

## Marketing Challenges Facing Smes during Planning a Global Strategy.

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**Abstract:** The purpose of this paper is to study and identify the critical challenges of Marketing for small and medium enterprises (SMEs) in Malaysia during planning a global strategy. It is very important for marketing management successfully deal with common challenges during planning a global strategy. The article has highlighted a significant issues of the strategic planning, decision making, marketing dynamic learning by analyzing previous literature reviews on the subject of Marketing management regardless culture differences, understanding a new market, etc. The significance of this study will show and fill up the gaps of current issues related marketing management and will add more knowledge for small and medium enterprises which effectively can implement knowledge during globalization.

**(Keywords:** Global Marketing, Globalization, SMEs in Malaysia, Economic Growth, Global Expansion, E-Commerce).

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Date of Submission: 13-08-2018

Date of acceptance: 30-08-2018

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### I. Introduction.

Before considering globalization strategy SMEs may pass the pathways to global expansion, which include domestic market strategies, regional and multi-regional marketing strategies, globalization market strategies.(Susannah Schofield, 2013). However, nowadays, SMEs often jump off straight from domestic market strategy, which is not stable and strong yet, to global market strategy; it may be the common mistake to reach successful global strategy. ( Jean- Pierre Jeannet and H. David Hennessy , 2004).

Many companies use a strategy to do export to a foreign market. However, not many countries offer a large enough opportunity to indicate local goods, therefore exporting allows to companies to manufacture its goods restricted, or just choose centrally several markets. Furthermore, exports affix volume to an already existing production operation located elsewhere, so marginal profitability of such exports tends to be high( J.P. Jeannet& H.D. Hennessy, 2004).

#### Research Problem.

The difficulties faced SMEs:

1. Insufficient specialist expertise or restricted impact on the market place (Carson, 1985).
2. Reliance of the new customers (Venkataraman et.,al.,1990).
3. Incompetence of exert control over the external environment (Cromie, 1990).

Carson (1985) admitted that insufficient resources, lack of the experience specialists, restricted effect on the market place, are relevant to most SMEs.

Several authors have highlighted critical marketing difficulties which SMEs facing during globalization:

1. environmental examining is insufficient in scope (Mohan- Neill, 1995);
2. assemblymen of the data is not comprehensive (Smith et.,al., 1988);
3. market research is simple, insufficient and based on quantitative analysis (J. Terence Zinger, Huguette Blanco, Louis Zanibbi, Joan Mount, 1996, McDaniel & Parasuraman, 1985, Stokes, 2000);
4. Decision made more halfhearted rather than dynamic (Wilemon&Sashittal, 1996);
5. Short term strategy planning due of lack resource, such as financial, knowledge, inexperienced marketing employees (Leppard & McDonald, 1991);
6. Kets de Vries (1990), claimed that establishers are rather doers than thinkers, owners rely on instincts, emotions, organizations rather than on collecting data or analyzing information;
7. The growth may be narrow as the establisher – manager benefits personal achievement over commercial goals (Tone A. Ostgaard, Sue Birley, 1996).
8. Marketing knowledge is insufficient, marketing tactics are limited to be extended (Carson, 1985);
9. Sales are limited (Stokes, 2000).

Inability fit or partly fit to customers' needs (David J. Storey, Robert Watson, PooranWynarczyk1994).

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## **II. Literature review.**

Early studies show that, E- Marketing mainly centered on the large global business, and little giving attention to SMEs. Competitiveness mainly flow from price and quality of the new product (Susannah Schofield, 2013). Surveys show that in all countries more consumers use their browser than apps and only a minority will use web or apps exclusively.

Marketing can be more dangerous than ever before. SMEs have to ensure that everyone is involved, briefed sales teams, brought marketing team up to speed with price or product and potential future changes not only to the structure but to the entire process of any purchase (Susannah Schofield, 2013).

Mark Bonchek and Cara France ( 2017) concluded that the critical way of marketing nowadays is the creativity. Marketing has become more multiplex and accurate. Marketers need to be proficient in customer experience, data analytics, and product design. However, SMEs may work on creativity in marketing such as working with customers from the start to twist their experience with efforts to enlarge companies' achievements (Mark Bonchek and Cara France, 2017). Romano & Ratnatuga (1995) claimed that marketing can be divided on several categories, such as a culture, a strategy, and a tactics.

1. Marketing as a culture based on a simple set of value and beliefs about main significance of the customer as the consumers to the organization.
2. Marketing as a strategy concentrate on companies' market position, market segmentation, customer orientation, and firms' target.
3. Marketing as a tactic, includes the elements of marketing price, goods, specific place and strategic promotion, and the achievement of small and medium enterprises based on its resource with the most productive way.

The majority of the studies on marketing have been coordinated on the large companies. Early endeavor to understand the marketing operations of small and medium enterprises were decidedly established by intellectuality. Majority Researcher and authors suggest to obtain large firms strategy to SMEs (Ratnatunga & Romano, 1995), but as was mentioned earlier some SMEs are in need of some resources to implement marketing strategy, which is suitable for the large enterprises. Mark Bonchek & Cara France ( 2017) suggest that marketers of SMEs should invest the research time into consumers' needs using qualitative research more, than achieving knowledge by qualitative research.

It was concluded that marketing in SMEs was lower- ranking to the large enterprises and that marketing performance should be adapted and should be similar to the large firms.

## **III. Discussion.**

In era of globalization and trading marketing strategy can not be weak and being inattentional by marketing management. Some researchers (Haslinda Musa et al., 2016) concluded that adoption social media by SMEs is critical due low cost, few participations, and low IT skills level. It will increase its sales and objective of the organization can be achieved.

E-commerce marketing challenges small and medium enterprises (Peter Kenny, 2017, Amitayu Sengupta 2016), scaled a number of benefits for SMEs which implement in marketing E- Commerce strategy, such as:

1. access to a bigger and broad market;
2. minimize advertising costs and other promotional fees with more cost- effective recognition of potential customers and rapid communications;
3. Uncomplicated accounting strategy, payment opportunity, etc.

Electronic commerce technologies have the prospective and remarkable productivity for SMEs level. Although, the most successful marketing strategy relates to business -to-business relations, electronic technologies can lead to cost saving. Nevertheless, SMEs with e-commerce marketing strategy should review website, shop window where the most digital marketing will lead new customers.

Organizing the website and keeping it simple for customers, setting up analytics who will be a knowledge of customers usage and tracking the reason of leaving the website without buying anything. Nowadays, people are busy, the easier the company's website for customers, the more likely consumers willing to buy the goods. Studies show, creativity with e- commerce marketing more likely and successful for SMEs, because some digital marketing ideas are intellectual knowledge but very simple have appear from very small companies.

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### **Analysing and Suggestions.**

Nowadays, researchers have insisted that SMEs should look for creative, low cost pathways of the market with products and services (Ross Gordon, Marylyn Carrigan, Gerald Hastings 2011, Weinrauchet.,al., 1991), as SMEs suffering of lack of finance creativity gives the way for the cost saving (Fillis, 2000).

Authors,( Levinson, 1983), encourages SMEs to take the challenge with adaptation cost effective marketing strategies, using existing resources and a lot of creativity to inspire mass participation, also described as "guerrilla marketing". Guerrilla marketing tactics are designed to grow SMEs business offline with rapid results and utilizing restricted resources. It depends on creativity, strong correlation with customers and readiness to try uncommon approaches. Historically, these tactics were directed to small businesses.

However, guerrilla marketing tactics can be used by majority of the companies. Guerrilla marketing relies on advertising, public relations, finding a creative path to capture attention in specific place offline. Guerrilla marketing often elaborate with customers, not just sending out a message.

Braveen Kumar (2017), has highlighted several factors for marketers to approach the results:

1. Location;
2. Creativity which gives to consumers to pause and look at the advertising;
3. Creativity should be matching with the goals;
4. Making unaggressive tactics of advertising to attract consumers;
5. Using relationship between offline advertising and online brand;

Guerrilla marketing tactics might be restricted, but there is a global option when it relates to marketing (Braveen Kumar, 2017).

However, all those suggestions may rely on human capital performance which depends on experience, creativeness, satisfaction from work, royalty in the department. In that case those factors may be research in a future research.

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MS KATERYNA VOROBYOVA. " Marketing Challenges Facing Smes during Planning a Global Strategy.." IOSR Journal of Business and Management (IOSR-JBM) 20.8 (2018): 47-50.