

Marketing Strategies in an International Trade Business.

Case Company: Koneisto International Oy

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<p>Koneisto International Oy is a trade and brokerage company engaged in foreign trade activities ensuring the circulation of goods between their producers and consumers.</p> <p>The main research problem I will be working on in my thesis is: What specific marketing strategies can Koneisto International Oy use in order to be more present in international trade market? The topic was chosen under an availability of the company to cooperate with me and their interest in the variety of marketing strategies to possibly use in the company in the future.</p> <p>With the researched theoretical background I will analyze their current marketing strategies and compare them with further strategies found in the literature in order to come up with those explicit marketing strategies which would bring Koneisto International Oy closer to their goal.</p> <p>The empirical part of the study will consist of 2 – 5 qualitative interviews with marketing experts. Aim of the interviews will be to answer the question which specific marketing strategies are most suitable for the situation Koneisto International Oy is in.</p> <p>The target group involves marketing managers and/or teachers and the data will be examined by a content analysis.</p> <p>In conclusion I will report the most valuable marketing strategies for Koneisto International Oy that come out of the interviews, the theoretical research and the wishes of the company itself.</p>	
Keywords International, marketing, research, strategies, trade, roll forming	

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1 Introduction

Marketing and marketing strategies in modern industry take a central place in functioning of a company. Companies focused on marketing development consistently implement targeted marketing policy designed for a certain period of time. A main component of this policy is to define the marketing strategy. Marketing strategies include all of the major issues related to the production and marketing activities of the company.

The strategy defines the company's development plans and ways to implement them, combines prospective and current planning. Long-term strategic development plans include the preparation of the main line which determines its activities, development and selection of fundamental ideas goals and main strategies, nature of the activities in the perspective, methods of using the available resources in the best way. Strategies orient the company to the market of future and stable development in a competitive environment. Before the company was oriented to find all of the reserves in the internal environment by rationalizing the production organization and lowering the costs by using internal production resources, now the companies would use a tactical approach in order to find the resources in the external environment rather than internal. This takes into account the overall economic situation and the latest achievements of science and technology as well as changes in market demand and competition market. So the developing strategies of leading development companies should rather orient on the present than on the future. Meaning the intercompany management organization is based on a combination of the external environment and the real capabilities of the firm. Therefore the fore focus of the company should be on a social system hence the need to react quickly to changes and innovations in the market. Strategies take into account the various parameters based on which the comprehensive analysis determines the development of the company.

The objective of this thesis is to analyse the various marketing strategies and indicate the most competent strategy for Koneisto International Oy.

Koneisto International Oy is a trade and Brokerage Company engaged in foreign trade activities ensuring the circulation of goods between their producers and consumers. The brokerage activity of the company is necessary and beneficial to producers and consumers as mediation reduces costs of commodity circulation, accelerates turnover, increases the efficiency of commercial transactions and increases profits. This activity includes a wide range of purchase and sale transaction (including foreign transactions):

- Search for contractors
- Preparation and commission of commercial transactions

- Lending parties
- Guarantees of payment
- The implementation of transport and insurance services
- Custom formalities
- Advertising products and their suppliers
- Exploration of the environment
- Pre-service and pre-completion of the products
- Maintaining the stock
- Informing the trading counterparties
- Etc.

1.1 Background to the study

The topic was chosen under an availability of the company to cooperate with me and their interest in the variety of marketing strategies to possibly use in the company in the future as they wish to be more present in international trade market. Companies developing marketing strategies implement a systematic approach to the management of activities with clear objectives, detailed set of measures aimed at achieving them, use the appropriate organizational and economic mechanism. That is why the problems of studying marketing strategies are highly relevant for Koneisto International Oy.

1.2 Case company

Koneisto International Oy was established in 1993 and practises trading special metal processing equipment in the Russian market and market of former Soviet Republics. In particular, the bulk of the supply is roll forming equipment of the Finnish firm Rollsteel Machine Oy located in Kuopio.

Roll forming equipment consist of different kind of machines combined into a lines for the processing of metal strips, which usually come in the form of coils into a ready product. Width of such strip can be from 5 cm and up to 1, 5 m. At the end of such roll forming lines there can be different products for the building industry such as: metal tile sheets for the house roofs, wall panels, façade and siding panels, panels for the interior of the buildings, and different profiles for the assembling of house metal frames.

Mainly produced types of roll forming lines are:

- **Lines for the production of metal tile sheets for the roofs**

The range includes all common metallic tiles but also some tailored designs in accordance to the customer's specific demands. They can be of different shape and size and production speed depending on the wish of the client

- **Lines for the trapezoidal and corrugated profiles for every domestic and industrial need**

The profile height is up to 158 mm and the output capacity of the line is always scaled to fit the needed volume

- **Siding and ceiling lines**

Siding is the outer covering of a house or industrial building. In many cases siding acts as a key element in the aesthetic beauty of the building. Siding may be horizontal or vertical. Ceiling panel is an overhead interior decorative surface which is also used, when perforated, for noise reduction on the premises

- **Lines producing facade cassette panels**

Facade cassette panels are used to refurbish or 'reface' conventional brick, stone or concrete walls or existing panel-based cladding. Facade panel can be fixed to a new supporting structure or be fabricated to suit the existing steelwork. Typical applications for facade panels are public, commercial, and industrial buildings and halls

- **Sandwich panels lines**

Sandwich structured composite panel is fabricated by attaching two wall panel profiles to a lightweight core. The core material is normally low strength material but its higher thickness provides the sandwich panel with high bending stiffness. Polyurethane (PU), polystyrene (EPS) and rock wool are commonly used core materials. Typical applications for sandwich panels are cool rooms and other cold store facilities, external roof and wall applications, warehouses, production halls and other industrial buildings

- **Purlin lines for steel construction**

Purlin line is a quite new design which provides fast and modern facilities for the production of metallic frame structures of residential and commercial buildings such as: supporting frame of the building, truss systems and floor decks. With standard line you can produce C, U and Z profiles, optionally also Sigma and Omega profiles. Building structures based on thin-walled galvanized purlin profiles allow the use of shallow foundations and reconstructing roof of old building even

without any amplification or substructures. Nowadays Light-steel framing solutions are becoming more and more widely used in pre-fabricated constructions with galvanized steel profiles.

All these roll forming lines are not standard products but usually they are specifically designed and adapted for the needs and facilities of the client.

Each of these roll forming line are separate projects for Koneisto International Oy realization of which takes a significant amount of time and Koneisto International Oy participates from the very beginning of the production until the release of the final products into the market. Further, after the potential customer is found the negotiations begin on the technical features of the roll forming lines and their adaptation to the production conditions according to the customer`s needs. It is common that after the first negotiation the product costs rise as a result of the extra requests of the customer and exceed the initial budget. Therefore the negotiation process starts again in order to find a compromise. The whole process usually takes from 3 to 6 months. When the terms are finally agreed upon and the contract is signed the construction and production of the equipment begins. Depending on the complexity of the roll forming line the process can take up to 6 months. After the equipment is formed it is assessed and tested for compatibility on the plant of the manufacturer. If no faults are found the equipment is then shipped to the customer, assembled and the staff is trained to correctly handle and maintain the equipment. Lastly the equipment is signed off for the further exploitation by the customer. Thereby, the length of the project from the start to the end takes from 10 months up to 1, 5 or more years.

For Koneisto International Oy the project does not end and the company continues providing technical support, consultations, delivering spare parts and etc. This kind of length of the projects on one hand establishes trustworthy and lasting business relationships with the clients and suggests further collaboration, but on the other hand takes up all of the resources of Koneisto International Oy which affects the search for new clients and marketing of the company. As the equipment has a long life-span (20-25 years) it is crucial to find new customers because loyal customers are only interested in new purchases if they are expanding their manufacturing plants.

1.2.1 Marketing tools

Currently Koneisto International Oy is using the following marketing tools:

- Direct mailing of printed brochures and latest offers to potential clients

- Meetings with potential clients for identifying their demands and presenting them the benefits of the proposed equipment
- Inviting the potential clients to the manufacturing plants that already installed and are running the equipment that has been supplied by Koneisto International Oy
- Online advertising which functions to support the manufacturers' websites
- Participation in specialized exhibitions along with the equipment manufacturers

According to Koneisto International Oy, those are the most effective method of marketing for sales of such special equipment. In November 2013, Koneisto International Oy have participated in Metall-Expo in Moscow, a specialized exhibition for metalworking equipment.

In Appendix 1 you will find the companies that Koneisto International Oy have already negotiated with at the exhibition and they have shown their interest and have placed a commercial request on the specified roll forming lines.

1.2.2 Current clients

The main clients of Koneisto International Oy are small and medium sized production companies that are manufacturing construction materials for industrial and private house building industries. The majority of the clients are located in Russia and as well Belarus, Ukraine, Azerbaijan, Uzbekistan and Kazakhstan.

Often these companies are not limited to manufacturing the materials but also offer comprehensive services ranging from designing buildings to their construction. The company Spetsprokat located in Lobnya is one of the largest clients of Koneisto International Oy. Since 1994 Koneisto International Oy has dispatched over 15 different profiling lines and they continue collaborating to this day which generates a turnover of over 900 million Rubles per year.

In 2012 Koneisto International Oy supplied a new purlin line for the production of CUZ profiles. Those profiles are intended for the metallic frame structures of residential and commercial buildings such as: supporting frame of the building, truss systems and floor decks.

One of the smaller clients of Koneisto International Oy is Mir Krovli from Orenburg, Russia. At the production site they have only one tile sheet profiling line which was supplied in 2006 and it is still in a working condition.

One of the very promising clients for Koneisto is a big machine building plant Krasny Borets with over 850 employees in Orscha, Belorussia. In the end of year 2010 Koneisto International Oy has supplied them with 20mm height trapezoidal profiling line for the production of the walls for industrial buildings. It was a test line that was supplied only once and currently the negotiations for more lines are taking place such as line for the production of metallic sheets. Due to the difficult situation in the economy, Belarus did not purchase mechanical engineering products for a long time but since the market is beginning to rapidly develop the situation looks quite promising for Koneisto International Oy.

1.2.3 Current competitors

Koneisto International Oy does not have a competition when it comes to brokerage of the specific equipment as they have exclusive rights to sell and supply the equipment produced by Rollseet Machines.

Nevertheless, Koneisto International Oy has a number of competitors among companies that supply similar equipment. Until 2007 the main competitors who manufactured similar products were 4 Finnish companies: Samesor (Kuopio), AJM-Machine (Urajärvi), Macring (Pikkiö) and Profilikeskus (Kempele). All of these companies produce profiling equipment that are similar in functional qualities and are supplied to the same markets. Historically, the first profiling machines that appeared in Russia were made in Finland and Finnish manufacturers were in a way "trendsetters" in the market.

Koneisto International Oy has been able to compete successfully as the quality to price relation of the offered equipment was very attractive due to the big size of the Russian market where at the time such equipment was not yet manufactured. In Western Europe such equipment is manufactured in more industrialized countries like Germany and Italy nonetheless they cannot be considered direct competitors, even though their equipment is automated, they are in the higher price category than Finland.

Since 2007 the situation began to change due to the appearance of the Russian manufacturers who started with copying the Finnish equipment and then later introduced their own developments. Among the main Russian manufacturers the main competitors are: Arkada Engineering, LLC Promtehnologia, OOO Ale-Teknology, OOO Rolling Plus, OOO Profoborudovanie, OOO Lipetsk Profiling Machines, OOO Bora, OOO Livil, OOO Istra Profile and OOO PoliProfile. All of them are limited liabilities private owned companies.

At the moment the quality and reliability of the equipment from the Russian market is still not as high as from the Finnish market but gradually they are improving and will soon reach the same technical level. Depending on the manufacturer, the prices of equipment on the Russian market are usually 30-40% lower than of the Finnish manufacturers`. Nevertheless there are few Russian companies that match the pricing. One of these companies is Arkada Engineering, one of the oldest and largest Russian manufacturers of roll forming machines. A huge advantage of Russian manufacturers is the ability to provide fast service and repair of the equipment, which is very difficult if the supplier and the client are in different countries.

In the beginning of 2012 the Chinese manufacturers entered the Russian market. They also offer the copies of the European equipment but on the price level of the cheapest Russian equipment. However, Russian clients are cautious about purchasing the equipment from Chinese manufacturers due to the poor quality and reliability. According to experts, the service life of such equipment is about 2-3 years. During this time the equipment does not have time to recoup itself (depending on demand the equipment requires a 6-8 years of service life).

2 Research problem

The goal of this thesis is to research different marketing strategies from theoretical sources as well as marketing strategies used by the most successful competitors in the same market segment as Koneisto International Oy.

The main research problem I will be working on in my thesis is:

- What specific marketing strategies can Koneisto International Oy use in order to be more present in international trade market?

The following sub-questions will structure the main problem into smaller parts:

- What are the key marketing strategies for an international trade company?
- What are the current marketing strategies that Koneisto International Oy use?
- What is their goal regarding their presence in international trade market?

In order to answer those questions I will be using theory and direct communication with the company and marketing experts.

The key terms for the research problem are: marketing, marketing strategies, international trade.

2.1 Goals for the market presence

Given the increasing competition with the Russian manufacturers Koneisto International Oy sees the following measures necessary to consider:

- Continuous monitoring of the quality of the equipment produced. At the moment Koneisto International Oy has a good reputation as a very reliable supplier of the equipment service of which is over 15 years
- Organizing a permanent establishment in Russia with the expansion of tasks and service
- Constant offers of equipment with new functionalities and producing new building profiles before it is replaced by equipment manufactured in Russia

- Implementation of leasing schemes under which the client has the opportunity to purchase the necessary equipment distracting his own funds in payment of only 25%-30 % of the cost. The rest of the amount can be repaid from the profits received in the period of the equipment operation. In addition to providing the installment payments on the equipment itself this scheme, according to Russian law, does not require immediate payment of VAT at customs for import of the equipment. VAT payment takes place with each lease payment that also allows for the payment of VAT revenues to derive from the use of the equipment.

3 Theory

3.1 Marketing strategies

In his work Porter (1980, 35) discusses marketing as a part of the overall management of a company. As a type of control it includes analysis of customer needs and the development corporation set of measures designed to meet these needs with maximum profit for the corporation.

„International marketing means identifying needs and wants of customers in different markets and cultures, providing products, services, technologies and ideas to give the firm a competitive marketing advantage, communicating information about these products and services and distributing and exchanging them internationally through one or a combination of foreign market entry modes” (Bradley, 2005, 33).

3.1.1 International Marketing

International marketing is basically a continuing analysis of activity on the domestic market (control of market share, products, merchandise, etc.), the analysis of the international market (researching the demand and market possibilities), the analysis of the competition on the foreign markets, analysis of marketing opportunities, selection of the most promising foreign markets, the development and selection of a right marketing strategy, analysis of the results and the adjustment of marketing. (Bradley, 2005 33-35.) Depending on the target market a different strategy for international marketing would be more successful or less successful.

According to Bradley (2005, 36) international marketing is not a single theory but, rather, a discipline containing a number of theories which when applied become the operating technologies of practitioners engaged in the international marketing process. The objective of any theory of international marketing should be to explain marketing behaviour as it crosses international boundaries including:

- Impact of different value systems and culture on needs, wants and demands for products and services;
- Buyer behaviour in different markets;
- Company reaction to changes in culture – global convergence or divergence;
- Flows of imports and exports worldwide;
- Joint venture and licensing activities;

- Location and direction of overseas investment.

3.1.2 Variations of marketing strategies

In the work of Chandler (1962, 20) I have found that marketing strategy is the set of basic principles and methods of problem solving to achieve the company goals. The strategic goals of a company are most of the time: exploring new markets, increasing market share, placing the production of new products and increasing the revenue of the company. In order to reach those strategic goals companies are nowadays going towards using strategic marketing. Strategic marketing uses analytical programs and research and studies the behaviour of consumers in order to improve the sales thus improving the revenue of the company.

According to Yannopoulos (2011, 2-7) there are the following marketing strategies:

- The strategy of attack. This strategy is associated with increasing the expenditure on advertising, public relations, and expansion. It involves acquiring leadership in the market and high competitiveness
- Defence strategy. This strategy`s aim is to improve the quality of the products and customer service and suggests the use of the product and pricing policy. It also associates with increasing advertising expenses, etc.
- The strategy of retreat. This strategy is used for a timely exit from the market due to folding of marketing programs, termination of general advertising and reducing public relations. Correct application of a strategy of retreat is to avoid bankruptcy
- Growth strategy. The application of this strategy is developing new market segments, increasing the profits, inducement merchandising, improving competitiveness, creating a wide range of products and services and improving the sales promotion
- Diversification strategy. This strategy allows to comprehensively assess the level of actual demand and to predict the unmet needs of customers. It is aimed at studying the quality of the products to determine the compliance with the demands of the market, research and creating a system of methods of supply and demand. This strategy allows the company to expand its market power and efficient use of different types of commercial activities

Porter (1980, 35-39) has narrowed down the international marketing strategies to 3 categories:

- Overall Cost leadership
- Differentiation
- Focus

According to Porter (1980, 35-36) overall cost leadership is a strategy that aims at the business to achieve the lowest production and distribution costs in order to win a larger market share by having lower prices than the competitors. In this case the company has to concentrate more on the other aspects rather than marketing. Nevertheless the main issue with this strategy is the company having the reputation of having low cost products/services which can hurt it in the future in regards to its revenue.

Differentiation is a strategy where business is concentrated on achieving superior performance in a market segment highly valued by customers. The company can be a leader in one area like service, quality or technology but it cannot lead all areas at the same time (Porter, 1980, 36). So when a company is aiming to be a leader in quality, for example, they have to use all of their best components and communicate their quality to the consumers.

As well Porter (1980, 36-37) defines focus strategy as a strategy that concentrates on one or more narrow market segments. The company researches those segments and then applies the differentiation or leadership strategy within the segments.

3.2 Application of marketing strategies

The main elements to look at when applying international marketing strategies are: the organization of the company, the degree of standardization, product planning, marketing, promotion and price. There are three forms of the organization of international activities: exports, joint ventures and direct ownership (Randall, 1994, 13-17).

3.2.1 Exports

In the case of exports the company enters the international markets via direct sales through its own sales force and indirectly through foreign traders or agents. In the first case, the firm allocates its sales force in the domestic office or at the offices in the target countries. This method is widely used in order to reach the customers directly in their location. With indirect marketing in order to find and to establish contacts with customers

companies hire outside experts who are based in the country or abroad. (Randall, 1994, 14-15.) This structure requires a minimum investment abroad. The company does not carry out production in other countries. Exporter can modify the packaging, labels and catalogs in his response to the needs of foreign markets. Export represents the lowest level of involvement in international marketing.

3.2.2 Joint venture

In the joint venture company agrees to combine certain aspects of its operations for the production and marketing with a foreign company in order to combine the experience connections and to share the costs. Joint ventures can lead to lower costs and benefits from a foreign government if the products are manufactured within the country and set foreign ownership. Joint ventures can take the form of licensing, production, management contracts or joint ownership. Licensing gives foreign companies the right to the production process, trademarks, patents and trade secrets in exchange for a commission payment or royalties. (Randall, 1994, 15-16.)

In the case of contracts for the production company agrees to a foreign company manufactures its products in the country. The company carries out marketing of the products themselves and provides management experience. Such arrangements are common in book publishing. In the case of contracts for the management company acts as a consultant to foreign companies. When co-owned firm agrees to production and sales in partnership with a foreign company to reduce costs and risk sharing. In some cases, foreign governments may consider joint ownership with the participation of local business conditions for the penetration of their markets.

3.2.3 Direct ownership

Direct ownership provides for full implementation and control of the international activities. The company is engaged in manufacturing, marketing, etc. in other countries without any partners. (Randall, 1994, 16-17.) In this case, the company enjoys all the benefits and assumes all risks associated with ownership. Saving labor costs and better marketing plans tailored to local needs. Likely nationalist actions, governmental restrictions may be more stringent. This is the most risky form of organization.

3.3 Summary of the theory

At this stage the businesses are facing internationalization of world economy and strengthening of international relations. For companies it is becoming increasingly

important to access the international markets. The interest in participating in the economic industrial and scientific-technical cooperation with partners from other countries is growing. As a consequence international marketing becomes a way to obtain objective information on global markets and improve relationships with these markets as well as consumer research, analysis, and meeting their needs in order to maximize profits.

According to Cunningham (1986, 9) the basic principle of international marketing is the orientation of the final results of production to the real needs and requirements of foreign consumers. To follow this principle the company should explore the international market as much as possible to adapt the production to its requirements and to try to influence consumer demand using various methods. The main goals are to maximize the international marketing of consumption, maximizing customer satisfaction, maximizing consumer choice, maximizing the quality of life.

Among the types of international marketing can highlight the restructuring of the portfolio products, adapted marketing, focus on competition, the development of forecasting systems, global marketing, responsible marketing and general management (Subhash, 1999, 540). The requirements of international marketing encourage the development of strategic plans which are able to make the company competitive in the market and are peculiar to the increasing globalization and the spread to the whole world.

The main elements of the international marketing strategy: the organization of the company, the degree of standardization, product planning, marketing, promotion and price. There are three types of organization of the company: exporting, joint ventures and direct ownership according to Randall (1994, 13-17).

Further, the company, acting on one or more foreign markets, has to decide whether it will at all and, if so, to what extent will adapt your marketing mix to local conditions. The right strategy and competent its implementation could lead to the company's success, capturing it a better position in the market, increase in sales and as a result - profit maximization.

Marketing strategy is about people (inside an organization) trying to find ways to deliver exceptional value by fulfilling the needs and wants of other people (customers, shareholders, business partners, society at large), as well as the needs of the organization itself. Marketing strategy draws from psychology, sociology, and economics to better understand the basic needs and motivations of these people—whether they are the organization's customers (typically considered the most

critical), its employees, or its stakeholders. In short, marketing strategy is about people serving people (Ferrel and Hartline, 2011, 24-25.)

4 Empirical Research

4.1 Qualitative method

To complete the empirical part of the thesis I have chosen to carry out a qualitative research. Qualitative research was chosen against quantitative research because of more valuable relevance for Business-to-Business operations that the case company is involved in.

Qualitative research is „an unstructured, primarily exploratory design based on small samples, intended to provide insight and understanding” (Malhotra and Birks, 2006, 132). Qualitative research encompasses a variety of methods that can be applied in a flexible manner, to enable respondents to reflect upon and express their views or to observe their behaviour. It seeks to encapsulate the behaviour, experiences and feelings of respondents in their own terms and context. (Malhotra and Birks, 2006, 133.)

For this thesis the qualitative research techniques were the most suitable. It would not have been possible to find the proper target group in an appropriate amount for a quantitative research.

Qualitative techniques imply a less sharp separation between data retrieval and analysis/interpretation, since data retrieval (e.g. the next question in a personal interview) will be dependent on the interviewer’s interpretation of the previous answer. The researcher’s personal experience from fieldwork (data retrieval) is generally a considerable input into the analysis phase. (Hollensen, 2011, 183.)

In order to carry the empirical research the anonymous interviews have been carried out in person and via e-mail. The interviewees did not wish to have their information shared in this thesis. I have interviewed 4 employees from big corporations that deal with international trade market. 2 of the interviews were carried out in person and 2 were back and forth e-mails. The interviewees were given a brief information about Koneisto International Oy and were asked series of questions.

As all of my interviewees have requested to stay anonymous I will differentiate the by using numbers: Interviewee 1, Interviewee 2, Interviewee 3 and Interviewee 4. The interviews were conducted between week 13 and week 16.

I had a personal meeting with interviewees 1 and 2 on different days in a mutually agreed location. Both interviews took approximately 1 hour. In order to make the conversation comfortable and keep it anonymous as I have been asked instead of a voice recorder I made notes. These live interviews were conducted at the end of March – beginning of April.

Interviewees 3 and 4 were not able to have a personal meeting with me and we have agreed to have a back and forth e-mail exchange over a course of several days depending on their availability. The e-mail interviews took place between week 14 and week 16. Brief information about the interviewees and more detailed information about the interviews can be found in Appendix 2.

I have designed the questions in a way that would help me understand the current situation in the market segment that Koneisto International Oy is working with and as I presented a brief description of the company to interviewees I asked them to shortly analyse the strengths and weaknesses of the marketing strategies applied by Koneisto. As a conclusion I asked the interviewees to share their opinion of the best marketing strategy for Koneisto International Oy. The questions and reasons behind them can be found in Table 1.

Table 1. Interview questions and reasons

Question	Reasons behind the questions
What are marketing strategies in your understanding?	Instead of giving theoretical definition of marketing strategies I wanted to start the conversation with own experience of interviewees with marketing strategies.
Are you aware of the marketing strategies used in your company?	Because the interviewees have so different and yet similar background I wanted to know if they are aware of the marketing strategies used by their company.

What have been the most successful marketing strategies applied in your company from your experience?	This question requires rather direct answers about marketing strategies used in the companies and as it is a quite sensitive topic concerning confidential company information, interviewees 1 and 2 agreed to answer the question only under assurance of staying anonymous but interviewees 3 and 4 (as the exchange was via e-mail) refused to answer it due to company policies.
What do you think are the strengths of marketing strategies of Koneisto International Oy?	The purpose of this question is to get an opinion from an expert on what are the strengths of the current marketing strategies.
What do you think are the weaknesses of marketing strategies of Koneisto International Oy?	The purpose of this question is to get an opinion from an expert on what are the weaknesses of the current marketing strategies.
What would be the best and most effective marketing strategy for Koneisto International Oy?	This is the final question and the reason for it is to find out what is the opinion of the interviewees on the situation.

4.2 Results and conclusion

The interviewees have agreed unanimously that the best strategy for Koneisto International OY is Focus strategy as of defined by Porter (1980) which means that the company should focus on the market segment they already have customers in and then differentiate themselves by providing best service quality.

Interviewee 1 said that the strategy of attack has particularly worked for his company, nevertheless it would only work for a big company that can afford it.

Interviewee 2 has been very keen on going into details of why Koneisto International Oy cannot move on without sorting out the situation with the marketing department.

Interviewee 3 wrote: „If Koneisto International Oy want to be successful they should keep on doing what they are doing right now with a little more push”.

Interviewee 4 has been rather brief with his answers and his main point was that Koneisto International Oy are not doing bad neither they are doing extremely well. So if they really desire to be excellent they have to focus on marketing and put a lot of resources into it.

4.2.1 Strengths of the current marketing strategies

At the moment Koneisto International Oy are not using any defined marketing strategy. The marketing tools applied at the moment have been described earlier in the chapter 1.2.1. As of this moment the marketing tools are working for the company nevertheless there is no structural strategy at the moment due to the lack of resources for it.

The company is staying as present as possible in the small target market segment and they are finding new customers in this segment mostly through personal contact at trade fairs. At this moment the main strength of their marketing is providing good service to their loyal customers and keeping the reputation of a reliable partner.

4.2.2 Weaknesses of the current marketing strategies

Koneisto International Oy has no marketing department as such activities as: developing marketing strategies, promotion, brand image are dealt by the company's director and deputy director for commercial affairs.

However, they cannot manage the development of marketing strategies that would correspond to modern requirements of business organizations. This is because they are not specialists in marketing and due to overload with the major professional responsibilities it takes thorough organization of marketing activities in order to meet the needs of the enterprise. As well there is a shortage of personnel and limited availability of marketing tools. Basically Koneisto International Oy is not engaged in the marketing research and search for new markets.

5 Discussion

5.1 Key findings

The key findings of this research were the types of marketing strategies as well as the importance of their implementation in company`s marketing plan. It is crucial for a company to identify their marketing goals and objectives in order to design the most suitable marketing strategy.

5.2 Suggestions

Entering new markets or market segments through installment payments. Lending rates in Russia are quite high at the moment and reach up to 22% per annum. Therefore, the provision of installments based on the rates of Finnish banks in the amount of 5-6% can significantly increase the attractiveness of Koneisto International Oy.

Providing the equipment leasing could give significant advantages in the Russian market when considering the limited financial resources for small and medium-sizes businesses and the high costs of the domestic bank credit.

Given the specificity of the equipment and the limited number of potential clients it is necessary to pay attention to the possibility of publishing in professional journals a number of technical articles about the benefits and features of the proposed equipment. As well as provide such articles with information about modern achievements in science and technology in the field of building materials with reference to the proposed equipment.

Opening a representative office in Russia could benefit the business as it would be closer to the potential clients. It will improve the communication with them and address emerging issues more fast and efficient. As well the representative office could be the base for creating a service center for the supplied equipment. At present, the service for the equipment such as providing the supply parts and sending specialists for maintenance takes as long time as the operation is based in Finland.

5.3 Own learning

The research helped me understand the importance to marketing planning and implementing a marketing strategy. Even though there are basic marketing strategy „guidelines“ every company has a marketing strategy that is adjusted to their needs.

Another important part of my learning was conducting a live interview and putting the transcript of the interviews in notes and later summarizing all of the information from 4 interviews in order to formulate an argument for the empirical part of this thesis. I have learned a lot during this process especially when it comes to the most efficient way of interviewing someone and requesting the right information for the cause.

As well I have learned how to collaborate with the company in order to find the best solution for their marketing situation. Together with the theoretical research and the qualitative research we have come to a mutual understanding of the marketing future for the company. And finally, I have made a few connections with the company employees and my interviewees which hopefully in the future could be useful for my professional life.

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Appendices

Appendix 1. Potential clients for further collaboration with Koneisto International OY

Company	Country	City	Internet page	Type of Profiling Line which was inquired
LTD Spika	Russia	Belgorod	www.ooo-spika.ru	Special shape profiling line
Metall-MM	Russia	Moscow	www.metal-mm.ru	Metallic Tile sheet line
Potoki Group	Ukraine	Dnepropetrovsk	www.potoki.ua	Special shape profiling line
OOO "Nika"	Russia	Krasnodar		Purlin line for steel construction
Best-Panel	Russia	Moscow	www.best-panel.ru/	wall panel profiling line
Ural Pipe Company	Russia	Kurgan	www.uralk.com	C8 and C20 trapezoidal profiling lines
A.Korkin Ltd.	Russia	Ekaterinburg		C8 trapezoidal and sandwich panel profiling lines
OOO Yugmetkom	Russia	Nevinnomyssk		Metallic Tile sheet line and C20 trapezoidal profiling line
Metall Profil	Russia	Moscow	www.metallprofil.ru	Siding log style profiling line
Lider Standart	Belarus	Grodno	www.liders.by	Wall cassette profiling line
OOO Metal-lotest	Russia	Chelyabinsk	www.metal-lotest.pulscen.ru	Metallic Tile sheet line and C20 trapezoidal profiling line
Zavod zabornih ograždenij	Russia	Novosibirsk	www.zzosib.ru	Special fence profile line
IMKON PLUS	Uzbekistan	Kibraiski region		Sandwich profiling line
MK Invest Stroi	Russia	Geleznodorogny		High H75 trapezoidal profiling line
Trimet	Russia	Tjumen	www.trimet.ru	Metallic Tile sheet line

Yug Service	Russia	Tchelyabinsk	www.umpm174.ru/	C8 and C20 trapezoidal profiling lines, roadside barrier line
ANQA LTD	Azerbaijan	Baku		Metallic Tile sheet line Monterey profile
OOO "Ecos-troiservis"	Russia	Krasnodar	www.obvalu.net/contacts/	C8 and C20 trapezoidal profiling lines plus Metallic Tile sheet line Monterey profile
Pokroff	Russia	Saratov		Special Profile line
KSP Zavod	Russia	Uljanovsk	www.zavod-ksp.ru	Metallic Tile sheet line
Azer Metal	Azerbaijan	Baku		H45 trapezoidal profiling line with packing machine
Profstal	Russia	Tseboksari		C8 and C20 trapezoidal profiling lines
Almurat-K	Kazakhstan	Atōrai	www.almurat.kz/about	Metallic Tile sheet line an Siding profile line
Proflist	Russia	Tula	www.proflisttula.ru/	C21 GOST trapezoidal profiling lines
Trading House SPK	Russia	Nizni Novgorod	www.spknn.ru	High H75 trapezoidal profiling line
OOO Neodek	Russia	Moscow	www.sherwooddeck.ru	Special profile line
OOO Mechel-Service	Russia	Samara	www.mechel.com	C10 and C21 GOST trapezoidal profiling lines
StalPro	Russia	Novosibirsk	www.stalprosib.ru	Siding line Loghouse profile
InKom	Russia	Kazan	www.inkom-kazan.ru	Special profile line
BaltPrfofil	Russia	Sankt-Peterburg	www.baltprofile.ru	Purlin Z profile line
Metallik	Russia	Moskva	www.metallik.ru	C20and H75 trapezoidal profiling lines

Estel	Russia	Kazan	www.estel.su	H44 trapezoidal profiling lines
Krovelnie Materiali	Russia	Sudogda		C8 and C21 GOST trapezoidal profiling lines plus Metallic Tile sheet line Monterey profile
Metall Holding	Russia	Vladimir	www.metall-holding.ru	Metallic Tile sheet line and C20 trapezoidal profiling line
Termastil-Rus	Russia	Moscow	www.thermasteel.ru	Metallic Tile sheet line
Pokroff	Russia	Penza	www.pokroff.ru/	C20 trapezoidal profiling line an special closed profile line
OOO Krovelnie Sistemi	Russia	Krasnodar	www.krovelsystems.ru/main	C8 and C20 trapezoidal profiling lines
Orvento Metal	Moldova	Chisinau	www.orvento.md	Metallic Tile sheet line and C20 trapezoidal profiling line
Megabud	Ukraine	Kiev	www.megabud.kiev.ua/	Special profiling line
OOO Atlantik	Russia	Smolensk	www.atlantik-company.com	C8 and C20 trapezoidal profiling lines, rain drainage profile line
UralProfil	Russia	Jekaterinburg	www.uralprofil.ru	Special profiling line
Greenenergo	Venemaa	Krasnodar	www.greenenergo.ru	Special profiling line
Zavod VladMetall Profil	Russia	Vladimir	www.zvmp.ru	Metallic Tile sheet line
Stroitek-hagro LTD	Russia	Taganrog		Sandwich panel profiling line
OOO MegaTorg-Profil	Russia	Tchernaya Griaz	www.stivprofil.ru	C21 GOST trapezoidal profiling lines

OOO Stal-Trade	Russia	Novgorod	www.staltreyd.ru	C35 trapezoidal profiling line
Zavod Akustitse skih Konstruktsii	Russia	Sankt-Peterburg	www.zac-spb.ru	Special profiling line
Akron Resurs	Russia	Toljatti	www.akron-resurs.ru	Metallic Tile sheet line
OOO Abbat XXI Ltd.	Ukraine	Zaparoze	www.familys-teel.com	Packing machine for profiling line
Oktoagro	Russia	Moscow	www.tenfi.ru	Special profiling line
TransportServis	Ukraine	Lugansk		C8, C20, C35 trapezoidal profiling lines and Metallic Tile sheet line Monterey profile
Metall Resurs	Russia	Jekaterinburg	www.metallresurs.ru	Monterey special offer
MetaRus	Russia		www.metar.ru	C8 and C20 double deck trapezoidal profiling lines
Armen-Hamik Yeghbayrner	Armenia	Kotayk		Monterey special offer
OOO Profil	Russia	Ribinsk	www.yarprofil.ru	Monterey special offer
Transbarier	Russia	Moscow	www.transbarier.ru	Road safety barrier profiling line
Stalnie Konstruktsii	Russia	Moscow	www.proflist.ru	Special profilie line
OOO Volgametkom	Russia	Samara	www.volgamet.com	Metallic Tile sheet line
Bora-Profil	Russia	Moscow	www.bora.su/	Siding line Loghouse profile

	Russia	Neftekamsk	www.uralagro-mash.ru	C10 and C20 trapezoidal profiling lines
Metšel	Russia	Beloretsk	www.mechel.ru	Packing machine for profiling line
Kurganmashzavod	Russia	Kurgan	www.kmz.ru	Special profiling line

Appendix 2. Information about the interviews

Interviewees	Information about the interviewees	Method of contact	Date of contact	Length of the contact
1	Marketing manager in an international company, Basel, Switzerland	Personal meeting at a neutral location in the centre of Basel	27.03.2015	≈1 hour
2	Employee at a chemical produce company, Basel, Switzerland	Personal meeting at the interviewee`s company conference room	07.04.2015	≈1 hour
3	Owner of a small international business, Breda, The Netherlands	E-mail exchange	14.03.2015	The exchange continued until 10.04.2015
4	Head of Marketing in a small international business, Freiburg, Germany	E-mail exchange	9.04.2015	The exchange continued until 14.04.2015