



Indian Economy in Relation to International Marketing : Opportunities and Challenges

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ABSTRACT

Growing globalization in the world is leading towards international market, firms, organization are growing internationally and are facing many challenges in the global market. International marketing has made lives easier, goods and services are now being available to the consumers easily. As with the change in time the market and its economy has also changed a lot. This paper is an attempt to integrate the economy with the global economy and how Indian economy has been affected in the recent pandemic time. Indian economy is also leading towards international economy by exporting and importing the goods from the global world. Not only the consumers are benefited also the marketers are benefited by the international market. Now days the world is leading towards single market where large number of buyers and sellers can interact easily. International market acts like a vehicle which lets firm travel worldwide with exclusive product and services. It helps the Indian economy and domestic company to expand its brand worth and help in positioning firm products and its name. helps in opening doors for future prospects of the firm. It helps to uplifting the overall standard of products and services of the targeted market. The economy and the market have to face extreme diversity in culture and the biggest challenge in it is to handle the perception and uniqueness of different group in market. Even the market environment is also different as the national market has to reach the target of the international market. Consumer behaviour also varies in all market promotion and an advertisement technique differs from market to market. One can easily cope up

with the international marketing by understanding the core issues of the market and getting out of their domain and accepting the challenges in the international market. As international business became very necessary and easy to understand with the changing of the environment.

KEY WORDS

Globalization, International Market, Consumer Behaviour, Environment, Indian Economy, Target Market.

INTRODUCTION

As with the growth of world's population and with the changing environment international market is one of the most important markets in the global world. As the international economy is growing it is leading towards single market where large number of buyers and sellers can interact with each other in a single market place but with the development of countries and the market firms cannot depend on single market of one country. Firms are nowadays trying to be global for which they have to reach the standards of the international market. One of the most important questions is why the firms are trying to reach international market or why the firms wanted to be global? So the most important thing is it differs from company to company but one of the most important reason is that the global market provides many opportunities as compared to the domestic market larger numbers of buyers and sellers are available in international market even the choice and preferences of consumers can easily be known in the global market. As after globalization started the shape of market and the segments of market changed a lot after the globalization policy now it is easier for the firms to enter into international market even due to international market the products are also getting standardized. The overall impact of the liberal Government and policies actually helped the firm to enter into the market.

Not only the firms are getting benefited with these policies customers and also getting large varieties of product from this global market. Digital age has played very important role in this as with the change in the technology the taste and choice of the consumers can easily be known new ideas and innovation has made the global market more consumer centered and rapid changes can easily be seen in the economy. Marketing of product and services require different degree of expertise in the market and in the product to meet the changing needs of the consumer. As the liberal and technology change has made the market more consumers reliable. As marketing focuses on the needs of the consumer and marketers are more interested to produce those goods by which the consumers can get satisfied easily.

Marketing is taken as an important tool for increasing the profit and the revenue of the market by the rapid change in the technology. International market has played a vital role in increasing the demand and sales of much different type of products in the market consumer taste and preferences are termed to be very important in the international market. With the change in the product type and change in economic policies the Indian economy has faced many difficulties at the time of pandemic the market and the economy was adversely effected the worst decline in domestic as well as international market was seen in pandemic the demand and supply of the products / services was adversely effected at that period. Private consumption and investment is the two engine of Indian economic growth. All sectors of the economy were badly affected due to pandemic except agriculture.

Research Methodology

This research is based on the different information collected from various sources to get an idea on how the international economy is working with relation to Indian economy. The information in this paper is descriptive in nature as well as the concept of Indian economy and international marketing is studied from all the possible dimensions to get the proper information possible. There are various

sources from where this information is collected.

Information in this research study is strictly collected from secondary data sources and at the time of collection at most care was taken to avoid unwanted information and misleading information from any sources.

Objective Of The Study

As every study has some of its main objectives this is one of the same type here the study is solely based on the international market and the Indian economy and how they both are working in relation to each other. Here are some of the main objectives on which this study is focused:

- Core concept of globalization and how it affected the Indian market.
- To understand the relation between Indian economy and the international market.
- Importance of globalization in today's economy and marketing.
- Understand the international economy with relation to the Indian firm.
- To study the international economy with reference to the present economy.
- To study in detail how Indian economy and international economy effect during the period of covid -19.

Hypothesis

This research data is based on secondary data / inputs then also at the time of collection of data certain presupposition were proved/ rejected in research tenure. The hypothesis are as follows:

H_1 : International marketing is beneficial to nations.

H_0 : International marketing is not beneficial to nations.

H_1 : International marketing is a very challenging activity.

H_0 : International marketing is not at all challenging activity.

Literature Review

It is the accumulation of all the relevant work, already done on the topic of research. It the finding of what exactly the topic is and on what idea the topic hands on. International marketing has a wider scope and it focuses on all the dimensions of the nation and on the domestic market too.

The chunks of the prominent topic are:

- Saxen ,Sandeep in his research paper titled “ challenges and strategies of Global Branding in Indian Market” (2012) writes that the number of global brands has increased rapidly sale and profit from non domestic market has also increased in years for example - coca- cola , Mercedes - Benz , Pampers are few brand names which increased its brand worth. Number of forces of market firms has evolved internationally.
- Ghauri, Pervez and Cateora, Philip in their book title “International Marketing”(2009) wrote that “These forces affecting the international business have led to a dramatic growth in international trade and have contributed to a perception that world has become a smaller and interdependent place.
- Steenkamp,Jan-Benedict E.M. andHofstede, Frenkel Ter in their research paper title “International market segmentation: issues and perspectives” (2002) wrote that “International market segmentation has become an important issue in developing, positioning, and selling products across national borders.

Definition of Market

“Market is a place of business or commercial activity, the amount of buying or selling of a particular type of goods.”

Definition of International Marketing

“The performance of business activities that direct the flow of goods and services to consumer or users in more than one nation.”

Definition of Indian Economy

“The economy of India is a middle income developing market economy. It is the world’s fifth largest economy by nominal GDP and the third largest by purchasing power parity (PPP). According to the international monetary fund (IMF), on a per capita income basis, India ranked 142 by GDP (nominal) and 125 by GDP (PPP).

As the globalization has risen Indian economy has risen its scope and due to privatization and liberalization the domestic firms started thinking of international market as before that international market was not in talk due to many reasons and due to many difficulties which the Indian economy was facing from long time. As due to lack of resources and many restrictions the Indian economy was only focusing on domestic consumers and their needs after globalization many changes has taken place in the economy even the rules and regulations were now liberal so the domestic firms also took a step towards the international market . In earlier time there was minimal impact of international market in Indian economy but with the change of time there was a great impact of international market in Indian economy due to which the export and import of goods and services increased in Indian and standardized products were also exported.

It also helped Indian economy to develop and to make notable changes in the market:

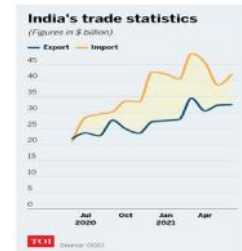
- Firms which were completely developed in the domestic market were encouraged to enter the international market with their standard products.
- The growth of media also helped a lot as much of the information was collected from the reports.
- Government grants and incentive's helped a lot to cop up with the market.
- The firms which are successful working and their stories helped a lot.
- New polices and rules of international market were easy to understand which helped a lot to the domestic marketers.
- Professionalism and skilled workers helped the domestic market to grow internationally as skilled workers were trained which helped the domestic firm a lot.
- Innovation and new ideas helped the market to develop its strategies and were told about the product specification so that they can work properly in international environment.
- Generation of entrepreneurs also helped the business to develop globally.
- Domestic market always faces low risk as compared to international market so entrepreneurs were bought into the light with new ideas of product and with the name of new brands.
- The brands which were locally popular were forced to enter international market to compete there with other brands.

Effects of Covid 19 in Indian Economy

Many notable changes were seen in Indian economy during pandemic and post pandemic period in relation to Forex all time growth in forex was seen in July 2021 which was equivalent to almost 18.4 months of year 2020-2021.

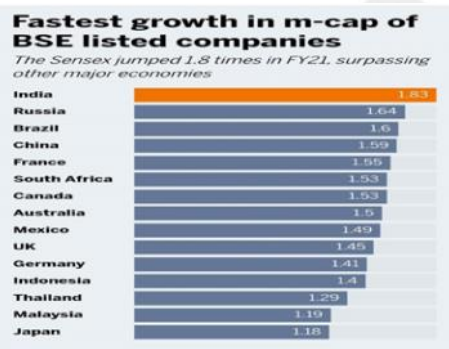
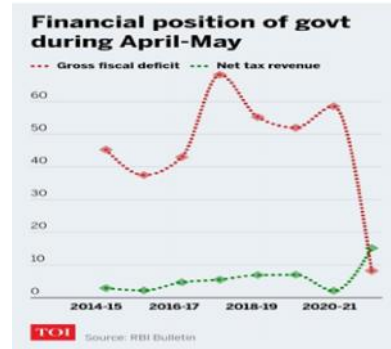
Import & Export statistics (in Billion)

Time period	Import	Export
July 2020	20	22
Oct 2020	30	27
January 2021	40	24
April 2021	45	35



Growth of m - cap of BSE listed companies FY 2021

Countries	% Growth of Sensex
India	1.83
Russia	1.64
Brazil	1.6
China	1.59
France	1.55
South Africa	1.55
Canada	1.53
Australia	1.50
Mexico	1.49
Uk	1.45
Germany	1.41
Indonesia	1.4
Thiland	1.29
Malyasia	1.19
Japan	1.18



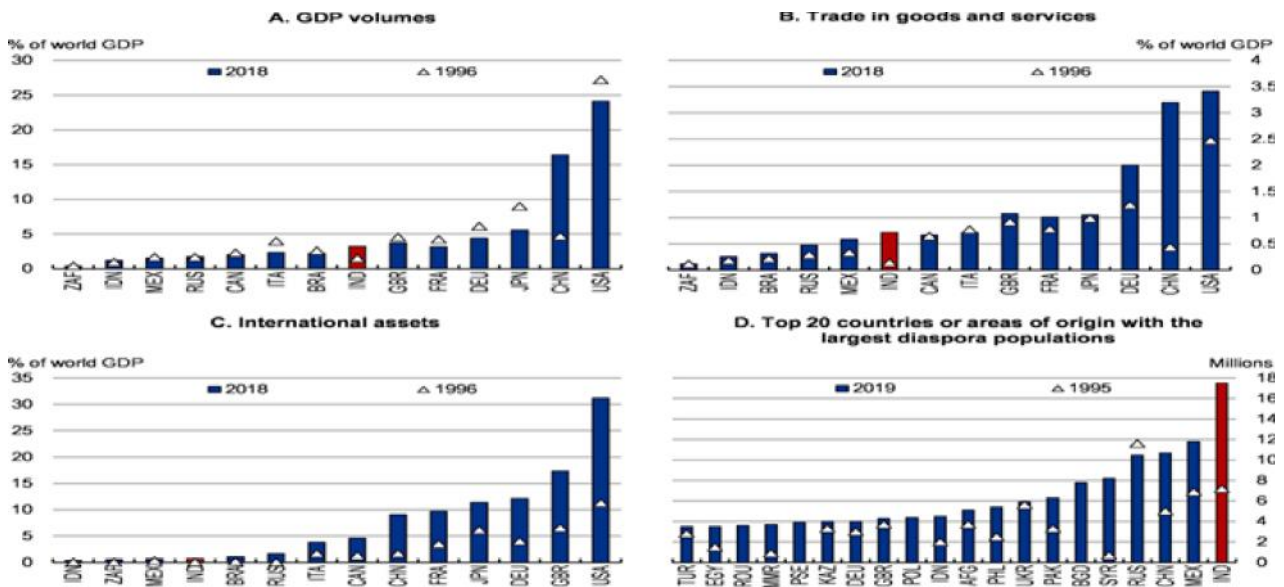
Source: Times of India (RBI Bulletin, DGCI)

Opportunities

With the change in globalization and pattern of living the Indian economy has faced many challenges and also got many opportunities in the world market for its expansion and growth in the international economy.

- Helped in the expansion of target market and the size of the economy also increased rapidly. Business firms and the size of the market started growing with the market change as international market helped to sell larger number of products in the market by which the size of the market and consumers of the market also expanded rapidly.
- Trade exposure increased with time as due to globalization the market economy changed a lot and new products were also introduced in the domestic market were forced to enter the international market by which the GDP growth of Indian market increased with time even exporting of products also increased after liberalization period.
- International market has opened doors for many business firms as it offered new opportunities to the consumer by providing wide varieties of spectrum goods to consumers by importing large varieties of goods from the global market.
- International market has even widen the scope of consumer based product at it offers latest varieties of goods to consumer from different market of latest technology by which the consumers are more interested to buy the product sometimes the product of domestic market is more costlier than that of international market.

- As larger varieties of products are introduced in the international market which helps the firm in cost reduction and provide goods of latest technology with low price
- Even India has expanded its business under many domains, its objective is to double the shares in the market under make in India flagship many new products are introduced and even automobile sector also expanded because of that many MNCs were setup in India and hue inflow of FDIs can be seen in Indian economy.



Sources: (RBI Bulletin)

Challenges

Indian economy has faced many challenges when it entered the international economy as the global world is very different from the domestic market changes in the global world is very fast and rapid to cop up with those is really a difficult task for the economy but with liberalization policy the market has changed a lot although after that also economy had to face many challenges some of them are:

- Difference in buying behaviour of the consumers as the global market is now the challenges in the global market are not completely known to the producers of domestic market so they have to first understand the buying behaviour of the consumers in the international market and they have to even know which products are suitable in the market.
- Diversity in culture as the domestic market culture is very different from that of international market as their products of large varieties are easily available and in low cost so the consumer is ready to buy only those products which are of latest technology .
- Completely different environment as the domestic and the international market has to deal with varieties of product and different environment of different countries so it becomes very difficult to understand the environment standard and the product there.
- Another challenge is the taste and preference of the consumer is very different in every country and according to their taste and preference the marketer has to produce.
- Problem in selecting promotion tools as the size and market are different it is very difficult to understand which promotion tools will be suitable for which type of market.

CONCLUSION

With these one can easily understand what are the difficulties that are being faced in the

international economy and how the Indian economy is working with that what are the opportunities available and what are the difficulties the Indian economy is facing in the market. But with the change in policy and the marketing environment new techniques are emerged even now after globalization policies understanding the environment have become much easier. One can easily cop up with the market if they try to understand what the problems which are being faced are and how the problem can easily be solved with the change of time.

Company which wants to be international has to plan many strategies, policies, promoting, and financing and how the international market will work with reference to the domestic market is one of the main feature to understand in the market. The present paper is mainly about how the international market is facing many challenges and what are the available changes that can easily be made in the economy. This is very important to know that domestic market and international market are not different but the working and the policies which are framed and the behaviour of the consumer in the market is different which the challenging part in the economy .

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