Conditions and Countermeasures of China’s Enterprises in International Marketing

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Abstract: This paper uses theoretical and analytical method puts forward that China is big trader in international trading with nearly one million enterprises granted with import and export rights. But under the circumstances of global International Marketing, China’s export enterprises face great difficulties. It draws the conclusions that if government, society and export enterprises do not pay particular attention to International Marketing, if certain measures are not appropriately taken, China’s export enterprises can hardly maintain their position in the international competition, and China can hardly become a strong trader from big trader.

Keywords: Enterprise, International marketing, Countermeasures

Introduction

We know that China's foreign trade totaled from $360,650,000,000 to $2,207,220,000,000 from 1999 to 2009, export totaled from $194,930,000,000 to $1,201,660,000,000 from 1999 to 2009, the export for the first time surpassed Germany, ranked the first in the world. However according to the survey, only one third of the enterprises with import and export rights have import/export performance. The key main reason is that the enterprises do not pay attention to international marketing. This paper however discusses on these issues and puts forward some appropriate countermeasures, so as to help China’s import and export enterprises in international marketing.

1 Conditions of China’s Enterprises in International Marketing

1.1 Lack of Sense of International Marketing
Affected by traditional culture and decades of economic central regulation, China’s enterprises do not pay attentions to the market survey. The main reasons are under economic central regulation, products were produced and sold completely by the Government authorities, it was obviously seen that it was meaningless for enterprises in market investigation; enterprises showed no interests in international marketing; and lacked of active spirit in exploring international market. Even now, many enterprises hold the sense that international marketing faces great risks, it can only be undertaken by large enterprises with strong economic background. In addition, international marketing means certain amount of investment and professional personnel, that’s why many enterprises shrink back at the sight of the difficulties.

1.2 Lack of Sense of Market Segmentation
China’s exporters do not know where their target market is, their products and services may be identical the same as that of other enterprises. Due to lack of market segmentation, even with differentiated products, nor can they set their limited resources to serve the target market, and possibly choose the wrong way of advertising, product launch to the wrong place, and possibly the marketing campaigns can not reach potential customers. It a common practice that consumers of different countries and regions their income, consuming habits, psychological concept are quite different. For example, the Western European consumers love new products and long for fashion due to their high purchasing power, so
products exported to Western Europe should be of high quality with higher price policy, on the contrary, products sold to South Asia, East Africa can only take appropriate tactics.

1.3 Lack of Market Research
Market research is a integrate study of marketing, psychology, sociology, statistics, it needs to understand market research methods, technology, and knows how to collect, sort, organize, and analysis information and provides targeted recommendations for export, and solves problems in marketing practice. Presently, this approach has been widely used in multinational corporations. Since opening-to-the- outside-world policies, many Chinese enterprises have spent a lot of effort to advertising, but market research is still insufficient, as a result it has a direct impact on product development, production, sales and after-sales service. It is quite sure that if market research is not well done, smooth marketing system can’t be established, and more seriously it occurs great impact on product backlog, fund circulation, economic benefits, as well as the survival of enterprises.

1.4 Lack of Export Place, Business are Restricted
Many enterprises export places are limited due to paying less attention to international marketing. It is the truth that plenty enterprises’ export are relying on professional trade companies, this is a typical separation mode of production and trading. It is obviously seen that professional trade companies do not have factories, whereas production enterprises are lack of the necessary export places, both parties are restricted. Sometimes foreign trade companies block export information, which surely brings adverse impact to manufacturing enterprises; As a result, this seriously affects the competitiveness of export products.

1.5 Lack of Intellectual Personnel, Technical Innovation Is Rather Low
Talent competition is the foundation of all competitions. The key problem for export enterprises is lack of talents of international marketing especially high-quality personnel, such as the international marketing manager, marketing manager, market policy development and management, market analysts, technical support personnel, negotiators, and so on. According to survey, half of export enterprises are lack of intellectual personnel.
Technological innovation is potential source of enterprise development. In recent years, as China's foreign trade volume grows, products varieties, export market are also diversified. But from overall point of view, the majority of the manufacturer’s machinery and equipment are old, they don’t have R&D ability, and investment for technical research and development is not enough. Under such circumstances, it is quite hard for the export enterprises to maintain their position in the international competition.

2 Countermeasures of China’s Enterprises in International Marketing

2.1 Setting Up Global Marketing Sense
How to establish correct international marketing sense is China’s international marketing challenges, the following are important: the first, paying much attention to the importance of customer orientation. As a typical buyer's market, enterprises’ activities should focus on customers, only to meet customer needs and accommodate customer preferences for products or services, may products be accepted by international market. The second, strengthening marketing sense. China’s export enterprises should not only be flexible application of traditional marketing tactics of the 4Ps (product, price, place, promotion), but also emphasize on costumers’ rights and the public relations. And the last, properly selecting international marketing sense. Presently, many multinational corporations have adopted international marketing sense, and place global market under their own marketing range, guide their marketing activities by global marketing sense.
2.2 Strengthening Products Innovation, Improving Products Competition
To improve product competition means to increase market share and profitability, China’s export enterprises should establish the overall product concept, improve product quality, and enhance product innovation, including product standard innovation, product variety, color, style, packaging, branding, product and service. In addition, export products should be constantly renewed, and diversified, after-sales service be strengthened, service level and service quality be improved, and new service items and measures be continuously introduced, so as to meet consumers need.

2.3 Implementing Market Diversification Strategy
The European Union, the United States, Japan have been China's traditional export market. At present, on the situation of international market saturation, export growth of certain products are under pressure, export growth is more and more restrained by international market. Thus lowering export market concentration and reducing market risk has become China exporters’ new challenges. Apart from consolidating and expanding traditional market in developed countries and regions, it is also important to explore new markets in Eastern Europe, Middle East, Africa and South America. China’s products have potential market in developing countries and regions, and with certain advantages, this is because products structure and price meet consumption levels in developing countries. Of course, there are some obstacles and problems in exploring these markets, such as low economic development, low trade scale, shortage of foreign exchange, as well as adverse conditions of transportation, climate and so on. Therefore, it is the important task for China’s export enterprises to make market research, and export marketable products.

2.4 Deepening Structural Reform of Foreign Trade
Deepening trade reform, innovating foreign trade management means central regulation should be reduced, the Government should study on trade development patterns, trends, provide trade service system, and promote trading through central financial means. The Government should transfer its function from passive management to active service, and give enterprises overall instruction in international marketing. The Government also should impose regulatory, policy guidance, promote enterprise to have intensive management, and promote export enterprises for internationalization, grouping.

2.5 Widening Export Places, Perfecting Promotion
In order to diversify export market, China’s export enterprises should actively take part in domestic and international commodity trade fair, such as “China Export Commodity Trade Fair, China Hi-Tech Trade fair, East China Trade Fair as well as international trade fair in America, Germany, France, Japan etc.,. It is truly believed that such domestic and international trade fairs are the important ways for international marketing.
In addition, e-commerce is another effective attempt in widening export places, by computer technology, networks, and telecommunications technology, the entire business process can be realize by electronic, digital and networking. People no longer need to negotiate face to face, watch the tangible goods, draft paper documents, instead, the business can be done by the network, through its commodity information, sophisticated logistics and distribution systems. This new method has the advantages of fastness, funds safety, reducing manpower and cost-saving.

3 Conclusion
International marketing is a systematic engineering, it needs close tie among government, society, and business. Although China is a big trader in the word with nearly one million enterprises granted with import/export rights, if China’s export enterprises do not pay much attention to International marketing, China can hardly become a strong trader from big trader. As long as the Government and enterprises
work together closely, international marketing activities will bring China’s export enterprises a better future.

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References