

Features of the Marketing Strategy of Foreign Companies When Entering the Russian Market using Information Technologies (Beijing Sudum Studio City Landscape Engineering Co. Ltd.)

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Abstract – For the successful implementation of the marketing strategy, modern companies, in the conditions of market competition, strive to follow the current trends in Internet promotion. After all, competent management of advertising campaigns has a positive effect on the financial results of the company as a whole. The relevance of the topic of the article is due to the needs of business in the timely development of new sales markets and the introduction of effective marketing Internet technologies. One of these actively developing sales channels is Internet technology. To organize a marketing system in it, companies often resort to attracting specialists in this area. They select Internet marketing tools suitable for a specific company, build a set of measures for planning, developing and implementing a sales system.

Keywords-component; information technology, PEST analysis, marketing strategy, international market, licensing, franchising, partnership.

1 INTRODUCTION

In the period from 2009 to 2019 a large number of foreign companies entered the Russian market, which every year becomes more and more attractive for international business. Adapting transnational corporations (TNCs) to the economic and political conditions of a country is a very complex process. As J. O'Shaughnessy said: "A marketing strategy is a broad concept of how a product, price, promotion, and distribution should function in a coordinated manner to overcome resistance to achieving marketing goals." [2]

Modern business is on the way to gain or maintain a leading position in the market, to a large extent depends on the success of the implemented marketing strategy. Its results directly affect the increase or decrease in the number of clients of the company. To understand the role, purpose and functions of marketing, and then Internet marketing, we will give a number of definitions. Marketing is a market concept of the company's production and sales activity, it is aimed at maximizing customer satisfaction by studying their requests for the implementation of the company's objectives [2].



Fig. 1. Marketing strategy [1]

The main functions of marketing are [1]:

- 1) The analytical function of marketing is a comprehensive study of the current situation in the market, and within the company itself. It consists in constant monitoring of changes, forecasting their impact on the economic activity of the company, as well as in the timely delivery of information to all departments of the company. It is very important to broadcast this analytical summary regularly and without isolating a separate circle of stakeholders.
- 2) The production function of marketing consists of the following subfunctions: organization of production of new goods and new technologies, organization of material and technical support of production, management of quality and competitiveness of finished products.
- 3) The sales function is a set of measures that marketers implement from the moment a product is produced to its consumption. They include: the formation of pricing policy, demand, sales promotion. This is far from the whole complex, since it is determined individually for a specific product or service.
- 4) Management and control functions are an aggregated marketing tool that includes information from all of the above functions and allows, with all the completeness of the data, to manage the detail of the enterprise and to fulfill its tasks as fully as possible. The establishment and distribution of advertising budgets, tactical and strategic decisions are concentrated in this function.

Marketing is a tool that allows her to flexibly adapt to changing market conditions. This state of the market is very attractive to the consumer, because each manufacturer tries to make their product better or cheaper than the competitors' offerings, which allows buyers to choose from a variety of options based on their own product preferences. Since the area of study of this work lies in the plane of Internet marketing, it is worthwhile to reveal in more detail this increasingly popular field of activity of enterprises. Internet marketing is an integral part of marketing, which contains all the same functions and purpose, but all of its tools are concentrated in the Internet environment, as a separate form of promoting and selling goods and enriching knowledge [3].

The world population as of early 2021 was 7.83 billion. During the year, the total population increased by more than 80 million.

Mobile devices are used by 66.6% of the world's population (5.22 billion people).

The Internet is used by almost 60% of people worldwide (4.66 billion people), the number of users increased by 7.3% over the year.

Social media accounts for more than half of the world's population in 2021. 53.6% or 4.2 billion people have accounts on one or more platforms [10].

With the advent of the worldwide network, there are much more ways to promote your own goods or services. This fact has undoubtedly had a huge impact on marketing in general.

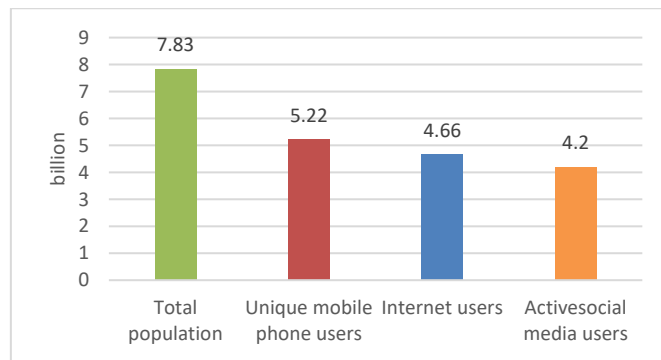


Figure 2. The total population in the world and of people using mobile devices, the Internet and social networks [10]

Companies now have the opportunity to choose the point of application of their efforts: whether it is conducting advertising campaigns in blogs, groups in social networks, posting information on their own sites, connecting contextual advertising in search engines, etc. You can choose only one promotion channel, but then the company leaves potential customers using other information resources in the dark about their own existence.

2 JINGTIAN HUANYI GARDEN LANDSCAPE ENGINEERING CO: THE OUTLOOK

Jingtian Huanyi Garden Landscape Engineering Co., Ltd. has been on the market since 2009. The company is located in the city of Huangsung in the district of Dansin.

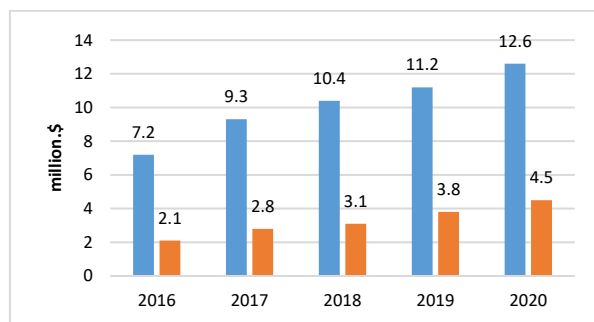


Fig. 3. Financial performance of Jingtian Huanyi Garden Company [8]

In 2010, the Hong Kong Government confirmed that Jingtian Huanyi Garden Landscape Engineering Co was listed as a Class I and Class II (Group II) Specialized Land and Works Contractors and suppliers/contractors for Gas Hydroplanting on an Unlimited Territory. Since 2012, in the context of Hong Kong's booming economy, Jingtian Huanyi Garden Landscape Engineering Co. quickly expanded its contract activities, especially in the field of planting, maintenance and delivery of plant material from its own nursery. The first major project of the company was the greening of the Sha Tin Highway of the Department of Highways to the Tai Po Highway. The company then participated in hundreds of government-controlled contracts. The company's revenue in 2020 was \$ 12 million.

3 JINGTIAN HUANYI GARDEN LANDSCAPE ENGINEERING CO IN RUSSIA

Today, Jingtian Huanyi Garden Landscape Engineering Co. it is not present on the world stage, but only plans to enter foreign markets in the coming years, one of which will be Russia. Entering the Russian market is reasonable for a company that has already achieved some success in China and has sufficient resources to invest in promoting its product in Russia. In addition, the company plans to take part in the International Exhibition "Moscow Garden Show" in 2021, which is held at the Crocus Expo IEC, so that landscape design and design specialists can express themselves [4].

It is important for Jingtian Huanyi Garden to enter foreign markets, as market analysts from Technavio predict a rapid globalization of landscape design services, which will increase by 6% over the next five years.

To date, Jingtian Huanyi Garden Landscape Engineering Co has developed strategies:

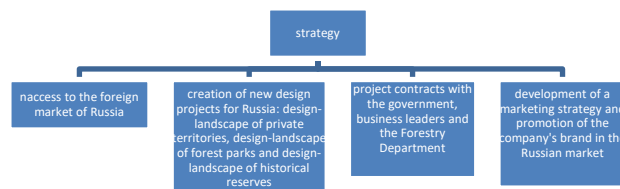


Fig 4. Strategies of Jingtian Huanyi Garden Company

The decision to enter the foreign market will lead to the expansion of the company's functions, will require extensive preparatory analytical work. As a result, all decisions will be recorded in the company's corporate strategy.

Based on the results of the analysis of threats to the potential entry of the garden of Jingtian Huanyi Garden Landscape Engineering Co into the Russian market, it can be noted that political factors play a big role in this market. Among them are the most important political situation in the country and domestic policy at the state level. Among the economic factors, the dynamics of GDP is more important. In socio-demographic terms, the standard of living of the population is more particularly important. Technological factors give an advantage to scientific discoveries, scientific technologies, and the impact of the Internet on the industry [5].

4 PROSPECTS AND PROBLEMS OF THE COMPANY'S ENTRY INTO THE RUSSIAN MARKET

According to the results of the analysis, the entry into the Russian market for the business of Jingtian Huanyi Garden Landscape Engineering Co. has a number of advantages [6]:

1. Russia as a business object is very promising for the entry of a landscape company, since the territory is the largest in the world, so there are prospects for concluding contracts with state and commercial structures for the improvement of forests and landscaping of parks, nature reserves, parks and territories of Russian cities.
2. The country has a favorable situation for the entry of foreign companies, as the Russian economy welcomes the entry of foreign investors.
3. China and Russia are members of the Shanghai Commonwealth Organization, so their partnership relations favor the entry of Chinese companies into the territory of the Russian Federation.

At the same time, the company evaluates and takes into account in its strategy some of the risks and threats of its entry into the Russian market:

- a) The problem is to open a Representative Office on the territory of the Russian Federation. This is due to possible delays in the processing of documents.
- b) Another problem may be the long-term conclusion of contracts for land improvement.

It is worth noting that these problems are related to the bureaucracy of local officials. But this is solvable, so we must understand that Russian business benefits both China and Russia.

5 PROBLEMS OF THE RUSSIAN FEDERATION IN 2020

At the very beginning of 2020, the main event for the Russian economy was the fall in oil prices, which was the result of a sharp drop in demand for "black gold" from such key players in the world market as China, the United States and the European Union [7].

The bank lowered its key rate. The main reason for the reduction of the key rate is the preservation of inflation at the level of 4% in 2020. Such measures were taken taking into account the fact that in 2020, GDP declined by 8 percent. The pandemic has had a major impact on the Russian economy [9].

6 COMPANY'S MARKETING STRATEGY USING INFORMATION TECHNOLOGIES

Despite some problems when opening a foreign business in Russia, the country is very attractive for those who plan to start a business here. The big advantage is that foreign companies operate under the same rules and laws as Russian companies. To work in Russia, the company must be registered. The company must open a representative office or branch.

Opening an office in the Russian Federation is an excellent solution for Jingtian Huanyi Garden, which is only studying the Russian market, but is not ready to spend large sums on organizing a local company. Opening a representative office in Russia costs \$ 3,000 and takes two months, as the procedure is more complicated than registering a regular legal entity.

The most important thing for Jingtian Huanyi Garden company when entering the Russian market is to build and promote its landscape business in a new way. The new marketing strategy of the company will help the business to find new customers, expand the market and increase its income.

The main requirements for the marketing strategy of Jingtian Huanyi Garden Landscape Engineering Co. when entering the Russian market are the following:

1. Identify your client. Creating an image of the buyer, it is worth learning more about the priorities and expectations of potential customers of the company, how they search for information, and what obstacles they may face when making a decision to purchase landscape design services.
2. Create a blog about landscape business. A potential client has all sorts of questions about landscape projects and services. With a blog, a company can create content that answers these questions, helping to expand business opportunities that will be opened by the same people whose problems are being solved by the company's business.
3. Develop free guides and checklists for potential customers. Once a new visitor has visited the company's website, one of the most important things to do is to save their contact information. The key to the success of this method is the introduction of marketing automation software that ensures smooth and automatic delivery of content to potential customers on demand.
4. Implement e-marketing strategies. This direction helps to create a sequence of emails that will constantly deliver additional content to these potential customers.
5. Launch an ad campaign on Facebook. According to HubSpot, 79% of people on the web use Facebook.
6. Organize feedback and collect recommendations. Feedback and oral advice is one of the most effective ways to promote a company's business-potential customers often trust the feedback of current customers.
7. Participation in local and community events. Meeting people from different communities is a great way to promote your business. Many cities host annual events, such as festivals and open days, where businesses are given the opportunity to rent kiosks or tables for self-promotion.

A marketing-oriented organization puts the consumer, the process of making a purchase decision, and the factors of this decision – internal and external-at the center of its activities. It is the consumer who determines the structure and content of the marketing complex, and serves as the starting point of the entire marketing strategy of the organization. At the same time, the main goal of the business is to increase sales and profits, so an effective marketing strategy is considered by the business as the main driver of its growth.

The analysis of the Russian market showed that political, economic, socio-demographic and technological factors play an important role in the new territory. Based on this assessment of

these factors, Jingtian Huanyi Garden landscape selected the Russian market as its foreign business.

7 CONCLUSION

Let's draw conclusions. Jingtian Huanyi Garden landscape has many interesting and creative opportunities to promote the landscape business in a new market for it. This list should be fixed in the marketing strategy of the company and further implemented in the development of strategic and operational-tactical plans of its activities.

But regardless of the tactics that the company will use, it is necessary to follow the decisions of the marketing strategy specially developed for the Russian market. This approach will provide Jingtian Huanyi Garden with a good profit in the new Russian market, as well as help it gain fame, improve the brand image and successfully enter new foreign markets in the future. Because in today's rapidly developing world, the ability to effectively manage the entire marketing process has become an important competitive advantage of the business.

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