Mauritius Research Council

Half-Day Seminar

MRC Unsolicited Research Grant Scheme:

Entrepreneurship and Marketing strategy: ‘The Mauritian SME under Globalisation’

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Programme

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SYNOPSIS
The dynamic role of small and medium enterprises (SME’s) in developing countries as engines of growth has long been recognised. Over the past few years, it has become increasingly difficult to discuss the development of SMEs without making reference to the globalization of markets. SMEs need to practise marketing, if ever they want to survive and grow. Specifically, they need to be able to market competitively within domestic and international markets. Research into marketing of small firms in developed and developing countries, reveals that this aspect of strategic orientation is frequently underutilized and misunderstood. Also, existing conventional or formal marketing approaches are inappropriate for small firms, as small firms are “different”.

Using a mixed methodology comprising in-depth interviews, focus groups and a survey of entrepreneurs in Mauritius, this study has sought to identify the marketing practices of SMEs at an operational and strategic level. Also, recognising the challenges and opportunities posed by globalisation, this study identifies the response mechanisms used by Mauritian entrepreneurs. The findings reveal that the marketing function is not always well understood. Day to day marketing functions are well managed while strategic marketing, in particular, marketing planning, conducting market research and competitor monitoring are least understood aspects. Their extent of internationalisation is dependent on their perceptions of the consequences of globalisation. Of entrepreneurs, 65.5% believe that globalisation has an impact on their business in terms of competitiveness, access to markets, cost of raw materials, availability of up-to-date technology, networking and pricing of products on international markets. The opportunities to diversify into exporting as a result of globalisation are positively perceived by 37.9% of interviewees, the rest prefers to focus on the domestic market. The findings have implications for training and support, provided to SMEs in Mauritius.

AIMS AND OBJECTIVES
Since very little is known about how SME’s carry out their marketing activities or how they operate and prosper under globalisation, the main objectives of this study were as follows:

▪ To analyse the general marketing orientation and marketing competencies of SME’s in Mauritius.
▪ To determine the strategic orientation of SME’s in Mauritius.
▪ To analyse the extent of internationalization of Mauritian SME’s