

SUCCESS FACTORS FOR EXPORTING INDUSTRIAL PRODUCTS. THE VIEW POINT OF MAJOR SOUTH AFRICAN MANUFACTURERS

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Abstract

Trading on foreign markets creates opportunities and holds many advantages for local businesses. In order to reap these benefits local business has to successfully enter and trade on foreign markets. This requires knowledge and insight in international marketing environment and environmental variables as well as the compilation of an appropriate marketing mix. This raises the question, which factors contribute to international success. The purpose of this study is to establish the critical success factors that must be taken into consideration by South African marketers of industrial products to penetrate international markets successfully and to be able to compete in these markets. List of possible success factors were compiled through a literature study and most important factors were identified by means of a Delphi technique. Only the success factors that were identified as being important were included in the structured questionnaire and participating enterprises have to evaluate these success factors on a 1-5 point Likert scale in terms of the degree of importance for different parts of the world. Its clear from the study that success factors are perdomintly in the micro enviroment with little difference between product type but differs markebly between difference part of the world.

Keywords: International Marketing, Uncontroleable Elements, Controlable Elements, Succesfactors

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1 Introduction

Success factors can be described as competitive skills or assets that are necessary to compete successfully and even, indeed, to survive (Mühlbacher, Leihs and Dahringer, 2006: 223). Secondary research (Kanji and Moura (2001:701); Schultz, Bagraim, Potgieter, Viegde and Werner (2003:102); Tett, Guterman, Bleier and Parsell and Bligh (2000:199) observe from a literature study the areas in which success factors are involved can be grouped together in three definitive groups. Firstly, the macro environment (uncontrollable external variables, such as politics, the economy, technology, competitors, etc.); secondly, the micro environment (the enterprise itself, or the controllable internal situation which includes the enterprises resources and its people); and lastly the nature and extent (distinctiveness) of the business task. This study focussed on the success factors that influence the international marketing of industrial products from a theoretical point of view. The success factors were analysed generally.

According to Mühlbacher *et al.* (2006: 223) success in international is based on internal and external research. Internal research focuses on the resources that the company had to its disposal, as well as management's willingness to allocate resources to

assist with international marketing. External research is focused on the analysis of the future market. It includes a full analysis of the global consumer, competitors and marketing environment. From the preceding discussion can be concluded that there are certain factors that the success of international marketing will be affected and that these factors are likely to vary according to the country where it is performed. The statement can be made those South African companies that want to market internationally must have the necessary knowledge and understanding of:

- the international marketing environment and environmental variables; and
- the correct marketing mix in order to compete internationally.

Limited research was conducted to analyse the influence of the different elements of the macro and micro environment. To express the above accurate and reliable information on foreign markets is needed. The information can be obtained by purposeful and effective market research. Briefly this means that South African companies needs to determine the critical success factors to penetrate and compete successfully in foreign countries. The contribution of this paper is to unearth the success factors for

exporting industrial products to Africa. The researcher critically reviewed previous literature on the phenomenon and seek some tentative guidelines and possible solutions to the research problem.

The following section reviews the scope of international marketing, the task of the international marketer and international involvement of companies. The empirical findings and discussion of the findings appear in the latter part of the paper.

2 Scope of international marketing

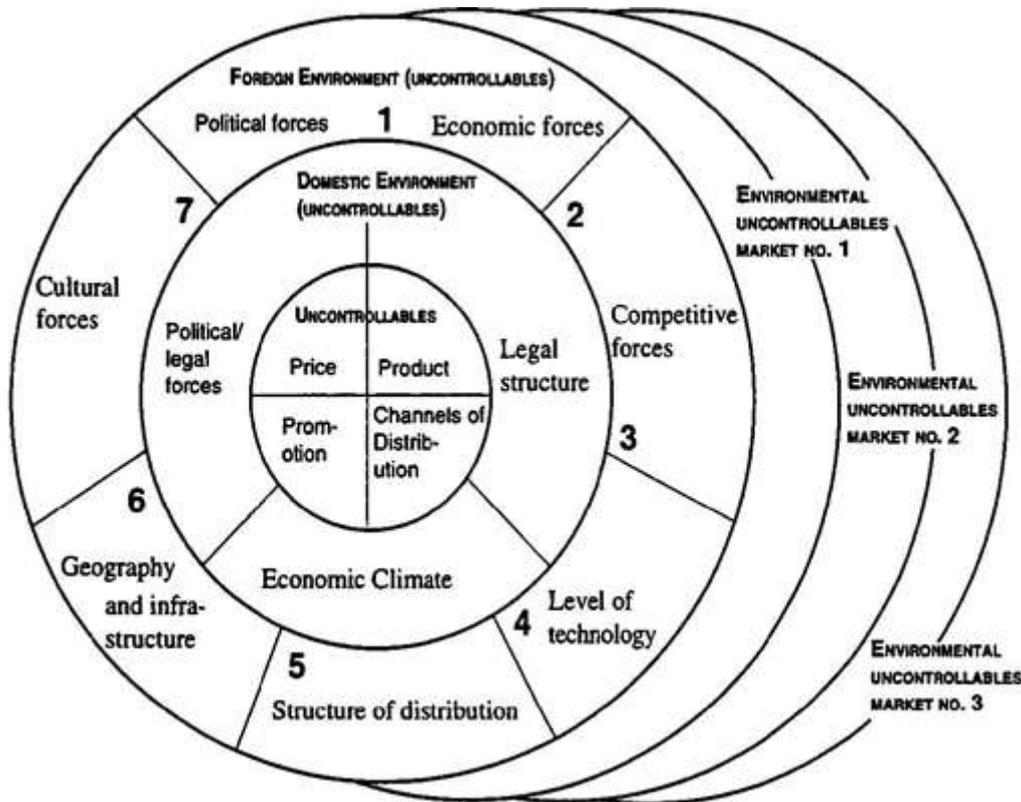
Czinkota & Ronkainen (2007:3) define international marketing as follows: "International marketing is concerned with the planning and conducting of transactions across national boundaries to satisfy the objectives of individuals and organizations." According to Terpstra & Sarathy (2000:5), international marketing is determining what the global consumer requires (what the consumer's needs are), and meeting these needs more effectively than competitors. Jeannet & Hennessey (2001:7) and Terpstra & Russow (2000: 2) describe international marketing as "the performance of marketing activities across two or more countries".

From the preceding it is clear that international marketing consists of the same activities and concepts as domestic marketing. However, the difference between domestic and international marketing lies in the environment in which the marketing plan must be implemented: the uniqueness of each market, that is, the elements of an uncontrollable environment such as politics, culture, weather conditions and economics. What makes international marketing interesting is the challenge of harmonizing the controllable variables with the unknown uncontrollable variables to achieve marketing objectives. (Cateora & Graham, 2002: 9).

3 International marketing task

The task of the international marketer is more complicated than that of the domestic marketer. This is because the international marketer must handle at least two levels of uncontrollable uncertainties instead of one. Uncertainties are caused by the uncontrollable elements of the environment in which the enterprise functions (Jain, 2001:23; Cateora & Graham, 2002: 9 and Keegan & Green, 2011). Each country contributes its own unique uncontrollables. Figure 1 shows the total environment of the international marketer.

Figure 1. Dimension and environment of international marketing



Source: Adapted from: Cateora, P.R. and Graham, J.L. (2002), International Marketing. 11th ed. New York: McGraw-Hill Higher Education

The inner circle represents the controllable variables that constitute the marketer's decision-

making area. The second circle consists of the domestic uncontrollable variables that can influence

international activities to a certain extent. The outer circles represent the uncontrollable variables of the foreign environment in which the enterprise operates. The more outside markets in which the enterprise operates, the greater the potential variety of uncontrollable environmental variables that the enterprise must take into account. Often a solution to a problem in country A cannot be applied to a problem in country B.

Controllable variables

The inner circle in figure 2 represents the area over which control may be exercised. These variables, namely price, promotion, product and channels-of-distribution activities are combined in order to capitalize on the existing demand. Although these controllable variables may change over the long term, they are mainly adapted over the short term to changing market conditions or corporate objectives. The controllable variables can be combined to adapt to changing market conditions, but the uncontrollable variables remain unchanged. The marketing mix (controllable variables) must be adapted to the uncontrollable variables because this determines the success of the marketing effort (Cateora & Graham, 2002: 11).

Domestic uncontrollable variables

The second circle in figure 2 shows the domestic environment. The variables (political factors, legal aspects and the economic climate in the home country) can affect the success of the international activities. A domestic political decision concerning the foreign operations of a company can affect the success of international marketing activities. An example in this regard is when the government of the USA imposed total trade sanctions against Libya because the latter country supports terrorism; in the same way the USA also imposed sanctions against South Africa until 1994 regarding the sale of computers and computer equipment because of this country's apartheid policy. This gave rise to the withdrawal of IBM (Cateora & Graham, 2002: 11).

Foreign uncontrollable variables

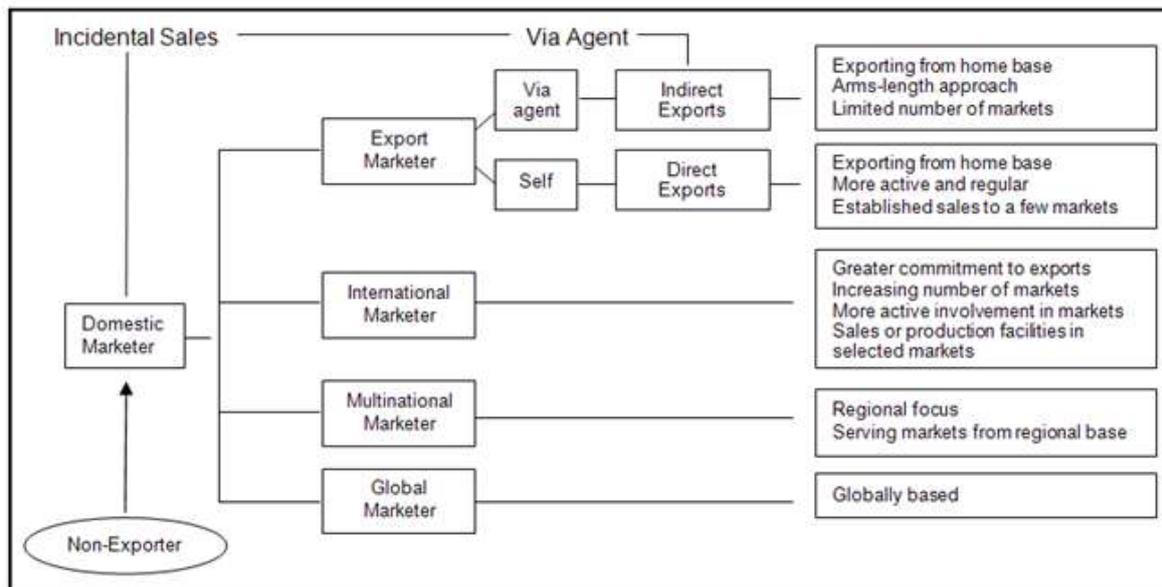
Apart from domestic uncontrollable variables, foreign uncontrollable variables are also a major source of uncertainty (see the outermost circle in figure 2). A company that operates locally is more comfortable about predicting the business climate and adjusts decisions to uncontrollable variables confidently. The evaluation of the uncontrollable variables in the international marketing programme often involves a mixture of cultural, political and economic shock.

A company that operates in numerous countries often finds contrasting extremes in political stability, class structures and economic conditions. Often these are critical elements in decision-making (Cateora & Graham, 2002: 12).

Uncontrollable variables in the international marketing environment (figure 2) include political and legal aspects, economic factors, competitive forces, different levels of technology, distribution structures, geography and infrastructure, and cultural variables. These elements form the basis of the uncertainty that confronts the international marketer. Uncontrollable variables are instrumental in the implementation of controllable variables (product, price, distribution and promotion). These uncontrollable variables are different to the domestic uncontrollables which, in turn, differ from country to country.

4 International involvement

When an enterprise decides to enter international markets, it has to make decisions regarding three aspects. Firstly, a decision must be made regarding the method of entry. This refers to how the enterprise is going to approach the foreign market to establish its product there. In the second instance a decision must be made regarding the extent to which the enterprise is prepared to become involved in international marketing, i.e. which risks the enterprise is prepared to take. Lastly, an enterprise must decide regarding the commitment it is prepared to make (Cateora & Graham, 2002: 19). Is the enterprise prepared to become involved in the foreign market on a long-term basis, or does it merely want to accumulate profit as quickly as possible?

Figure 2. The process of internationalisation

Source: Adapted from: Bothma, C. and Burgess, S. (2011), *International Marketing*, 2nd ed. South Africa: Oxford University Press Southern Africa

(a) Incidental exports:

This can also be regarded as a 'stroke of luck' for an export transaction. Incidental exports are often found in South Africa. A company receives an enquiry from overseas, reacts to it and finds that its price, delivery and quality is acceptable to the foreign buyer. An order is placed and the product is exported. In this phase there is no active development of consumers outside the national borders (Cateora & Graham, 2002: 20). This is a passive level of involvement. The products of an enterprise can even be sold overseas without the enterprise being aware of it. Buyers can buy a product from the enterprise and send it overseas without the knowledge of the enterprise. In such a case the enterprise regards it as local sales (Bothma & Burgess, 2011: 13).

(b) Irregular exports:

Temporary surpluses that result from variations in production levels and demand can lead to irregular exports or overseas marketing. These surpluses are characterised by their temporary nature. Because of this, overseas sales take place as the products become available. The enterprise has no intention of maintaining continued market representation overseas (Cateora & Graham, 2002: 20). List some products that are exported on an irregular basis.

(c) Active exports:

An enterprise decides to enter the export market with its products. The enterprise determines the method it is going to follow to enter the foreign market and

develops a marketing plan for its envisaged actions. The enterprise will also develop a thorough export strategy. The enterprise can form strategic alliances, appoint agents or establish its own foreign distribution organisation to manage the enterprise's exports overseas. The key aspect is that the enterprise commits itself to seeking export trade (Bothma & Burgess, 2011: 13).

Depending on the way in which an organisation is involved in the foreign sales of its products, it may decide to also actively market overseas. Obviously, organisations that are involved only in incidental or irregular exports will not often have the need to actively market its product in the country to which it is exported. Therefore, only countries that are involved in active exports will become involved in the international marketing of their products. Enterprises/companies that market internationally are committed to and involved in active international marketing activities. Such companies are looking for markets throughout the world and sell products that are not the result of local surpluses, but rather the result of their own production planning and the decision to market their products internationally. Generally speaking this involves not only marketing actions, but also marketing planning that takes into consideration the production of similar products throughout the world. The company now becomes an international or multinational marketing enterprise, and the company becomes dependent on the foreign profit (Cateora & Graham, 2002: 23).

5 Research methodology

The investigation consists firstly of a literature study that deals with international marketing. The international marketing environment, the compilation of an international marketing mixture and international marketing research are aspects which are analysed in the study. Management and competition on an international level are addressed in a limited way.

The second part of the investigation is an empirical study. This part of the investigation is directed primarily at enterprises that export industrial products and/or market internationally.

The products which are used in the investigation, have been selected as a result of a two dimensional

typology, which is based on technology and transactional complexity as indicated in table 1 below. Technology can be expressed as unit (small quantity) or mass (large quantity) or as a continuous process. Transactional complexity is an index which consists of three highly related variables: irregular purchases, buyer-seller interaction (time and number of people involved in a specific transaction) and the risk of faulty products, in other words the refusal to work effectively. All twelve combinations of technology and transactional complexity are theoretically acceptable, but four of these cells (cancelled) have very few role-players so that theoretically they are really not important.

Table 1. The two- dimensional typology of industrial products and examples

TRANSACTIONAL COMPLEXITY	TECHNOLOGY		
	UNIT	MASS	PROCESS
<u>HIGH</u> Capital goods: (installations and equipment)	1 Stationary compressors, certain machine tools, special welding and gas welding equipment	2 Industrial trucks, tractors, conveyor belts and atomic energy installations	***** ***** ***** *****
<u>MEDIUM-HIGH</u> Components and manufactured material	***** ***** *****	3 Valves, pipe couplings, thermostats and anti-friction bearings	6 Basic chemicals, steel plates, cement and cotton based material
<u>MEDIUM-LOW</u> (raw materials and agricultural products)	***** ***** *****	4 Wood and lumber	7 Clay, iron ore, stone and coal
<u>LOW</u> (operational provision, service and repair items)	***** ***** *****	5 Smaller tools, saw blades, marking instruments and grinding wheels	8 Lubricants, cardboard boxes and washroom requisites

Source: Adpted from: Sousa De Vasconcellos e Sá, J.A. and Hambrick, D.C. (1998), Key Success Factors: Test of ageneral theory in the mature industrial-product sector. Strategic Management Journal. Vol. 10.

This study focuses on three cells, namely: Cell 1 - high/unit, Cell 3 - medium-high/mass and Cell 7 - medium-low/process, because these cells belong to different rows and columns of the typology. With reference to the typology there is no overlapping between the properties and characteristics of the cells. The investigation into these three cells is a good basis for conclusions, because the characteristics of the cells essentially differ. Should there be a fundamental correspondence in the importance of the success factors in these cells, it can be generally accepted that the success factors are important for the export marketing of all industrial products. Should the correspondence be small, further studies must be undertaken to examine the differences in depth.

The most important success factors are identified by means of a Delphi technique from a list of possible success factors. The respondents who participated in

this technique are representative of Cells 1, 3 and 7. Only the success factors that were identified as being important were included in the structured questionnaire beforehand. This questionnaire was sent to the potential respondents in Cells 1, 3 and 7. Consequently, the various participating enterprises evaluated these success factors on a 1-5 point Likert scale in terms of the degree of importance for different parts of the world.

The various parts of the world on which the focus fell in the study include the West (United States of America and Europe), the Far East (Japan, China and Asia) and Africa. These parts of the world were decided upon as the above mentioned parts are included in South Africa's most prominent foreign trading partners. The second reason for deciding on these three parts of the world is because the western First World countries are associated with a western

culture. The Far East represents an emerging international trading power with an eastern culture. Africa represents typical Third World countries (developing countries) with a distinctive culture.

The universe for this study is made up of South African enterprises that export and market certain South African manufactured industrial products.

Enterprises were identified according to the HS code of the industrial products that they export. In total, one hundred and seventy enterprises were identified in terms of the products that they export.

From this name list, forty-five (25%) potential respondents - fifteen per cell - were involved in a random pilot project. More than half (60%) have been involved in international trade for more than seven years.

6 Gathering of information

A list of the factors that were identified as the most important success factors by the Delphi technique are given in Table 2.

Table 2. The identified factors and results of the first and second round of the Delphi technique*

Large number of potential consumers
The effect of trading agreements example GATT
Low import tariffs, duties, taxation and fair customs regulations in the host country
No import/export restrictions
Little fluctuations in the exchange rate
Favourable exchange rates
Low inflation figures
Few/no competitors
Well-developed transport systems (road, rail and air)
Availability of shipping services and well-developed port facilities and container terminals and depots
Internal political stability of host country
Good communication systems in the host country as well as good communication skills with trading partners in the host country
Good knowledge of the attitudes, beliefs and aesthetic values of the consumers in the host country (for example the significance of colour)
Well known trademark and logo's
Good packaging and protection for transportation
Good customer relations
Efficient after-sales service
Effective product guarantee (functioning)
High product quality and standard
Low transport and physical distribution costs
A complete and understandable contract
Effective foreign sales operations (sales force and offices)
Easy methods of payments for goods delivered
Fast processing of orders
Efficient market research and frequent availability of marketing information and intelligence
Selection of the correct export markets and the correct method of entering these markets
The right segmentation and positioning in the market
Effective local management of foreign operations
The correct completion of documents
Effective and well-thought-out planning of foreign operations
Complete analysis of potential risks in the host country
Effective implementation of plans and strategies for foreign operations
Positive commitment of the enterprise towards international trade
A good product image
A good product quality control system locally
Good technical support in the host coun-try
A good product research and development department locally

* The content of this table is applicable to the rest of this article

In this part attention was given chiefly to the various categories of industrial products and different parts of the world to which exports take place.

1. The most success factors appear in the micro marketing environment, rather than in the macro marketing environment. A possible reason for this is that respondents cannot change the macro environment. As a result an enterprise must adapt the controllable factors, or the micro environment, taking the uncontrollable factors into consideration. Nevertheless, the macro environment has a real effect on the success of an enterprise abroad. The success of an enterprise in international markets can, therefore, be ascribed to how well the enterprise can adapt its controllable factors to accommodate the uncontrollable ones. Thus, the success of an enterprise is locked into a marketing mix (product, price, promotion and distribution) on which the enterprise itself needs to decide.

The five most important success factors in the macro environment - according to all respondents - are the following (the average mark awarded to a factor by all the respondents is reflected in brackets):

- Good communication systems in the host country, as well as good communication skills with trading partners in the host country (3,78);
- Favourable exchange rates (3,74);
- Internal political stability within the host country (3,72);
- Well developed transport systems (road, rail and air) (3,69); and
- Large number of potential consumers (3,63).

The most distinctive five success factors in the micro environment - according to all the respondents - are the following (the average mark awarded to a factor by all the respondents is reflected in brackets):

- A good product image (4,24);
- A Complete and comprehensible contract (4,04);
- High product quality and standard (3,94);
- A good local control system for product quality (3,90); and
- Good client relationships (3,89).

The respondents awarded higher average marks to the factors in the micro environment than to those in the macro environment. Thus, the micro environment has a greater impact on the marketing of various categories of industrial products abroad than the macro environment factors.

2. The effect that the success factors have in the macro environment on the successful international marketing of industrial products shows little difference between the various categories of industrial products. No real differences were identified in this study.

3. In the micro environment the effect of the success factors on the marketing of industrial products

does, indeed, differ. The differences that are apparent are mainly moderate. The main differences in the micro environment are:

- The effect of a single factor - good local product research and development department actually differs between Cells 3 and 7 (1,03 marks). The difference between Cells 1 and 3 is moderate (0,49 marks).
- A very small difference (smaller than 0,25 marks) can be observed in terms of five (20,83%) success factors in the micro environment. These five factors are:
 - Good knowledge of attitude, belief and aesthetic values of the consumers in the host country. For example, the meaning of colour;
 - well known trade marks and logos;
 - good packing and protection for transporting;
 - good client relationships; and
 - effective implementation of plans and strategies for activities abroad.

The effect is really so small that the difference can be ignored.

- The difference in the effect that the remaining eighteen (75%) factors have, in terms of the various product categories, is generally moderate. This means that the effect that this factor has on the successful international marketing of the various product categories, is basically the same.

4. The most important success factors in the macro environment in the different cells are related chiefly to the physical, economic and political environment. In the micro environment the most important factors in the different cells are related to:

- Cell 1 - Product
- Cell 3 - Management, service delivery and product
- Cell 7 - Service delivery, market research and product image.

7 Analysis of success factors according to export destination

The identified success factors were also analysed according to their importance in exporting to different destinations. The export destinations included in the study are the West (Europe and North America), the Far East (Japan, China, Asia) and Africa.

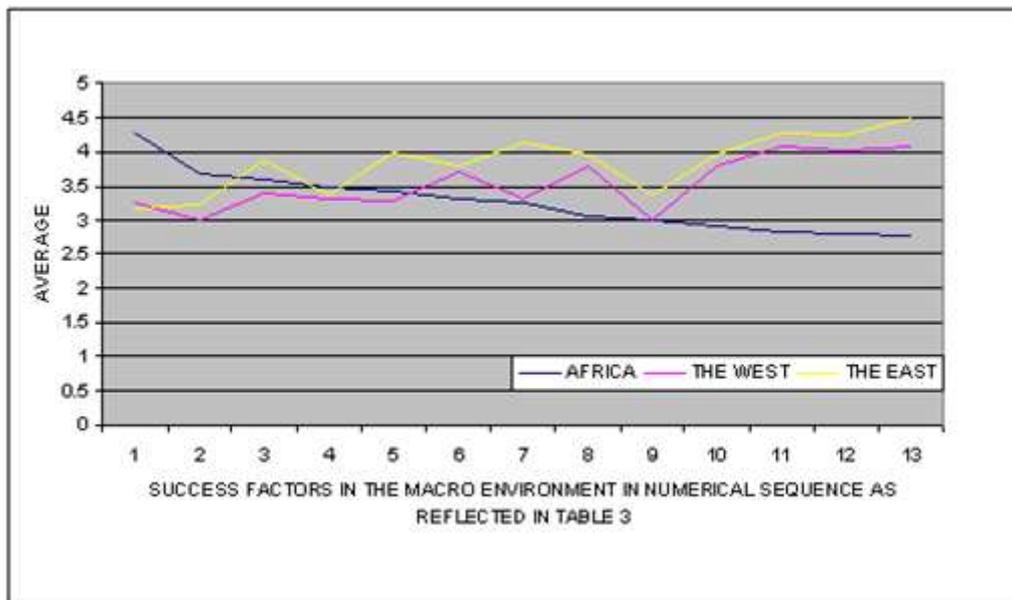
a. Macro Environment success factors

The rating of the success factors in the macro environment is given in Table 3 and displayed visually in Figure 3 below.

Table 3. Success factors in the macro environment as per part of the world

NO	FACTORS	AFRICA	THE WEST	THE EAST
1	Favourable exchange rates	4.27	3.24	3.17
2	Few/no competitors	3.67	2.98	3.22
3	Large number of potential consumers	3.6	3.4	3.89
4	Low import tariffs, duties, taxation and fair customs regulations in the host country	3.47	3.31	3.38
5	Low transport and physical distribution costs	3.42	3.29	4
6	The effect of trading agreements example GATT	3.31	3.69	3.78
7	No import/export restrictions	3.24	3.31	4.13
8	Availability of shipping services and well-developed port facilities and container terminals and depots	3.07	3.78	3.98
9	Low inflation figures	3	3	3.36
10	Little fluctuations in the exchange rate	2.91	3.78	3.98
11	Internal political stability of host country	2.82	4.09	4.27
12	Well-developed transport systems (road, rail and air)	2.8	4.02	4.24
13	Good communication systems in the host country as well as good communication skills with trading partners in the host country	2.78	4.07	4.49

Figure 3. A graphic representation of the success factors in the macro environment as per part of the world



It is clear from Table 3 that the following macro factors play an important part when exporting to Africa.

1. Favourable exchange rates (4.27)
2. No or few competitors (3.37)
3. Large number of imported buyers (3.60)

4. low important duties, tariffs, taxation and fair customs regulations (3.47)

5. Few transport and physical distribution costs (3.42)

As far as exports to the West and Far East are concerned the following areas were rated relatively more important than when exporting to Africa:

- Little fluctuations in exchange rates.
- Well developed transport systems.
- Political establishes in host country

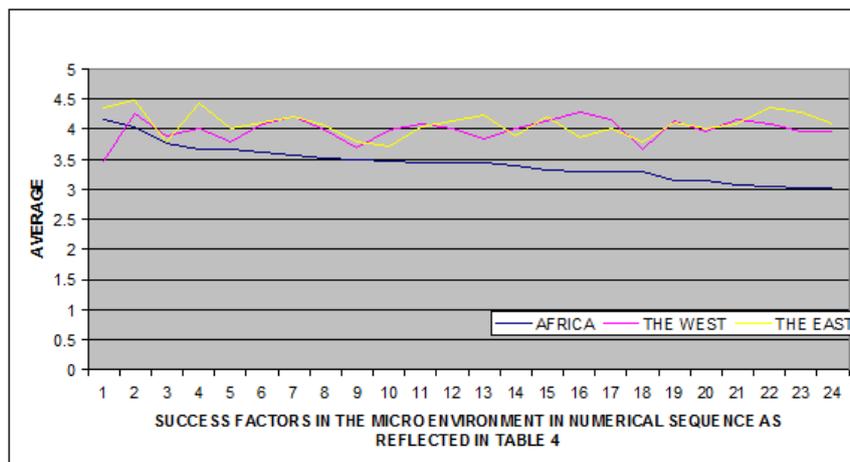
- Good communication systems in host country.
- No important restrictions in the Far East.

b. Success factors in the micro environment

Table 4. The success factors in the micro environment as per part of the world

NO	FACTOR	AFRICA	THE WEST	THE EAST
1	A good product quality control system locally	4.16	3.47	4.36
2	A good product image	4.04	4.27	4.49
3	The right segmentation and positioning in the market	3.76	3.89	3.8
4	A complete and understandable contract	3.67	4	4.44
5	Good packaging and protection for transportation	3.67	3.8	4
6	High product quality and standard	3.62	4.09	4.11
7	Well known trademark and logo's	3.56	4.2	4.2
8	Positive commitment of the enterprise towards international trade	3.53	3.98	4.07
9	A good product research and development department locally	3.49	3.69	3.78
10	Easy methods of payments for goods delivered	3.47	3.98	3.71
11	Efficient market research and frequent availability of marketing information and intelligence	3.44	4.09	4.04
12	Good customer relations	3.44	4.02	4.13
13	Effective implementation of plans and strategies for foreign operations	3.44	3.84	4.24
14	Selection of the correct export markets and the correct method of entering these markets	3.4	4.02	3.89
15	Good knowledge of the attitudes, beliefs and aesthetic values of the consumers in the host country (for example the significance of colour)	3.33	4.13	4.2
16	Effective product guarantee (functioning)	3.29	4.29	3.87
17	The correct completion of documents	3.29	4.16	4.02
18	Good technical support in the host country	3.29	3.67	3.78
19	Effective local management of foreign operations	3.16	4.13	4.11
20	Effective foreign sales operations (sales force and offices)	3.16	3.96	4.02
21	Effective and well-thought-out planning of foreign operations	3.07	4.16	4.09
22	Efficient after-sales service	3.04	4.09	4.36
23	Fast processing of orders	3.02	3.96	4.29
24	Complete analysis of potential risks in the host country	3.02	3.96	4.09

Figure 4. A graphic representation of the success factors in the micro environment as per part of the world



The rating of success factors of internal, manageable factors as reflected in Table 4 and Figure 4 reveal the following:

- The most critical factors when exporting to Africa are:
 1. Good product quality control system (4.16)
 2. Favourable product image (4.04)
 3. The right segmentation and positioning in the market (3.76)
 4. Good packing and protection for export (3.76)
 5. Complete and understandable contract (3.67)
 6. High product quality (3.62)
- The least important factors when exporting to Africa are:
 1. Fast processing of orders (3.02)
 2. Complete analysis of potential risks (3.02)
 3. Effective and well – thought – out planning for foreign operators (3.07)
 4. Effective foreign sales operations (3.16)
 5. Effective local management of foreign operators (3.16)
- All the factors were rated more important when exporting to the West or Far East when exporting to Africa in comparison to the West or Far East.
 - Good customer relations (3.4 vs 4.1)
 - Efficient often sales service (3.0 vs 4.4)
 - Product guarantees (3.0 vs 4.4)
 - Effective foreign sales operators (3.2 vs 4.0)
 - Fast processing of orders (3.0 vs 4.3)
 - Effective local management of foreign operators (3.2 vs 4.1)
 - Correct completion of documents (3.3 vs 4.2)
 - Effective and well - thought – out planning of foreign operations (3.1 vs 4.2)
 - Thorough analysis of potential rates in host country (3.1 vs 4.1)

8 Recommendations

This study focussed on the success factors that influence the international marketing of industrial products from a theoretical point of view. The success factors were analysed generally. There was, therefore, no concentration on the analysis of a specific factor or group of success factors. With that as the point of departure, the following recommendations can be made:

- a. The difference between national and international marketing lies chiefly in the macro environment. This environment mainly encompasses the uncontrollable elements, such as the economy, politics, socio-cultural aspects, legal aspects, etc. A thorough study of these factors must be made before an enterprise can enter international markets successfully. In its investigation the enterprise must pay particular attention to the economic elements, socio-cultural and political aspects, as well as physical environment. These aspects were repeatedly

identified by the respondents during the empirical investigation.

- b. The micro environment consists mainly of controllable elements, such as product, price, promotion and distribution. In order to achieve success abroad, an enterprise must adapt these elements to fit in with the macro environment. According to the respondents, the product is the most important element in the micro environment that needs to be adapted. With the adaptation of the product taking into account the macro environment, particular attention must be given to aspects, such as:
 - trademarks and logos;
 - packing and protection for transporting;
 - product guarantees (working);
 - client service and after sales service; and
 - high product quality and standards.
- c. The management of international trade opportunities is of the utmost importance for successful entry into international markets. These management activities are specific to each enterprise. The management aspects that should enjoy special attention, include:
 - a good knowledge of the attitude, belief and aesthetic values of the consumers in the host country;
 - complete and comprehensible contracts;
 - effective activities abroad;
 - efficient market research and the regular availability of marketing information;
 - the selection of the correct export markets and the correct method of entry into these markets;
 - effective local management of foreign activities;
 - the correct completion of documentation;
 - effective and well thought through planning of foreign activities;
 - complete analysis of potential risks in the host country;
 - effective implementation of plans and strategies for activities abroad; and
 - positive commitment to international trade by the enterprise.
- d. Efficient marketing research is of the utmost importance for successful entry into international marketing. Information concerning the macro and micro environment of the host country is collected by means of market research. Before market research - related to the host country - is undertaken, the enterprise must clarify the purpose of the research, as well as the aspects to be investigated. The researcher him/herself must be very familiar with the host country, as the incorrect use of language, and the behaviour of the researchers, could result in unsuccessful market research.
- e. From this study it appears that the management and personnel of an enterprise play a definite

role in the enterprise's successful marketing of industrial products abroad. Training is essential to ensure that management and personnel, who are involved in exports, fulfil their task productively and effectively.

Tertiary education institutions must develop courses in conjunction with the industry that address the training needs of that branch of industry.

f. Further studies must be undertaken to:

- establish the effect of cross cultural differences in terms of various parts of the world;
- develop methods to identify risks which go together with international trade and to minimise their effect; and
- analyse the competitiveness and position of South African enterprises in terms of international trade.

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