Marketing Research on Exploring International Marketing for Small and Medium Enterprises

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Abstract: In the 1990s, small and medium-sized enterprises rose on a global scale and played an extremely important role in the development of countries and the global economy. The development of small and medium-sized enterprises became the foundation and an important part of the national economic development of all countries. Today, as global economic integration continues to deepen, it has become an inevitable trend for SMEs to explore international markets and engage in international marketing activities. This article analyzes and studies the specific trends of domestic and foreign economic development, as well as the characteristics and comparative advantages of my country's SMEs, and puts forward suggestions for SMEs to develop international marketing strategies, hoping to provide reference for the majority of SMEs to make them better in the international market Survival and development.

1. Introduction

As the economy develops day by day, internationalization has become an inevitable trend. There are more and more large-scale enterprises and companies, as well as super-large multinational companies and enterprises, occupying a major position in the market. However, behind these large companies and large enterprises, there are still countless small and medium-sized enterprises. Although they are small in scale and weak, they have a large number, diversified products and flexible operation. They play an irreplaceable role in the economy. Not only has it not disappeared in the increasingly fierce competition, it has shown tenacious vitality. The rise of small and medium-sized enterprises worldwide in the late 1990s once again proved this point. No wonder someone once asserted that in the future competition, SMEs will occupy a dominant position.

The economic development of a country is inseparable from the prosperity of small and medium-sized enterprises, which can provide follow-up power and long-term guarantee for the development of the entire economy. The development of small and medium-sized enterprises is crucial to our country's economic development. However, in the face of the trade development situation and the wave of economic globalization after China's entry into the WTO, my country's small and medium-sized enterprises are facing more and more international competition and pressure, and their living space is constantly decreasing. At this time, SMEs have the courage to go abroad, strengthen international cooperation, participate in the international division of labor, compete in the international market, and move towards international development. This is not only the general trend, but also a way out for their development and growth.

2. The Historical Background of Small and Medium-Sized Enterprises Developing International Markets

Domestic economic development forces SMEs to explore international markets. With the development of China’s reform and opening up, it is an indisputable fact that China has become a part of the world economy. After joining the WTO, as various promises are gradually fulfilled, the protected market will gradually open up, and my country’s economy will also grow. The deeper is involved in the world economic system. Although my country has gradually promoted the integration of the domestic market and the international market through market-oriented reforms since the reform and opening up, the process has been slow after all. In recent years, the rapid
development of small and medium-sized enterprises is largely due to the national tariff policy and non-tariff barriers, as well as local protectionism. After China's accession to the WTO, China has further opened up its domestic market, and the process of integrating the domestic market with the international market has been further accelerated. The protective net that small and medium-sized enterprises used to rely on for survival and development will be gradually torn apart, as tariff concessions and non-tariff barriers are gradually eliminated. Therefore, foreign products will undoubtedly enter the domestic market with their excellent performance, low prices and good service. In fact, many international companies have long been eyeing the Chinese market. Sole proprietorship, joint ventures, cooperative ventures... Whether Chinese companies are willing or not, they will face fierce competition from the international market. If in the past Chinese companies could still imagine that they could just deal with the competition from domestic companies, then this kind of days are gone forever, and now what we have to consider is how to deal with competition from the world market. If small and medium-sized enterprises do not go beyond the limitations of the region, look internationally, and look for greater survival gaps, but just stand still and face strong international competition with their own limited strength in the original place, then they will be eliminated by international competition.

The characteristics of the industrial structure require SMEs to explore the international market. The continuous development of international trade has urged the economies of various countries and regions to be linked together, and has also allowed the free flow and rational allocation of production factors on a global scale, thus forming a wave of economic globalization. In addition, the global business strategy of multinational companies has promoted the multinational portfolio of production and promoted the increase of trade and international investment. Globalization makes it impossible for any company, regardless of its size, to produce all parts of a product by itself. The more large companies like IBM and General Motors, the more SMEs need to provide chips, bearings and after-sales services for them. It can be said that small and medium-sized enterprises have become the foundation of the business development of large companies and an important link in the supporting system. This is a reality that cannot be ignored. In particular, the globalized open market makes it possible for every small and medium-sized enterprise to become a part of this internationalization link and a part of the truly international market. This also provides the possibility for my country's SMEs to explore the international market. Most of the small and medium-sized enterprises in my country are labor-intensive enterprises with abundant labor resources and low prices, they have a great cost advantage in textiles, clothing, toys and other small commodities with low technical content. These products are also available in the world market. Occupy a high market share. However, in recent years, the global economic development has been slow, and unemployment rates in various countries have increased to varying degrees. In order to maintain domestic economic development and reduce the number of unemployed, trade protectionism has risen in many countries. With the continuous expansion of free trade in the world and the reduction of tariff levels, “anti-dumping” has been used more and more frequently to build trade barriers. Many labor-intensive products of small and medium-sized enterprises in our country have a strong advantage in cost, so they are easy to be labeled as dumping in the process of selling to overseas markets. Our small and medium-sized enterprises often lack professionals who are proficient in

3. Problems Faced by Smes in International Marketing

The non-tariff trade barriers of countries around the world have surged. The international market is changing, and companies participating in international competition are usually under more pressure and face more difficulties than companies that only occupy the domestic market. This is especially true for small and medium-sized enterprises. Since most of our country’s small and medium-sized enterprises are labor-intensive enterprises with abundant labor resources and low prices, they have a great cost advantage in textiles, clothing, toys and other small commodities with low technical content. These products are also available in the world market. Occupy a high market share. However, in recent years, the global economic development has been slow, and unemployment rates in various countries have increased to varying degrees. In order to maintain domestic economic development and reduce the number of unemployed, trade protectionism has risen in many countries. With the continuous expansion of free trade in the world and the reduction of tariff levels, “anti-dumping” has been used more and more frequently to build trade barriers. Many labor-intensive products of small and medium-sized enterprises in our country have a strong advantage in cost, so they are easy to be labeled as dumping in the process of selling to overseas markets. Our small and medium-sized enterprises often lack professionals who are proficient in
international trade. They are not familiar with the rules of the game in international marketing, so they are often at a disadvantage when they go to court, which greatly reduces the competitiveness of our products in the international market.

Small and medium-sized enterprises lack advanced means of opening up the international market. According to the survey, 78.7% of SMEs believe that the biggest difficulty in opening up the international market is the lack of information on international market supply and demand. Restricted by many factors of business philosophy and policies, the means for my country's small and medium-sized enterprises to explore the international market are relatively single and backward, and their development ideas are relatively narrow. Mainly manifested in: mostly engaged in general merchandise trade, labor export, contracted projects, introduction of foreign investment and other forms of development; in general merchandise trade, more indirect exports, less direct participation in the international market; in combination with foreign enterprises, independent operation There are too many shares, and fewer cooperations with foreign shares and holdings; there are many who aim to make profits from general commodity transactions, and there are few transactions in more advanced international trade such as e-commerce.

Small and medium-sized enterprises lack professional talents in foreign trade, law and management. Many small and medium-sized enterprises are in short supply of managerial and business talents. As a result, they have insufficient understanding of national policies and unclear business operation procedures. Some business personnel have not received professional training at all, are unfamiliar with business, unclear procedures, and low work efficiency. Small and medium-sized enterprises lack proper understanding of the international economic organizations and laws and regulations that my country has joined, making it difficult to adequately protect their legitimate rights and interests.

Low technological innovation capabilities of SMEs. Technological innovation capability is the potential source of the development of every enterprise. For small and medium-sized enterprises to explore the international market, from a certain perspective, the strength of technological innovation is related to the ability of enterprises to participate in the international market competition. my country's SMEs are far inferior to similar foreign companies in terms of technical strength, investment and innovation awareness, and their products are generally low in technology content, which has led to the lack of competitiveness of Chinese SMEs products in the international market.

4. The Strategies of Small and Medium-Sized Enterprises Develop International Marketing

Reasonably seek for market gaps and highlight the advantages of flexibility fill the gap in marketing. Due to limited resources, low marketing and management capabilities, and weak ability to resist market risks, small and medium-sized enterprises should not blindly chase after the heat in the market, but should find other ways to find the blind spots in the market, especially to avoid The direct competition of large enterprises and multinational companies is working hard in the gaps of competitors. Therefore, for small and medium-sized enterprises, an effective marketing strategy is to carry out supplementary marketing, that is, through in-depth market segmentation, enterprises take the unsatisfied or under-satisfied and less competitive market as the target market, and then concentrate their efforts. Serving this market, get the most benefits through professional operation. From this point of view, the use of marketing strategies to fill vacancies can avoid direct competition with large companies and multinational companies and achieve the goal of winning without fighting. The market for filling vacancies is generally small in scale, the market competition is not fierce, and it can avoid the danger of getting caught in the mouth of the tiger, and the resources needed to develop the market are small, and the marketing level and experience required by the company need not be too high. Therefore, the vacancy marketing is adopted. Strategies can seek advantages and avoid disadvantages and bring infinite vitality to small and medium-sized enterprises.

Relying on large enterprises, through specialized division of labor and collaborative development-symbiotic marketing. Adopting a symbiotic marketing strategy to make an enterprise bigger and stronger refers to a strategy in which enterprises share their own resources and
advantages through cooperation and sharing, and jointly enlarge the market, thereby achieving a win-win strategy. Obviously, this is an ideal choice for small and medium-sized enterprises to effectively resist market risks, reduce transaction costs, increase market competitiveness, and make themselves stronger. Small and medium-sized enterprises may consider adopting the following forms of symbiosis marketing: (1) Be a supporting role of large enterprises, producing parts and supporting products for large enterprises. Once this “supporting role” relationship is established, the products of small and medium-sized enterprises will become an integral part of the products of large enterprises, and the market of large enterprises will become the market of small and medium-sized enterprises, so that small and medium-sized enterprises do not have to worry about orders, financing, and sales. And can use the sales network, technical force and credit capabilities of large companies to effectively improve the company’s product quality, production management and corporate image, thereby enhancing the ability to resist market risks, and freeing themselves from marketing difficulties, thereby helping SMEs exploit the international market and create favorable conditions for marketing activities. (2) Participate in outsourcing operations as a contractor. Small and medium-sized enterprises can use their unique advantages to find their place in the outsourcing operations of large enterprises and multinational companies, and strive to become a member of a certain superior supply chain. For example, as a contractor in the production link, it produces all or part of the raw materials, parts, and semi-finished products for the contractor; as a contractor in the sales link, it conducts agency sales or franchise sales and special sales for the contractor; as a contractor in the distribution link, To deliver goods to the sender, etc. When small and medium-sized enterprises join the outsourcing operations of large enterprises or multinational companies, their unique advantages can be effectively enlarged and enhanced. (3) Forming strategic alliances of enterprises. When small and medium-sized enterprises cannot enter the international market by themselves, they can consider forming strategic alliances with other small and medium-sized enterprises in the same or related industries on the basis of equality and mutual benefit to jointly develop the international market and share the benefits brought by alliance operations. A strategic alliance refers to a strategic alliance between two or more companies. Based on the expectations of the entire market and the overall business objectives and business risks of the company, in order to achieve common ownership of the market, common use of resources, and enhancement of competitive advantages, through each A kind of consortium formed by an agreement. As small and medium-sized enterprises generally have weak strength and poor technical level, they generally belong to a “vulnerable group”, and it is difficult to form the scale and competitive advantage of large enterprises. Therefore, it is more necessary to unite on the basis of equality and mutual benefit, learn from each other's strengths, and jointly develop the market. Survival and development. Especially in the initial stage of SMEs to explore the international market.

Use high technology to establish a rapid response mechanism for information-network marketing. Through network marketing, small and medium-sized enterprises can achieve rapid and efficient global sales promotion, and eliminate the obvious gap in channel resources with competitive players such as large enterprises; through the Internet to achieve two-way interaction with customers, small and medium-sized enterprises can more directly contact the international market Of customers, understand the specific needs of customers more closely, and discover potential “niche” markets, so as to give play to the advantages of flexible mechanisms to meet the individual and diverse needs of different customers. On the other hand, small and medium-sized enterprises can use the Internet to quickly, comprehensively and effectively disseminate information about companies, products, and expertise in the global market, which greatly enhances customers' understanding of products and product values, and promotes customer loyalty to companies and products. Upgrading is conducive to shaping the international brand and corporate image, while also saving a lot of time and cost in information acquisition and “instant marketing”.

5. Conclusion

With the continuous development of global economic integration, Chinese enterprises have
gradually merged into the tide of international competition driven by tremendous changes in the market environment. In order to survive and develop better, it is inevitable for small and medium-sized enterprises to use their comparative advantages in resources to go abroad and open up the international market. However, compared with large multinational companies and large enterprises, small and medium-sized enterprises still have obvious shortcomings. Small and medium-sized enterprises have small funds, small scale and simple organizational structure. These characteristics determine that small and medium-sized enterprises cannot be like large enterprises in the process of opening up the international market. To spend a lot of manpower, material and financial resources in international marketing, small and medium-sized enterprises must adopt practical marketing strategies based on their own characteristics in order to succeed in the process of opening up the international market.

References


