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INTERNATIONAL MARKETING: APPLICATION OF MARKETING INTELLIGENCE AND KNOWLEDGE MANAGEMENT FOR SUSTAINABLE GROWTH

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ABSTRACT

The emerging aspect out of internationalisation is the urge to grow, need to become more competitive, the need to diversify and to gain strategic advantages of globalisation. With the advancing global economic environment marketing is becoming more internationalisation even for firms at domestic level. The application of marketing intelligence and knowledge management in the era of information and communication technology (ICT) is the call of time for sustainable growth of enterprise.

Keywords: performance learning, market dynamics, core competencies, Ethnocentrism, Geocentrism).

INTRODUCTION

The growing globalisation of many economies is essentially a part of the policy or strategic management. The emerging aspect out of internationalisation is the urge to grow, need to become more competitive, the need to diversify and to gain strategic advantages of globalisation. The developing countries, which number about 160, have witnessed a rejuvenation of exports of the developing countries and they are significantly improving over domestic firms leading to a approach in the marketing. With the advancing global economic environment marketing is becoming more internationalisation even for firms at domestic level. The major competition encounters by global and domestic firms are from foreign forms. Taking view over the growing stiff competition Peter Drucker describes in the *Management Challenges for the 21st Century: "*no institution, whether a business, a university or hospital, can hope to survive, let alone to succeed, unless it measures up to standards set by the leaders in its field any place in the world". In many developing countries domestic firms are being internationalised by imports and foreign investments. There has been considerable change in the global trade. The quanta of international business of firms vary widely. In the emerging market scenario, developing through understanding of international marketing has become a pre requisite of success in business. The business environment which are beyond firm's control in international markets including political, social, cultural, competition, marketing channels, technology, legislations, tariff structure,

environmental standards make tasks more complex than domestic marketing. For identifying opportunities in foreign markets the firm s ah veto develop a thorough understanding of pattern of international trade. The application of marketing intelligence and knowledge management in the era of ICT is the call of time for sustainable growth of enterprise.

EPRG Orientation

The analysis provides by Wind, Doughlas, and Perimutter within the frame work of the modifies EPRG scheme is helpful in understanding the levels of involvement of firms in international business. This EPRG identifies four types of attitudes or orientations towards internationalisations that are associated with successive stage in the evolution of international of firms. These four orientations are;

1. Ethnocentrism(home country orientation)
2. Polycentrism(host country orientation)
3. Regiocentrism(regional orientation)
4. Geocentrism(world orientation)

Hence, firms have to reflect goals and different marketing strategies and planning procedure for prosperity and growth. MNCs with huge resource base and objectives with market opportunities have been powerful force driving globalisation. Taking the advantage of liberalisation by developing and under developing economies there has been a fast growth of MNCs across different countries. Hence it calls for new dimensions in the marketing strategy of MNCs.

International Marketing Intelligence (IMI) & Knowledge Management(KM): The Essence of Competitive Marketing:

There are various players in the international marketing including MNCs, SMEs, PSEs, Trading Companies, etc. The globalisation of supply chain systems, international investments, information surge and consumer choice, global convergence, global growth, WTO, free market economy, rise in ICT, etc. have created new world order in international business. It has become challenging and task oriented for the business firms operating across globe. Therefore, policies of domestic protection adversely affect the international marketing. In this context the KM & IMI has become inevitable for the firms in new world order. An important trend in international trade and marketing is existence of trade blocks which has effected more competitive environment. Through knowledge management, companies can build on their intranets, data warehouses, and project management systems to make sure that every key decision is fully informed.

Appropriate and reliable information is necessary for decisions in international marketing. Marketing research plays a dynamic role to this aspect. The general subject of international marketing intelligence includes collection, processing, analysis, and interpretation of all types of information from all available sources, to aid business management in making international marketing decision. As such business intelligence is essential all types of

strategic planning in the arena of global or international marketing. Various information required under IMI are ;

- Market selection related information

- Promotion related information

- Competitive related information

- Distribution related information

- Price related information

- International market related information

- Product related information

- FDI related information

All types of information are required for very critical decisions in order to view prospects of foreign markets. Consumers demand, demand trends, competitive behaviour, relative strengths and weaknesses are collected and compiled from these sources. These information may be collected from internal and external sources. Existing companies have internal store house as regards to international marketing information. Trade Bodies, WTO, etc. provide information as external source. A information base is created as a part of company's overall information system for international business (Terpstra). IMI and market research are two essential items in knowledge management. Marketing research is very vital to keep pace with the changing environment characterised by changing preference, life style, competition, attitudes etc. The survey researches, personal interview, group interviewing, mailed questionnaire, are common tools of marketing research and knowledge management in the present global business trend.

Principles of Knowledge Management

Understanding knowledge is the first step to managing it effectively. There are characteristics of knowledge, and some tools and approaches for making the most of the knowledge assets in every organization. Winston Churchill said, "The empires of the future are the empires of the mind." Tom Peters said, "Heavy lifting is out; brains are in." Stately or slangy, it's a fact that knowledge is edging out buildings and gear as the essential business asset. Even advertising and marketing use such words as knowledge, intelligence, and ideas. When many companies must innovate or die, their ability to learn, adapt, and change becomes a core competency for survival. Most seek more knowledge through training, education, and career development. Every business is a knowledge business; every worker is a knowledge worker. The following principleds are observed in KM:

1. Knowledge is Self-Organizing. The self that knowledge organizes around is organizational or group and is purpose oriented.

2. Knowledge is Messy. Knowledge is connected to everything else, and cannot be isolated the knowledge aspect of anything neatly. In the knowledge universe, we cannot pay attention to just one factor.

3. Knowledge Seeks Community. Knowledge wants to happen, just as life wants to happen. Both want to happen as community.

4. Knowledge Travels via Language. Without a language to describe our experience,   we cannot communicate what we know. Expanding organizational knowledge means that firms must develop the languages they use to describe work experience.

 5. There is no one Solution. Knowledge is always changing. For the moment, the best approach to managing it is one that keeps things moving along while keeping options open.

6. Knowledge doesn't Grow Forever. Eventually, some knowledge is lost or dies, just as things in nature. Unlearning and letting go of old ways of thinking, even retiring whole blocks of knowledge, contribute to the vitality and evolution of knowledge.

7. No one is in Charge. Knowledge is a social process. In business it is a gathering and compiling process. That means no one person can take responsibility for collective knowledge. It is a group cohesion especially in international business.

8. How the knowledge is defined, determines how the knowledge is managed. The "knowledge question" can present itself many ways. For example, concern about the ownership of knowledge leads to acquiring codified knowledge that is protected by copyrights and patents.

Competitive advantage of Knowledge Management: Global Scenario

Knowledge management, popularly known by its acronym KM,   is only 5 to 15 years old and is a distinct contribution of the private sector where the concepts of knowledge as a "competitive advantage of the firm" and "knowledge capital" hold the sway. It is only recently that knowledge management (KM) has started making entry to global trade in view of global convergence. One of the reasons for this development has been the emergence of information and communication technologies (ICTs) in the last decade and the emergence of knowledge worker and the knowledge economy. There is now persuasive evidence that the information and computer technology (ICT) investment boom of the 1990's has led to significant changes in the absolute and relative productivity performance of firms, sectors and countries' (Hughes and Morton 2005, p-3). The   knowledge management cycle consisting of six phases of: (i) undertake knowledge audit, (ii) create knowledge, (iii) capture knowledge, (iv) store knowledge, (v) use knowledge, and (vi) review knowledge is developed.
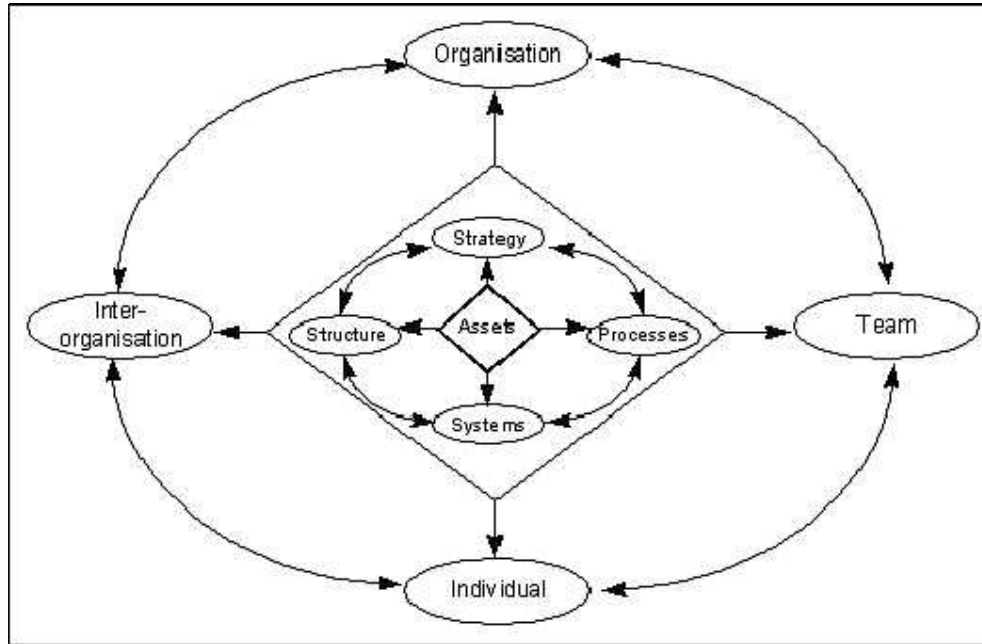
Key business resources like labor and capital have substantial organizational functions devoted to their management. Knowledge won't be well-managed until some group within a firm has clear responsibility for the job. Among the tasks that such a group might perform are collecting and categorizing knowledge, establishing a knowledge-oriented technology infrastructure, and monitoring the use of knowledge. Several professional services firms already have knowledge management systems at work. McKinsey, Andersen Consulting, **Ernst & Young**, Price Waterhouse, and A.T. Kearney all have "Chief Knowledge Officers" in place. Buckman Laboratories reoriented its Information Systems organization to become managers of knowledge, and now calls the group the Knowledge Transfer department. **Hewlett-Packard** created one knowledge management group within its corporate Product Processes Organization, and another within its Computer Systems marketing group.

With the rapid growth of sales automation and such online technologies   many corporations have rushed to deploy systems for distributing information and documents of all kinds to their sales people. As markets and products change with accelerating pace, sales people must assimilate and apply vast amounts of current information about their markets, their competition, and the solutions they can offer to customers.   Knowledge of customers' business issues, market dynamics, company vision, the competition, sales strategy, and products or services themselves, helps sales people establish and maintain credibility. They can identify the customer's pressing needs and configure optimal solutions, sell the benefits of those solutions, and guard against competitive challenges. On the other hand, those working today in nearly all functions within business organizations suffer from severe information overload. Sales people are perhaps the most overloaded of all. Information of many types, in many different forms and media, pours in on the sales person. Dozens or even hundreds of documents are intended to provide sales people with the knowledge they need to compete in the global and international marketing depending upon operations. Yet because the information generally arrives from many different sources, neither its content nor format

is consistent. Sales guides, training materials, audio and video tapes, sets of overhead transparencies, sales collateral, proposals, memos, emails and now documents in online databases often cover the same ground in slightly different ways, and are often very difficult to use if one is in a hurry to find needed information. The result is a scarcity of knowledge in an abundance of information

The Challenge of Sales Knowledge Management

Managing the knowledge of a sales and marketing organization cuts across disciplines and departments and may include various functions within marketing, sales, training, and customer service. Conscious efforts in some major corporations to build a "learning organization" have yielded such job titles as Chief Knowledge Officer (CKO) and have involved cross-functional teams of various kinds. Recognition of the problem is itself a major advance. In many companies, sales, marketing and other functions do not cooperate effectively, and frequently blame one another for lack of effective communication. The challenge is to make vast amounts of dynamic information both useful and accessible to sales people for use in performing specific tasks on the job. To realize a return on their corporate knowledge assets, executives need to provide for processes and systems that will optimize the capture and use of knowledge. Because knowledge is actionable information, used to support performance, an effective solution demands cross-functional processes for collaboration and communication. The common challenges are;

Access: Sales people must be able to access required knowledge easily, quickly, and with the confidence that they can find what they want. The classic assertion that "sales people don't read," while it may be true as compared with university professors, is actually the consequence of most organizations' failure to provide reliable, quick access to needed knowledge. It has seen repeatedly that sales people will literally ask for more information, if given hard copy or online reference resources that support rapid, reliable access. For many tasks, such as planning account strategy, preparing for sales calls, writing proposals, and organizing information for presentations, sales people can perform well if they simply can find needed information. They need not commit it all to memory, if there is a system that allows them to rapidly find needed information.

Learning: Sales people need to learn a relatively small amount of knowledge which is needed face-to-face with customers or for routinely thinking through problems (e.g., key associations between potential customers' problems and product solutions). And where sales people do need to learn, they must be able to achieve what is known as fluency.

Application: To be useful, whether accessed or learned, sales knowledge must be organized and presented in a form that supports application in practical tasks. That can be great asset in international marketing by MNCs operating at different countries.

CONCLUSION

Due to the proliferation of information systems and technology, businesses increasingly have the capability to accumulate huge amounts of customer data in large databases. However, much of the useful marketing insights into customer characteristics and their purchase

patterns are largely hidden and untapped. Current emphasis on customer relationship management makes the marketing function an ideal application area to greatly benefit from the use of data mining tools for decision support. The wide ranges of technologies developed in artificial intelligence research have the potential to support knowledge-based system development across many disciplines. The technologies, tools and protocols developed for the World Wide Web make it possible to provide knowledge acquisition, representation and inference systems internationally to anyone with access to the Internet. Such knowledge-based technologies integrate naturally with other applications and hypermedia systems to provide a distributed knowledge medium capable of supporting the knowledge processes of professional communities. That can be greatest contribution of sustainable marketing and growth of firms at domestic as well as global level. KM develops a generic model for managing knowledge in sales and marketing environments and provides a handbook for line managers wishing to introduce knowledge management into their sales and marketing activities at domestic and global level taking advantage of EPRG approach. It provides practical and realistic solutions to real-world problems via case studies from leading companies across globe

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