakhs	Up to Rs.5 cr.	Up to Rs. 10 cr.
Service sector	Up to Rs. 10 lakhs	Up to Rs. 2 cr.	Up to Rs. 5 cr.

In study we conducted the research in manufacturing sector, where all respondents work for the MSMEs.

Demographic	Alternatives	Percentage
Gender	Male	100
	Female	0
No. of employees	Less than 10	16.7
	10- 30	33.3
	Above 30	50
Capital deployed	Up to Rs. 25 lakhs	22.9
	Up to Rs. 5 cr.	50
	Up to Rs. 10 cr.	27.1
Age of the firm	Less than 5 years	29.2
	5- 10 years	33.3
	Above 10 years	37.5
Industry	Leather	52.1
	Glass	47.9

V RELIABILITY STATISTICS

In the research Cronbach's Alpha value is 0.764 which is greater than 0.6. Therefore, our study is reliable for the research where no. of variable has been shortlisted 25 from 30.

Reliability Statistics

Cronbach's Alpha	N of Items
.764	25

VI EXPLORATORY FACTOR ANALYSIS (EFA):

In the line of analysis of past research to know the strategy adaptation by the some analysis tool, therefore we employed the exploratory factor analysis to reduce "the dimensionality of the original space into spanned of new one dimension or to explain the variance in the observed variable in terms of underlying latent factors".

6.1 IN EFA ANALYSIS, THE FIRST TABLE OF KMO AND BARTLETT'S TEST REPRESENT:

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		**.623**
Bartlett's Test of Sphericity	Approx. Chi-Square	689.944
	Df	300
	Sig.	**.000**

Firstly, In the table KMO value should be greater than 0.5 as per rule of thumb, where its value is 0.623. It shows that 62 percent sample adequacy is there for the research because of we collect the data from 48 SMEs firm only because each firm take approx. half or one hour to give the response to the questionnaire in the span of time.

Secondly, Bartlett's test significance (p- value) is 0.000 now. Where hypothesis is to be in following form that:

H0: All variable are not correlated with one another.

H1: All variable are correlated with another.

Hence, Null hypothesis (H0) is to be rejected because Bartlett's value is 0.000, which is less than 0.05 significance value. It means variables are correlated with one another.

Table of Total variance explained represents that:

The total variance explained table in factor analysis output represents the no. of factor or component. Where large numbers of variables are grouped into several groups/ component/ factors and to do so most common criteria followed is Eigen values criteria. In other words As Rietveld& Van Hout (1993: 259) state, "the number of positive Eigenvalues determines the number of dimensions needed to represent a set of scores without any loss of information".

Total Variance Explained

Component	Initial Eigen values			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	6.326	25.303	25.303	6.326	25.303	25.303	3.859	15.437	**15.437**
2	3.219	12.875	38.178	3.219	12.875	38.178	3.333	13.334	**28.770**
3	2.520	10.080	48.258	2.520	10.080	48.258	2.502	10.008	**38.778**
4	2.243	8.970	57.229	2.243	8.970	57.229	2.302	9.208	**47.986**
5	1.448	5.793	63.021	1.448	5.793	63.021	2.039	8.158	**56.144**
6	1.304	5.215	68.237	1.304	5.215	68.237	1.886	7.544	**63.688**
7	1.237	4.950	73.186	1.237	4.950	73.186	1.840	7.359	**71.047**
8	1.123	4.491	77.677	1.123	4.491	77.677	1.657	6.630	**77.677**
9	.954	3.817	81.493						
10	.762	3.049	84.542						
11	.631	2.523	87.065						
12	.499	1.997	89.062						
13	.422	1.689	90.751						
14	.409	1.635	92.386						
15	.387	1.547	93.933						
16	.282	1.128	95.061						
17	.237	.946	96.008						
18	.216	.865	96.873						
19	.190	.761	97.633						
20	.162	.648	98.281						
21	.125	.500	98.780						
22	.102	.408	99.188						
23	.087	.348	99.536						
24	.069	.278	99.814						
25	.046	.186	100.000						

Extraction Method: Principal Component Analysis.

In this table there are 8 components which have been extracted because these components' Eigen values are more than 1.

The number of rows in this panel of the table correspondence to the number of factor retained. Which have rotation cumulative variance value is 77.677 percent of the all 8 factor, which have been retained.

VII Table of Rotated factor matrix is representing that:

Rotated Factor Matrix -In this table rotated factor loading, where several components have some specific weight for each factor and showing the correlation between the variables and factor.

Rotated Component Matrix

	Component								Reliability
	Product feature	Innovation & Profit measures	Advertising concern	Promotion Initiatives & Process Partners	Distribution Support	End user support	Sales promotion	Customize marketing	
V6	.804								
V10	.747								0.88
V1	.743								
V7	.717								
V3	.676								
V2	.606								
V18		.808							
V5		.754							0.80
V13		.676							
V12		.669							
RV17			.860						
RV20			.823						0.20
V19			.549						
V29				.788					
V15				.731					0.69
V14				.662					
V23				.625					
V27					.869				0.80
V28					.863				
V9						.769			0.61
V11						.649			
V21							.768		0.40
V26							.667		
V25								.791	
V8								.615	0.47

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 23 iterations.

Here, there are 25 variables, which have been categorized in 8 components on the basis of correlation.

In the study we adopted the 30 variable from the previous papers on which we adopt EFA analysis then we got the 25 variable in Indian context

VIII FINDINGS:

In research we had studied the marketing strategies of the exporting firms to take decision in the regard of exporting, we found the outcome that:

8.1 FIRST OBJECTIVE –

We got eight components through EFA analysis, which are integrated to International marketing strategy. When company go for international business then they focus on following components are:

1. Product features

2. Innovation & Profit measures

3. Advertising concern

4. Promotion Initiatives & Process Partners

5. Distribution Support

6. End user support

7. Sales promotion

8. Customize marketing

These all component helps to SMEs while working in international market. Organization use to take decision to find their feet in the market they concern to marketing strategies so that they could able to achieve their goals.

8.2 SECOND OBJECTIVE-

• We found that there are 8 marketing component/factor, from which every component have some specific variance value, where Product feature component is that factor which has highest variance value of 15.437 that's why it is most important factor for the exporters in the research to make marketing strategy for international marketing platform. Here, In features we consist to quality, packaging, labeling, design, product adaptation and varieties of the product.

• Thus, Innovation& Profit measures factor has second highest variance value of 13.334. Here, exporters have to make marketing strategy to make it self's good brand in the foreign market so that maximize the profit and even due to good branding trade customer also entertain the benefits. Wholesale is the main source which helps to maximize the profit as well as branding.

• In the same way Advertising concern is the third one dominated factor where exporters less do promotion activity such as advertisement and use of the media. Its variance value is 10.008 because of reciprocation which were negative earlier.

• Now the fourth one is Promotion Initiatives & Process Partners factor which has 9.208 variance values, in which revenue based on the discount, sales force and middle man.

• In the fifth one marketing factor of Distribution support which has variance value is 8.158.

• Sixth one marketing factor is End user support which has variance value is 7.544 that is less concern by the exporter and whenever it is consisted then only for 3 month and sixth month only, said by exporters while interview.

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•   The seventh factor of marketing strategy is Sales promotion with variance value of is 7.359, which is less concerned in the form of promotional activities.

•   The last factor is Customize marketing with variance value of 6.630. This is less consider to explore the marketing strategy because they less prefer the personal selling mode.

IX   LIMITATIONS OF THE STUDY:

Some limitations of the research paper are to be highlighted, there are following:

●   The main limitation of this research paper is small sample size because sample population is not large in Agra and Firozabad regions.

●   Some company did not give response because of their business activities.

●   We faced the difficulties to approaching with the exporting firms.

●   One country's response may differ from other countries because of culture diversity.

X   SCOPE FOR FURTHER RESEARCH

The research helps in International marketing strategies for the MSMEs, in future other researcher may research on number of many MSMEs and might be compared the response of industries.

We researched in manufacturing sector so other researcher has opportunities to conduct the research in service sectors.

This research can be conducted in among other countries and comparison of MSMEs in different countries as well.

XI   CONCLUSION

As discussed above, the research report's prime objective is to communicate effectively, the outcome of the study; we've articulated all the things we've found. During the study, we found that when Leather and Glass SMEs do their business, they focus primarily on marketing purpose. They use their strategies to adapt to meet the customers ' requirements and enhance the goodwill &revenue. They use to work with other participants so that work easily floats across the market. During the research we found some specific marketing strategies which are to be used to maximizenumberofcustomers.We find that they focus primarily on the aspect of the product features and less on ads

The report clarified everything about the Marketing mix component strategies to adapt the strategies to export their goods. This research will allow exporting companies on the micro, small and medium scale to take marketing strategies decision to work in the competitive export market.

Where should SMEs concentrate and worry about which marketing factor to optimize their benefits, the research report clarified. We found new marketing component for exporting their goods, given the established marketing component.

The report must be logically structured and easy to concern. The objectives of the research report to identify the real component of marketing and most dominated factor what we found and concerned. None of any report prepare earlier before it.

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