

Cross-border commercial activity strategies of businesses in the border province Edirne

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Abstract

The aim of this study is to reveal the strategies to enter the international markets applied by the enterprises that entered the international markets in Edirne, which is an important border province, and to provide basic information to researchers as well as different organizations and managers, since there is no previous study on this subject in the literature.

For this purpose, exploratory research design, one of the qualitative research designs, and semi-structured interview method as data collection method were used. In the research, interview requests were made for all of the businesses, except the closed ones, which could not be reached from the list of 56 companies operating internationally and obtained from the Edirne Chamber of Commerce and Industry (ECCI), but 20 companies accepted the interview request.

In the research, it has been seen that the enterprises that opened to international markets in Edirne generally apply export strategy directly or indirectly, as well as make a little direct investment. It has been understood that partnership strategies (strategic partnership, joint venture, assembly operations, etc.) are not preferred to avoid risk. It has been stated that businesses that have started their international operations have increased their profitability and transaction volumes, they have been recognized in international markets, and they have been able to catch up with developments and opportunities in the international arena. In addition, it has been observed that international businesses in Edirne have expectations from managers such as legal guarantees, financial stability arrangements to be less affected by the exchange rate difference, informing ETSO and other public institutions about international opportunities, and deciding for Edirne's geographical proximity to Europe to provide more benefits to the region and the country.

Keywords: International Businesses, Strategic Management, Strategies of International Trade, Turkey, Edirne

JEL codes: F23, M10, M16, M20.

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1. INTRODUCTION

The changes taking place and affecting all sectors in today's world, have reached a dizzying speed. One of the results of these changes is that, it has become almost impossible for businesses to carry out their activities only within national borders. It is possible to see the international activities or their impacts even in the operating activities of regional businesses having national character in the globalized world (Wild and Wild, 2017: 4).

International trade came into the scene in general with the exchange of goods between the businesses of neighboring countries and with the development of transportation facilities it started to be carried out among the businesses of distant countries as well. In this regard, it is understood that international trade dates back thousands of years and its importance increasing day by day (Mirze, 2018: 7).

Due to its aspects separated from national business, international business has become a subject need to be studied more. Together with the developments in technology, competition, standardization, business environment, political effects of international business administration, economic integration and globalization emerged in recent years, it has gained much more importance (Özalp, 2004: 5-6).

The objective of this study is to propound the strategies implemented by the enterprises that entered to the international markets in Edirne Province together with their reasons and results and therefore to fill a gap in the literature and set light to the future studies on this subject.

2. INTERNATIONAL ENTERPRISES

In general, enterprises start up their activities in the markets within national borders. But, after a certain time, the competitive environment in which business' are, forces them to go beyond these national borders. International trade activities, defined as the sum of commercial transactions across the border, started with the exchange of goods between neighboring countries in historical process, it has expanded also carrying out at more distant countries with the in-

crease of transportation facilities and the mutual exchanges led to increase in the welfare levels of countries (Ülgen and Mirze, 2020: 286).

According to Fayerweather (Özalp, 1995: 61), the businesses directly carrying out activities in two or more countries are expressed as international businesses (Kabar, 2011: 18; Wild and Wild, 2017: 4). According to Koparal et al., international businesses is all of the activities carried out by the businesses outside national borders and it is divided into two as international trade and investment (Koparal, Tonus, Ersoy, Aydın, Güllüođınar and Önce 2004: 3). As for Mutlu (1999: 9), businesses that continue their activities within one or more countries outside their home country are expressed as international businesses.

The historical development of international businesses is discussed in five principal sections as pre-trade period, trade period, colonialism period, concessions period and international period. The pre-trade period (before 1500 AD) is the period covering the trade of silk and spices in geography from Europe to China and India. The trade period (1500-1850) is the period until the Industry Revolution. It is the period when rich raw materials, slaves and other products were marketed in a wider geography together with the development of naval transportation and geographical discoveries. The colonialism period (1850-1914) is the period between Industrial Revolution and the 1st World War. In this period, the geographical discoveries completed, and the trade volume expanded. After the Industrial Revolution large enterprises were established. The United States of America (USA) was passive due to the lack of infrastructure. The concessions period (1914-1945) is the period from the beginning of 1st World War to the end of 2nd World War. In this period, the investments made into automobile sector draw attention. Contemporarily the first international enterprise is Lever Brothers initiative in England. There has been an expansion in trade volume. International breakthroughs of the companies of US such as Coca-Cola and Woolworth. The economic depression in 1929 was seen to cause serious damage to economy. Germany's occupation of the international enterprises besides countries has negative-

ly affected international trade. The international period (after 1945) is the period from the end of 2nd World War today. The period between 1945-1970 is described as “global expansion” period due to the search for market and resources by the international enterprises. In this period, US became the leader in internationalization with the developments in globalization and communication technologies. In this period, because of the intense competition the leadership of the US has got into risk (Koparal et al., 2004: 8; Can, 2012: 14; Aktaş, 2015: 7; Mirze, 2017: 14-15).

1.1. International Strategic Management

Strategic management is a whole set of activities that will enable businesses to maintain their assets in the long run, provide a competitive advantage and besides this bring them a profit above the average (Ülgen and Mirze, 2020: 7). Enterprises create their strategies that will form the strategic management process through managers having strategic background and they start to their work on the internal and external factors of the enterprise in a way that will serve the mission, vision and objectives of the enterprise. The steps to be taken in strategic management are, strategic analysis, strategic orientation, strategy formulation, strategy implementation and strategic control (Rugman and Collinson, 2009: 458-459). International strategic management, on the other hand, is defined as the manifestation and application of these denoted strategic management functions and processes within the concepts, institutions and developments in the foreign country and international environment in which the enterprise operates, beside the home country where the enterprise carries on business activities (Mirze, 2018: 25).

International enterprises are generally focusing on adapting their local products to the countries where they will carry on their activities internationally. Even though these enterprises affiliated with the parent company in terms of coordination and management, they exemplify the behaviors of the companies in the local and act like them. The competition strategies of the enterprises focused on local markets are also the basis for the strongest competitive advantage in the international business strategy. Key capabil-

ities and resources, often within the home country, guide the enterprise’s international strategy (Çalışkan, 2011: 25; Hitt, Ireland and Hoskisson 2009: 331). However, research shows that as they grow in the international arena, the importance they attach to competitive advantage in the home country decreases. For this reason, countries exhibit their own unique behaviors. For instance, some Asian countries such as South Korea lack of large natural resources, but since these countries are seen as very strong in terms of business ethics, many companies with the possibility of producing on a global scale are emerging (Hitt et al., 2009: 213).

The very first reason for businesses to enter international markets is the contraction in local demand. The decrease in the demand of the product or service they supply in the local or the downward evolution of the demand of produced product due to the maturation in the product’s life cycle can lead the enterprises to international markets. Businesses are entering international markets where there is less competition and more buyers in their field, as expressed in the blue ocean strategy. Blue ocean markets are sought from their immediate surroundings towards a distance (Kim and Mauborgne, 2005: 77-78). Companies make their decision to enter international markets using PEST (on Political, Economic, Social and Technological elements) and CAGE (distance in terms of Culture, Administrative, Geographical and Economic dimensions) before entering international markets (Ülgen and Mirze, 2020: 307-308).

1.2. The Methods of Businesses to Enter International Markets

International businesses adopt one or more of the methods shown in Figure 1 to enter international markets. While they are making this choice, analysis of the external environment they are in, have importance. (McCarthy and Perreault, 1987; cited by: Can, 2012: 13).

Enterprises form their international strategies by analyzing their internal and external environments and choose one or several methods of entering international markets by these strategies. The point to be considered here is, the selection

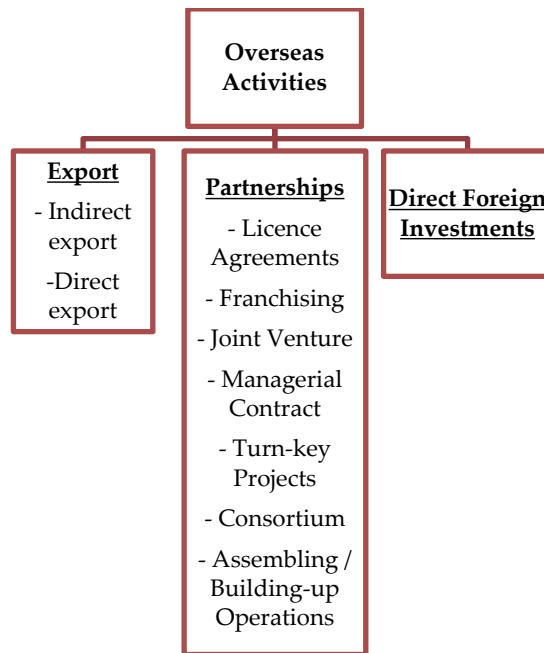
and implementation of the most accurate method that will provide the balance between the risks in the market to be entered and the situation of the enterprise and that will benefit the business (Koparal et al., 2004: 89).

1.3. Risks Encountered in International Business Administration

It is known that all business activities involve risks. Further, international business activities

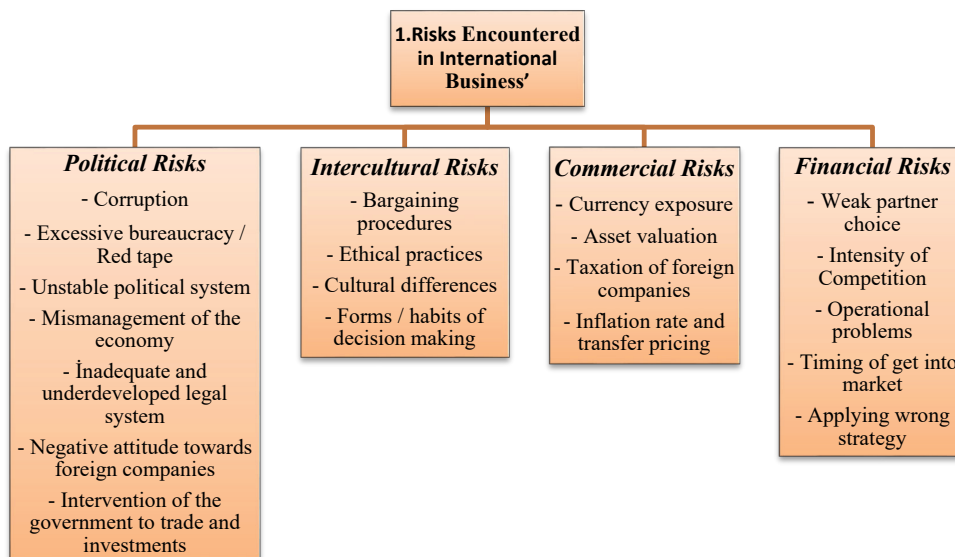
involve much more political, economic, and financial risks than the local business activities (Musonera, 2008: 2). There are four substantial risks (Figure 2) for internationalized businesses. These are intercultural risk, political risk, financial risk, and commercial risk. Enterprises must manage these risks well in order not to make a financial loss or not to fail on product basis (Çavuşgil, Knight, Riesenberger, Rammal & Rose, 2014: 11).

Figure 1. International Market Entry Methods



Source: McCarthy and Perreault,1987; cited by: Can, 2012: 13.

Figure 2. The Substantial Risks in International Business



Source: Çavuşgil et al., 2014: 45.

It is inevitable for the businesses to encounter failure in case of they do not form and implement their strategies considering these stated risks (Çavuşgil et al., 2014: 14).

1.4. Factors to be Considered in International Market Selection

Enterprises should perform a good market analysis to increase their possibilities of success in the international arena. Firstly, the factors to be considered in international market selection should be determined. Then the specified countries are analyzed based on these factors. In the third stage, a cost – benefit analysis of the internationalization process is carried out for the business. In the last stage, the country that best meets the determined criteria is selected (Ülgen and Mirze, 2018: 306). Some of these consideration factors are as follows (Griffin and Pustay, 2010: 356-358):

- Foreign market and product,
- Product and market characteristics in foreign markets and their differences from local markets,
- The possibility of competitors in the local market entering the target market,
- Analysis of the competitors in foreign market,
- Structural characteristics of the target market,
- Trends in foreign (target) market,
- Success factors in foreign market,
- Strategic expansions in foreign market.

The first of the reasons for businesses to enter international markets is contraction in demand in local. The decrease in the demand of the product or service they supply in the local or the downward evolution of the demand of produced product due to the maturation in the product's life cycle can lead the enterprises to international markets. The second of the reasons for businesses to enter international markets is the fact that globalization, which is increasing importance day by day. Enterprises, with globalization, where the world is seen as a single market and borders are almost eliminated, gravitate towards continue their activities in the international arena, and seek markets with less competition or no

competition if possible. (Ülgen and Mirze, 2020: 307-308).

1.5. Theoretical Background for Entering International Markets

Within the scope of the research, entering international markets, theoretically will be ground upon the condition dependence and organizational ecology theories.

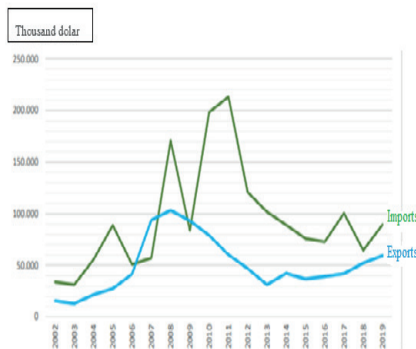
Enterprises, make the appropriate decision in accordance with the conditions in which they are and in which the market they want to enter is, by performing the above mentioned analyzes. This situation can be explained by the theory of condition dependence (Pfeffer and Salancik, 1978: 373-388). For example; while the enterprise may enter an international market due to its geographical proximity and the demand for its product group, they may also want to enter international markets in more distant locations and where they have good relations with their own country in terms of politics and where they can trade more easily. That is, enterprises make their decisions according to internal and external environmental conditions and according to the returns that the options will provide to them.

After entering international markets, the international businesses want to maintain their presence in that market and sustain their profitability. It is not possible for businesses that do not act in compliance with the market conditions to maintain their existence in the said markets. This situation can be explained by the theory of organizational ecology (Hannan and Freeman, 1977: 929-964). For businesses, to continue their operations by well analyzing the cultural, political, economic and legal factors in the markets they already entered or will enter, is extremely important for maintaining their presence in international markets. For instance, paying regard to the factors such as belief and language which are involved by cultural values and the susceptibility they bring, in the international market in which the enterprise operates is highly important for maintaining their presence in this international market.

1.6. Foreign Trade in Border Province Edirne

Edirne is the border city of Turkey that opens to Europe and the Balkans. It was the capital of the Ottoman Empire for 96 years during its strongest period. Mainly, Meriç and Tunca Bridges, Karaağaç District, Selimiye Mosque, its architectural structures as well as Kırkpınar Festivals, the city hosts many national and international touristic visits. Edirne is known as an agriculture city for centuries. The wars that took place and the migration movements led to significant changes of population. After the migration of the Bulgarian and Greek peoples to the West, with the people who settled in the region, the occupations such as winemaking, viticulture and silk-worm breeding decreased significantly and the production of sunflower and paddy in the region accelerated. As a result of the widespread use of tractors in the 1950s, livestock and dairy activities in the region decreased as well. While enlisted in “Development Priority Cities” in 1969, Edirne has been excluded from this scope in 1976. The economic structure of the province is mainly based on agriculture sector. It is seen that other activities have also developed as it is located at the transition point from Europe to Istanbul and the Middle East. (ETSO-1, <https://etso.org.tr/site/edirne/edirnenin-tarihi>, Accessed: 19.06.2022). The foreign trade chart of Edirne Province between 2002-2019 is shown below.

Chart 1. Edirne Province Foreign Trade (2002-2019)



Source: TÜİK (Turkish Statistical Institute), Foreign Trade Statistics (Special Trade System).

Considering Chart 1, the foreign trade in Edirne appears to show fluctuations. When focusing on export data as a requirement of the research subject, while an increase is seen in Edirne from

2002 to 2008 which is the year of crisis, after 2008 until 2013 a decrease is seen. It is observed that, after 2013, again an increase started and still proceeds. Based on Turkish Statistical Institute 2019 data, while Edirne Province ranks 56th in exports with a share of 0.035%; It ranks 41st in imports with a share of 0.044%. Being on the borders of Bulgaria and Greece leads the Province of Edirne to be active economically; Bulgaria is at the top of the export countries with 10,503,019 dollars (17,68%). The manufacturing industry activities in Edirne developed based on the agricultural activities; for instance, developed in food & foodstuff, textiles, metal industry and mining areas. Based on Turkish Statistical Institute data during 2014-2019 period, the share of the manufacturing industry in the export data in the province increased from 83% to 96% (TÜİK - Turkish Statistical Institute, <https://data.tuik.gov.tr/Search/Search?text=d%C4%B1%C5%9F%20ticaret>, Accessed: 12.09.2022.).

With the connection of D-100 Highway to the Middle East countries, the trade in the city has also increased. On March 19, 1997, a decision was taken to carry out border trade between Bulgaria and Turkey at the Kapıkule Border Gate and was published in the Official Gazette. In this scope, 158 natural and legal persons received border trade certificates. This practice was terminated with the decision of the Council of Ministers dated 28.04.2000 and numbered 2000/364. In this process, 22,927,924 US Dollars' worth of imports were made. The products produced in the factories in the city are sold both domestically and abroad. In addition, agricultural products such as sunflower, wheat flour and rice are sold, and durable consumer goods are purchased. The most important known mines are lignite coal and bentonite. The lignite reserves of important enterprises are around 106 million tons. (ETSO-2 – Edirne Chamber of Commerce and Industry), <https://etso.org.tr/site/edirne/edirnede-sanayi-ve-ticaret>, Accessed: 19.06.2022).

2. RESEARCHING THE STRATEGIES OF ENTERING INTERNATIONAL MARKETS OF ENTERPRISES IN EDİRNE

2.1. Method

Due to the exploratory nature of the research, qualitative research method was used in the research. Because, due to the nature of qualitative research, it has been tried to find answers to questions such as “why, how” by establishing cause-effect relationships between questions and answers. The objective of the research to reveal an existing situation, necessitated that the research should be considered as an exploratory case study design (Davey, 1991: 1-3; Mills, Durepos and Wiebe, 2010: 582-583). The interview method was used as the data collection method. In order to benefit more from the knowledge and opinions of the participants, the interviews were conducted in the form of semi-structured interviews and apart from the prepared questions, the participants’ information and opinions were also included.

The research started with the information received from Edirne Chamber of Commerce and Industry (ETSO), and in the course of meeting with ECCI (ETSO) official, it was stated that there were 56 enterprises carry on business activities in Edirne that opened to international markets and the list of these companies available on the official website of ECCI (ETSO) (ETSO-3, https://etso.org.tr/site/uyelerimiz/ETSO_ihracatci_uyeler, Accessed: 03.06.2022). The 56 enterprises in the above-mentioned list constitute the universe of the research. 20 companies that were reached among these 56 companies and agreed to participate in the research constitutes the sample of the research. Interviews were held with senior officials of companies or company owners. The interview form used in the research was prepared by the researchers before starting the research. Interviews were mostly conducted face to face. The company officials who are busy with their workload or want to get permission from their senior officials asked to fill in the interview form and then returned via e-mail or WhatsApp application. At the beginning of the interview, the company managers participating in the research were informed that, information

about themselves and the company (such as participant name, company name) absolutely would not be used. Within the context of the research, the participating companies will be mentioned as k-01, k-02, k-12 etc. The data obtained from the research, have been subjected to content analysis, and the MAXQDA program was used in this analysis.

2.2. Research Questions

Within the scope of the research, eight questions were asked to the participants based on the literature and in order to reach the desired results.

The aforementioned research questions have been reviewed by taking expert opinions and conducting focus group work before starting the research, and when the final version was given, the Approval Report from the Ethics Committee of Trakya University was obtained and used in the research. The research questions are listed as follows:

1. Could you provide a brief information about your company?
2. What are those factors and reasons that affected your decision for entering international markets?
3. Could you provide information about the analyzes you performed before entering international markets?
4. What are the strategies you have implemented in entering international markets?
5. What were your reasons to implement these strategies?
6. How these strategies you have implemented have yielded results?
7. What are the new strategies you have developed for the new international markets you intend to enter in the analysis you have made as a result of the strategies you have implemented, and what are the reasons?
8. What are those competition strategies you have implemented in order to maintain your presence in the international arena and the reasons of these strategies?

Because of the interviews were conducted in the form of semi-structured interviews, apart from the above questions, the participants' information and opinions were also asked. By this means, it is aimed to benefit more from the knowledge and opinions of the participants

2.3. Findings

It was observed that the 20 companies interviewed within the scope of the research operate in different sectors. The relevant sectoral distribution is shown in Table 1.

When the Table 1 is reviewed, it is seen that the companies participating in the interview, mostly operate in the building and construction materials (four companies) and PVC-furniture-glass industry (three companies). They are followed by metal industry, textile industry and food, foodstuff, and supplies (two companies each). Interviews were made with one company each in the Marble industry, Steel industry construction contracting services, traditional sweeper handcraft manufacturing, furniture decoration, oil industry, machinery industry and tractor and spare parts sales sectors. It has been observed that, particularly two companies carrying on business internationally in the field of textile are among the leading textile companies in Turkey and they reflect the situation that our country is among the leading countries in the field of textile industry. It has been determined that, both of these interviewed companies manufacture for the world's leading brands, and they constantly expand their markets because of their quality and expertise. One of these companies was

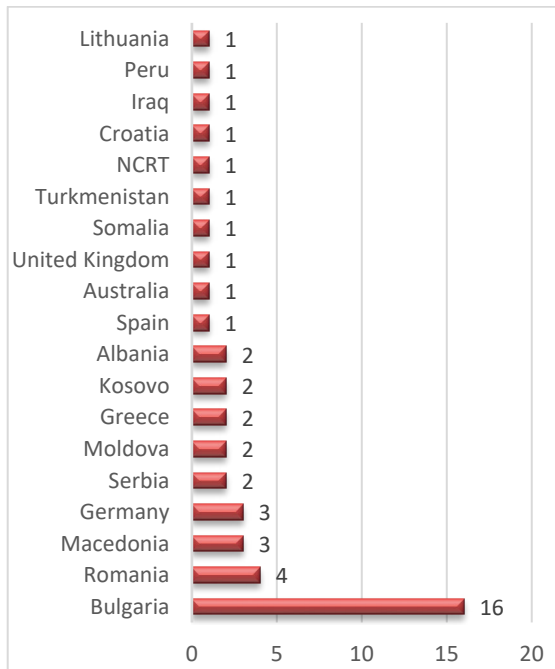
granted the "*Finest Quality Manufacturer Award*" by a world-renowned company in 2021. Similarly, it has been seen that the oil industry company interviewed is one of the important oil supplier companies of our country and operates in the Far East, Europe, the Balkans, and the Turkic Republics by following the international developments. Another remarkable point is that the traditional sweeper production, which is one of the traditional professions of Edirne, has been moved to international markets and still continues. It has been observed that there is also a company that opens to international markets as a traditional sweeper manufacturer, and by seeing other business opportunities in the markets and exports food and supplies. It has been denoted that, the company interviewed in the field of machinery industry was established by a graduate student at Trakya University Mechanical Engineering Department with KOSGEB R&D Innovation supports to produce medical waste disposal devices and has become an internationally preferred company. In the light of these findings, it has been observed that, there are important international enterprises in different fields of activity in Edirne and these enterprises maintain their activities and that the research and projects to be put forward in this region are important.

It has been found that 20 Edirne companies interviewed in the research operate in a total of 19 international markets. The names of these markets and the number of companies operating in these markets are shown in Chart 2.

Table 1. Sectoral Distribution of The Interviewed Companies

Sector	Number
Building and Construction Materials	4
PVC-Furniture-Glass Industry	3
Metal Industry	2
Textile Industry	2
Food, Foodstuff and Supplies	2
Furniture Decoration	1
Vegetable Oil Industry	1
Traditional Sweeper Handcraft	1
Steel Industry, Construction and Contracting Services	1
Marble Industry	1
Machinery Industry	1
Tractor and Spare Part Sales	1
Total	20

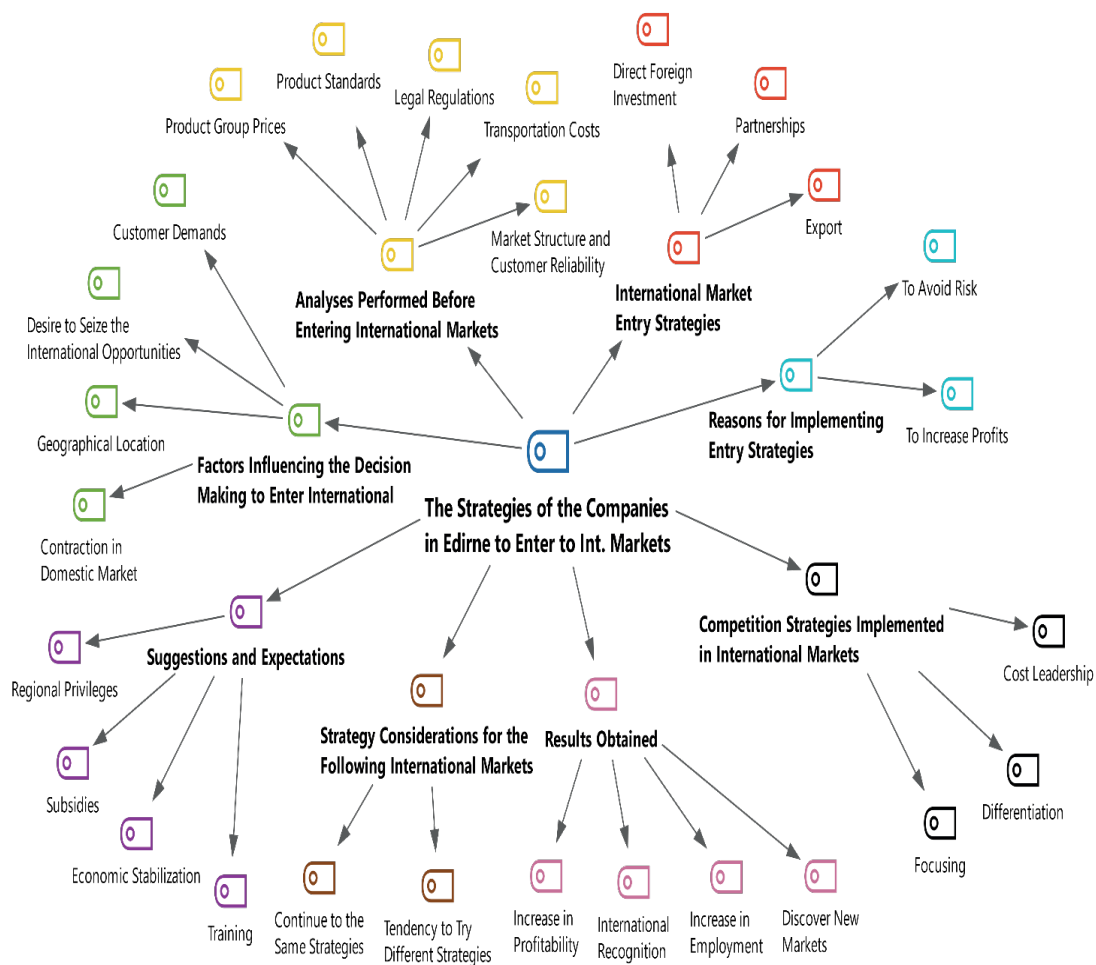
Chart 2. International Markets in which Edirne Companies are Carrying on Business



It has been found out that, these 20 interviewed companies carry on their activities internationally in the markets of 19 different countries (Chart 2). Of these, with 16 companies the most intensively operated market is the Bulgarian market, where Edirne is the border city. It has been determined that, the situation is not the same in Greek market, which is another market bordering Edirne. Only two of the interviewed companies expressed that they have carry on activities in Greece. Besides these, it is understood that, while 4 companies operate in Romania, three each in Macedonia and Germany, two each of Serbia, Moldova, Albania and Kosovo, one each of Australia, England, Somalia, Turkmenistan, NCTR, Croatia, Iraq, Peru and Lithuania, carry on business.

MAXQDA program is used in the analysis of the interviews conducted within the scope of the survey. In the MAXQDA program, the main

Figure 3. The Code System For The Research

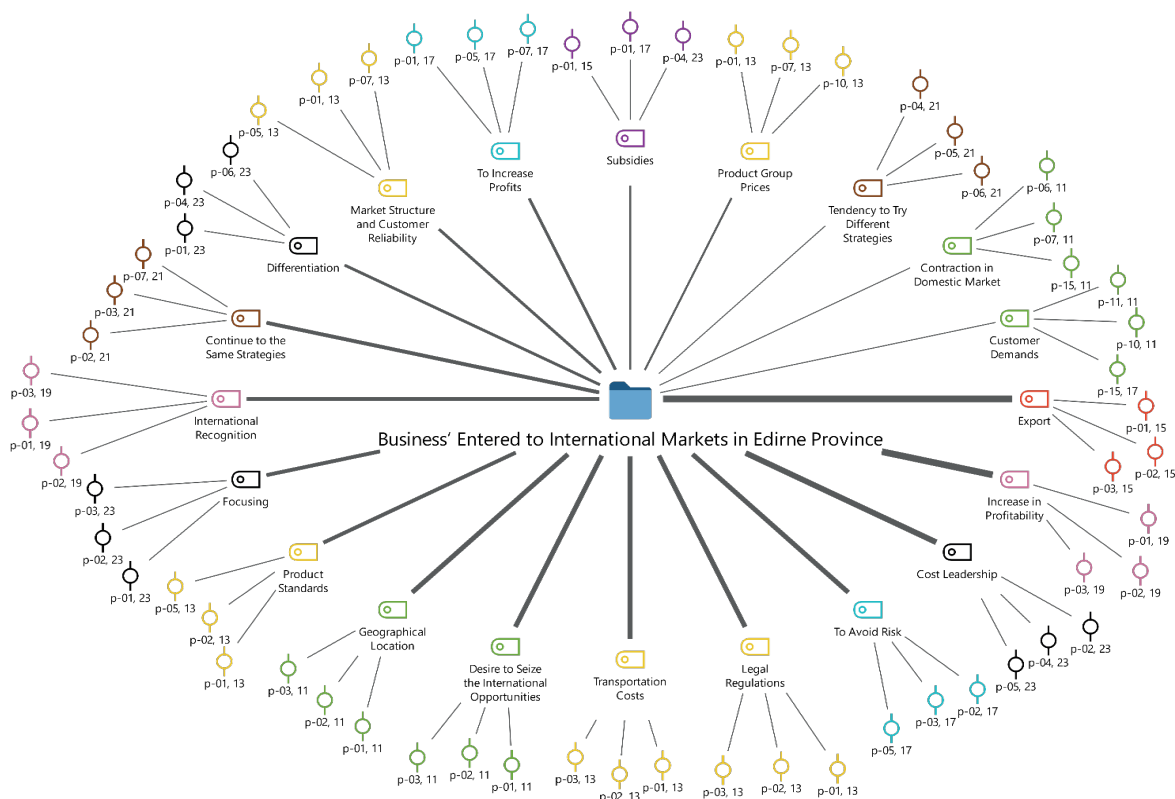


theme, code and sub-codes of the research have been created and coded, then based on this codification, the analyzes such as code matrix scanner, single case model and relations between codes have been performed. The code system for the research is shown in Figure 3.

The main theme of the research is “Strategies of the Enterprises in Edirne Province for Entering to the International Markets”. Under this theme, eight principal codes were determined that are listed as, *the factors affecting the decision to enter international markets, strategies for entering international markets, the reasons for choosing entry strategies, the analyzes made before entering international markets, the results obtained, the strategic thoughts on the next international markets, the competitive strategies applied in international markets, the suggestions and expectations.* And, coding was made by creating a total of 27 subcodes under these eight main codes. The frequency of the codes shown in Figure 3 in the interviews was analyzed with the Single Case Model in the MAXQDA program. In order to see the frequency of code in the research in one image and more understandable, the single case model in Figure 4 was created.

In the model in Figure 4, the thicknesses of the lines show the frequency of the codes. Expressions such as k-01, 13 after the codes refer to the example of addressing the coded part in the interview. For instance, samplings were made that the profitability increase code is included in the 19th lines of the 1st, 2nd and 3rd interviews (k-01,19; k-02,19 and k-03,19). Based on this information, it is seen that the most frequently expressed codes are export and profitability increase codes. In addition to these, it is seen that cost leadership, risk avoidance, geographical location, desire to seize the international opportunities, transportation costs, legal regulations, product standards, international recognition and continuation with the same strategies codes are frequently expressed. It is seen that the frequencies of the codes of focusing, differentiation, increasing profit, market structure and customer reliability, subsidies, product group prices, tendency to try different strategies, discovering new markets and customer demands are less frequent. Since a maximum of 20 codes could be involved in the single case model, the codes having the least frequencies were not included in this model. The frequencies

Figure 4. Code Distribution in Interviews (Single Case Model)



of the codes determined in the interviews are also shown in the code matrix browser in Figure 5.

The size of the circular regions shown in Figure 5 indicates the frequency of the code in interview. Starting from this, it is seen that the sub-codes of “geographical proximity” and “the desire to seize international opportunities” under the main code of “the factors affecting the decision to enter international markets” are mentioned more frequently than the sub-codes of “shrinkage in the domestic market” and “customer demands”. Frequencies of aforesaid codes are shown in Table 2.

Table 2. Frequencies of Sub-Codes Relatif to the Main Code of The Factors Affecting the Decision to Enter International Markets

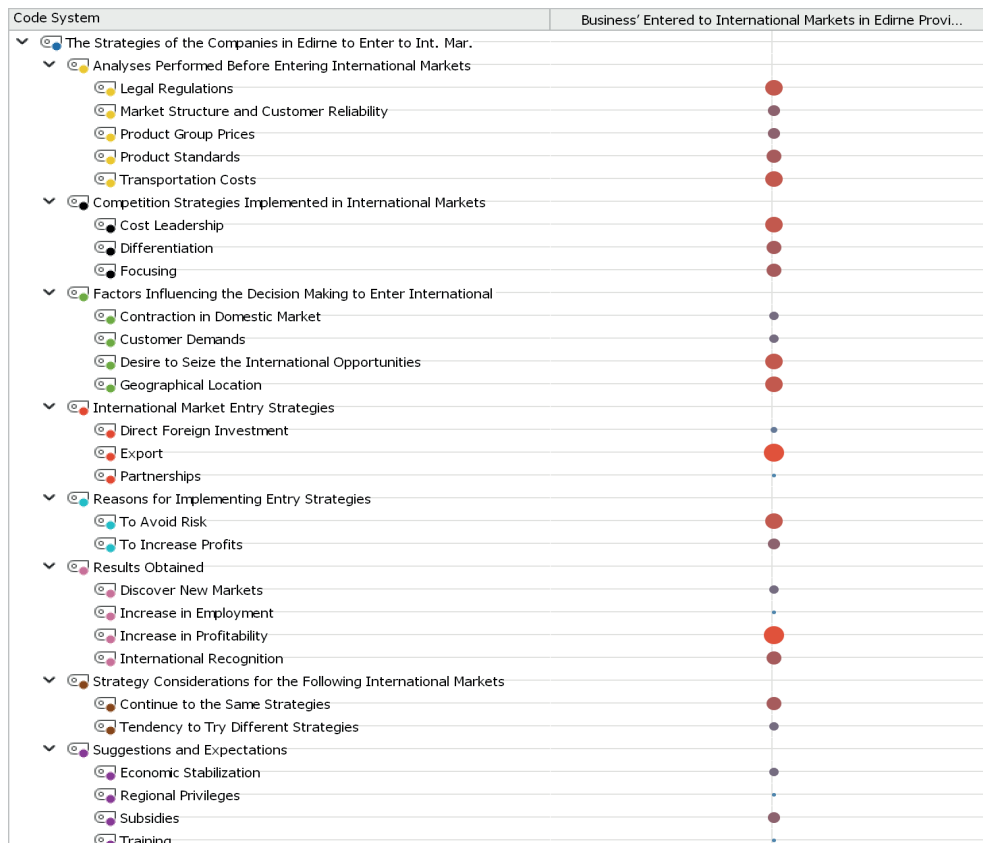
Code	Frequency
Geographical Proximity	17
The Desire to Seize International Opportunities	16
Contraction In the Domestic Market	6
Customer Demands	6
Total	45

It has been observed that, enterprises getting into international markets from Edirne, mostly express their desire to catch international opportunities and geographical location as the reasons for entering international markets. One of the interviews, this situation was stated by the company official as:

“Our purpose of establishment is to make foreign trade. We have considered to invest in Germany in international area. But afterwards we have given up on this and established this factory in Edirne. The reasons such as Edirne’s being a border city, its proximity to Europe and the costs were effective in this situation (k-05, Position 11).”

Apart from the geographical location and the reasons for seizing international opportunities, it was spelled that the contraction in the domestic market was also one of the reasons that were effective in the decision to get into international markets. In one of the interviews, this situation verbalized as:

Figure 5. Code Matrix Browser



“We have started activities in domestic market. However, we could not meet our expectations in terms of customers in the domestic market. Thus, we wanted to seize the opportunities in foreign countries with the advantage of Edirne’s being a border city (k-01, Position 11).”

One of the companies interviewed, operating in the oil industry, expressed their purpose of establishment and how they utilized the opportunities in this field together with the developments in the international arena as follows:

“It was established in 1972 as a family company. Our field of activity is the oil industry. The presence of sunflower, which is one of the most planted products in Edirne region, has been effective in our establishment. We are carrying on business both in domestic and international markets. During the period between the years 1990 – 2000, we have traded with countries such as Far East (Japan, Taiwan, South Korea), Turkic Republics, Russia, Ukraine, and Balkan countries. In this period, we have turned the demands, that emerged in these regions because of the disintegration of the Soviet Union and Yugoslavia, into opportunities and increased our market share. After the 2000s, we lost some markets here, especially because of the trade agreements between the USA and the countries of this region. After 2000, we have been operating in the markets of Balkan countries such as Macedonia, Albania, Romania, Serbia, Kosovo and Bulgaria, European countries such as Germany and Australia, and country markets such as the NCTR. As of today, we have approximately 200 employees. Our priority is always the domestic market. Because our domestic market customer is continuous (k-09, Position 9).”

The owner of the company, who saw the opportunities in the international field during his academic education and established his business with KOSGEB R&D and innovation support in order to start the production of medical waste disposal devices in the field of machinery industry, expressed the purpose of its establishment and its entry into international markets as follows:

“In 2011, I established the company receiving the support of TUBITAK (Scientific and Technological Research Council of Turkey) R&D Innovation Project during my graduate education. Right now, I am

doing my doctorate at Trakya University Mechanical Engineering Department. We are producing medical waste sterilization and disposal devices. We are selling these devices both in domestic markets and to the countries such as Romania, Croatia, Bulgaria, Moldova, Iraq and Peru. Our devices are approved by the German Accreditation Board. Therefore, international companies prefer us (k-17, Position 9).”

Because of the fact that Edirne is a border city, it has been observed that the demands from customers in foreign companies are one of the reasons for Edirne companies to get into international markets as well. This situation was expressed by a company representative interviewed as follows:

“With the incidence of being a border city, we started to export in line with the demands of foreign companies (k-20, Position 11).”

It is seen that; the most spelled sub-codes under the main code of “the factors affecting the decision to enter international markets” are “legal regulations” and “transportation costs”, and these are followed by “product standards”, “product group prices” and “market structure and customer reliability” sub-codes, respectively. Frequencies of aforesaid codes are shown in Table 3.

Table 3. Frequency of Codes Related to the Analyses Performed Before Entering International Markets

Code	Frequency
Legal Regulations	16
Transportation Costs	16
Product Standards	15
Product Group Prices	6
Market Structure and Customer Reliability	12
Total	50

Considering these, it has been seen that; analyzes such as legal regulations and transportation costs are at the forefront of the analyzes made by the Edirne companies before they get into international markets. In the interviews, this situation was expressed as follows:

“... We also evaluate political developments, legal structure and economic conditions before entering international markets (k-05, Position 13).”

“The overseas prices, transportation / shipping costs and quality standards of the products we are doing business have already been researched (k-19, Position 13).”

It was also seen that, the other analysis made before getting into international markets, is the product group standards in the relevant country market. This situation was expressed in the interviews as follows:

“We have examined the oil standards in buyer countries. We are producing in European standards. This is also one of the motives we are preferred (k-09, Position 13).”

It was propounded that companies perform analysis not only the product standards but besides product prices in those relevant countries as well:

“The overseas prices, transportation / shipping costs and quality standards of the products we are doing business have already been researched (k-19, Position 13).”

The other analysis performed by the companies is the structure of the market considered to get into and the reliability analysis of the customers in the market. This situation was expressed as follows:

“We are a company having a considerable trade volume. The companies we work together should be like that and the trade between us should be on an ongoing basis. We are working with the world’s leading brands. Besides this, our international competitors in textile sector are the Far Eastern Companies. European companies prefer us because of the location advantage. We also evaluate political developments, legal structure and economic conditions before entering international markets (k-05, Position 13).”

It is seen that; the most spelled sub-code under the main code of “the factors affecting the decision to enter international markets” is “export” and this is followed by the sub-codes of “direct foreign investments” and “partnerships”. This situation is shown in Table 4.

Table 4. The Frequencies of the Codes Related to Strategies of the Companies to Get into International Markets

Code	Frequency
Export	20
Direct Foreign Investment (+ Export)	4
Partnerships (+ Export)	1
Total	25

It has been found that, all of the companies got into international markets have preferred exports in the form of either direct or indirect export. 4 of the companies expressed that, besides export, they have made direct investments as well in those relevant markets. They spelled out that, they were exporting to regional markets by using their establishments abroad as a bridge. It was also seen that; these aforementioned bridge companies have been established in Bulgaria due to the geographical proximity. This situation was expressed as follows:

“We are selling to an intermediary company in Bulgaria. That company dominates the market (k-03, Position 15).”

“We are selling from this company of ours to our establishment in Bulgaria (k-07, Position 15).”

“We sell our products by wholesale to the companies we do business in Bulgaria. And, that companies sell to the market in there (k-20, Position 15).”

It has been expressed that, only one of those interviewed companies has got a company which they have established a strategic partnership in Bulgaria. The company official expressed the situation as follows:

“We are exporting. We have sales offices in three different cities in Bulgaria. And, we have strategic partnership with one of these companies (k-14, Position 15).”

It is seen that; the most spelled sub-code of “risk avoidance” under the main code of “the reasons to prefer for entering international markets” is mentioned more frequently than the sub-code of “improving the profits”. This situation is shown in Table 5.

Table 5. The Frequencies of the Codes Related to the Reasons the Companies to Prefer Their Strategies for Entering International Markets

Code	Frequency
Risk Avoidance	17
Improving the Profits	12
Total	29

It has been stated that, companies turn towards export because of they tend to avoid risks and do not want to set off a resource dependence. This situation was expressed in the interviews as follows:

"The most important concern is not to take risks. No need for investment (k-11, Position 17)."

"We wanted to reduce the risks. We have learned this, and we do so (k-14, Position 17)."

"We do not want to be affiliated with a company. We have more profitability, and we reduce risks (k-17, Position 17)."

Among these exporting companies, the ones investing in foreign markets by means of direct investments expressed that, they have applied this strategy to increase their profitability, not to be affiliated with companies in foreign markets, and to be able to access the other markets by using these companies as a bridge. They have verbalized this situation in the interviews as follows:

"Disintermediation. Bring quality together with consumers with cheaper prices and not to be dependent to the companies in foreign markets. Furthermore, to open up Balkans and Europe by using our establishment as bridge (k-07, Position 17)."

"We have a company established in Bulgaria. We are exporting from our company located here into our company located in there. We do these practices for reducing the risks and increasing our profitability (k-04, Position 15-17)."

"In international arena, we are exporting through foreign trade companies affiliated to our holding company. This is related to our customer group. We only export due to our customer portfolio. We already have our own foreign trade companies. We do not lean towards partnerships as management and neither we

feel the need for them (k-05, Position 15-17)."

"We have a company in the form of direct investment. Besides this we are exporting as well. To increase our profitability and disintermediate without taking risk (k-12, Position 15-17)."

It is seen that; the most mentioned sub-code under the main code of "Results Obtained" is the "increase in profitability" and it is followed by the sub-codes of "International Recognition", "Discovering New Markets" and "Employment Increase", respectively. The frequencies of the relevant codes are shown in Table 6.

Table 6. The Frequencies of the Codes Related to the Reasons Obtained

Code	Frequency
Increase in Profitability	20
International Recognition	14
Discovering New Markets	6
Employment Increase	1
Total	41

It has been signified that, as the result of the strategies of the companies to open up the international markets, they have increased their profitability and international recognition, they have discovered new markets, and in consequence of these they obtain an increase in the employment they provide. This situation has been expressed by the company executives participated to the interview as follows:

"First of all, our earnings have increased. Then we became recognized in Bulgarian market. Now, we are getting higher quality works both in domestic and foreign markets (k-01, Position 19)."

"Thanks to these practices, our factory, which was established with a capacity of 1000 employees, employs 2500 people today. Our international recognition has been heightened. Our profitability improved significantly. Our trade volume is scaling up. We do not have any problem related to sales. We are able to sell what we produce, therefore the more we produce the more we sell (k-05, Position 19)."

"Thanks to the strategies we apply, the period between 2007-2010 was stable. After 2010, our recognition has been heightened and together with retail sales, our

market share increased (k-07, Position 19)."

It is seen that; sub-code "Continue with same strategies" under the main code of "Strategic considerations related to the next international markets" mentioned much more comparing to the sub-code of "Tendency to try different strategies". (Table 7).

Table 7. The Frequencies of the Codes Related to Strategic Considerations Related to New International Markets

Code	Frequency
Continue with same strategies	13
Tendency to try different strategies	7
Total	20

It has been observed that, based on the strategies they applied and the results they obtained, companies would mostly tend to continue with the same strategies for the international markets they are considering to enter. While 13 of the interviewed companies expressed that they tend to continue their same strategies, 7 of the companies stated that they tend to try different strategies. This situation has been verbalized in the interviews as follows:

"No matter how much the conditions change with globalization, we still use exports to enter new markets. We do not want to take the risks of partnership and direct investments. The developments in international area create uncertainties (k-09, Position 21)."

"We are considering partnerships in new markets. We want to benefit the know-how and experiences of the companies there (k-01, Position 21)."

In the interviews it has been seen that, some companies apply the same strategies to enter new markets, but they tend to invest in different buyer groups and different markets. This situation has been stated in the interviews as follows:

"We receive demands from the markets that are smaller but where the sales would be made with higher profit margins. Yet, as things stand, our structuring is not suitable for this situation. A suitable action may be taken in the future (k-05, Position 21)."

"I would apply the strategies I have applied in past

again. But, for longer and higher yielding investments, I would invest in European countries like Germany (k-07, Position 21)."

It is seen that; sub-code "Cost leadership" under the main code of "Competitive strategies implemented in international markets" mentioned much more comparing to the sub-codes of "Focusing" and "Differentiation". The frequencies of the relevant codes are shown in Table 8.

Table 8. The Frequencies of the Codes Related to Competitive Strategies Implemented by the Companies in International Markets

Code	Frequency
Cost Leadership	18
Focusing	14
Differentiation	13
Total	45

It has been spelled out that companies generally compete with cost leadership strategy in international markets they have entered. Companies attribute this to the exchange rates. This situation has been stated in the interviews as follows:

"In the first place we have a speed dispatch advantage. We can deliver the products within a short period of time. Then, we have another advantage due to the labor costs. Our workmanship outcome is Turkish Lira, but our input is foreign currency. This situation provides an advantage to us in pricing. Besides this, the feedstock purchases from foreign countries in foreign currency have just the contrary effect (k-05, Position 23) ..."

Alongside the cost leadership, differentiation and focusing strategies are also applied in international competition by the companies from Edirne in international markets. This situation has been stated in the interviews as follows:

"As the strategies we applied after entering the new markets, we can speak of the differentiation strategy. We have carried into effect the new practices that were not applied in the countries we have started to trade, but that the new practices we have already been implementing in Turkey. Thus, we tried to gain competitive advantage by differentiating from our competitors (k-13, Position 17)."

"We sell certain product groups; it is known that we have them. Some of our products are not available in Bulgaria or are of poor quality (k-10, Position 23)."

On the other hand, it has been seen that, some companies compete in international markets by applying all competitive strategies. This situation has been stated as follows:

"Price is of first priority. We aim produce cheap prices and sell cheap prices. While we are doing this we do not compromise on the standards. We are a defense-industry based company. This ensures that companies prefer us with regard to robustness (k-17, Position 23)."

The most frequently mentioned sub-code under the main code of "Suggestions and Expectations" have become the "subsidies" and it is followed by the sub-codes of "economic stability", "Training" and "Regional Privileges", respectively (Table 9).

Table 9. The Frequencies of the Codes Related to Suggestions and Expectations

Code	Frequency
Subsidies	8
Economic Stability	4
Training	2
Regional Privileges	2
Total	16

Subsidies were the most emphasized by the companies in terms of suggestions and expectations. International companies have stated that, as of today, they benefit from the Value Added Tax (VAT) refund support, and that they expect guarantees or supports from the local and central government in the country. This situation has been stated in the interviews as follows:

"Right now, we are exporting. We do not have any partnership, but we are thinking ahead, and we are even considering to establish a company there. We have some concerns about this. If there are some supports and assurances from our statesmen, we can take initiatives more comfortably" (k-01, Position 15).

"We are carrying on these practices in order to seize all the opportunities and to increase our earnings. Since there are no assurances, we have some concerns for entering investment and partnerships." (k-01, Position 17)."

"... the feedstock purchases from foreign countries in foreign currency have just the contrary effect. Therefore, it is necessary to decrease the dependence on foreign sources by supporting the textile raw materials as much as possible in domestic market. Agriculture should support industry (k-05, Position 23) ..."

Another important matter what companies are in expectation is economic stability. Companies have verbalized that their discomforts related to the uncertainties in the context of economics, and ever-changing exchange rates internationally, and their expectations for solution. This situation has been stated in the interviews as follows:

"There are problems due to the exchange rate difference. Stability is needed (k-12, Position 19) ..." We are trying to sell affordable products to the market by reducing the cost. The products here are imported products that are not in our country. That's why we have difficulties (k-12, Position 23)."

"Our country has succumbed to the inflationary economy. From the end of 2020 until today, domestic prices have exceeded international prices (k-19, Position 19). The search for new markets will always continue. But due to the costs in our country, we stay above the international prices (k-19, Position 21). As today's economic conditions continue in this way, we have difficulties in developing a strategy and we cannot compete abroad (k-19, Position 23)."

Another important topic what companies are dwelling on is training. Companies have verbalized their expectations for training and auditing both in terms of international trade and in order for international companies to better represent themselves and our country in the markets in which they do business. This situation has been stated in the interviews as follows:

"Our trade volume expanded. However, in recent times, due to the wrong and bad practices of local tradesmen companies from Edirne have started to be known with a bad image. Because of this situation, especially Bulgarian customers started to turn to regions such as Çorlu, Çerkezköy and Tekirdağ. Unfortunately, all Edirne companies are billed for the bad practices put forward by a few companies. In this sense, we are expecting that ECCI, Municipality and Governorate to carry out audits (k-11, Position 19)."

"...it is necessary to speed up the transactions by training the bank personnel in our country on export transactions. Speed is very important in export transactions (k-12, Position 19)."

Another expectation of the companies in Edirne is the implementation of regulations that will enable them to benefit more from the advantages of being a border city. This situation has been stated in the interviews as follows:

"...I think it would be beneficial to give priority to the Edirne tradesmen in the operations at the Kapıkule border gate in order for these efforts to yield better results. We are waiting for the authorities to work on this issue. (k-08, Position 24)."

3. CONCLUSION AND RECOMMENDATIONS

As a result of the research, it has been understood that the businesses established in Edirne have opened up to international markets for reasons such as geographical location advantage, their desire to seize international opportunities, contraction in domestic markets and customer demands. It has been observed that, in this sense, the most active market is the Bulgarian market, which borders Edirne, as well as these companies carry on business activities in Greece, Romania, Macedonia, Germany, Serbia, Moldova, Albania, Kosovo, Albania, Australia, England, Somalia, Turkmenistan, TRNC, Croatia, Iraq and also in Peru and Lithuania. It is determined that, the aforementioned companies are carrying on business in the sectors of building and construction materials, PVC-furniture-glass industry, metal industry, textile industry, food, foodstuff and supplies, marble industry, steel industry, construction and contracting services, traditional sweeper handcraft, furniture decoration, vegetable oil industry, machinery industry, agricultural tractor and spare part sales.

It has been seen that, before entering into international markets, companies are performing analysis on the subjects such as legal regulations, transportation costs, product standards, product group prices, market structure and customer reliability; and they are deciding on entering into the relevant country market based on the results of the analyses.

It has been stated that, all of the companies enter the international markets directly or indirectly with export management for reasons such as avoiding risk and increasing profits, in addition to exports, a small number of companies (20% of the interviewed companies) established companies in the foreign country market by using foreign direct investment and they used these companies as a bridge in order to reach more markets. It has been determined that, the partnerships are seen as risky by the companies and only one of the companies interviewed has a strategic partnership in the Bulgarian market.

It has been signified that, as the result of the strategies implemented by the companies, the outcomes such as increase in profitability, international recognition, discovering new markets, employment increase have been accomplished. It has been observed that, based on the experiences they gained the companies would mostly (65%) tend to continue with the same strategies for the international markets they are considering to enter; on the other hand, minority of them (35%) tend to try different strategies.

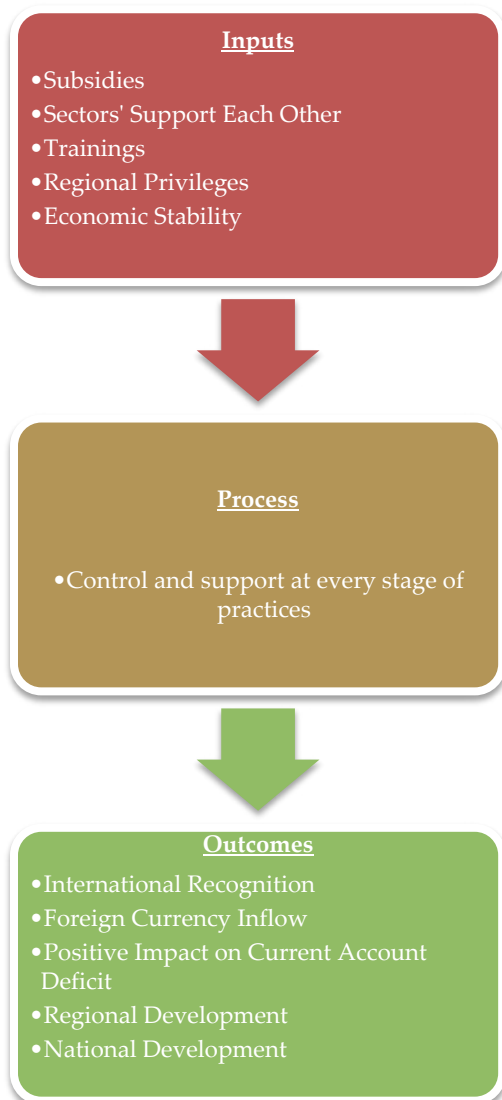
It has been seen that, the interviewed companies were using all the strategies of cost leadership of M. Porter, focusing and differentiation in international markets. It has been reached the results that, while the most intensely used competitive strategy is cost leadership, it is followed by focusing and differentiation, respectively.

The suggestions and expectations of the interviewed companies were also included within the scope of the research. The companies spelled out that, the most important matter that they are expecting is to receive subsidies. Companies also expect some supports and assurances are provided to exports in order to feel secure themselves in the international arena. Also, another important expectation is economic stability. Companies verbalized their economic stability expectations due to the costs and rate difference, in unison. Training and auditing requests, related to export procedures, which will cover all stakeholders are among the expectations of the companies as well.

Due to the nature of qualitative research, a generalization cannot be made in this research,

which was carried out with the aim of determining the strategies of international enterprises in Edirne to open up to international markets (Patton, 2014: 3-37). However, all of the 56 enterprises registered to ECCEI, which is the main body of the research have been addressed and by interviewing all of the 20 businesses that accepted to be interviewed, the given information have been included in the research. For this reason, it is thought that with the findings obtained from the research, a limited international trade model proposal with Edirne Province can be put forward and this model proposal will benefit regionally and therefore nationally.

Figure 6. A Model Suggestion Specific to Edirne Province Regarding International Trading



In the model proposed in Figure 6, for the Edirne enterprises to open up to international markets, providing the necessary government supports

and assurances in addition to the VAT refund support currently provided, particularly the agricultural sector being in the first place, sectors' support each other are extremely important. For example, Turkey is an important country in textile industry area. Yet, it is possible to reduce foreign dependency and foreign exchange output by becoming self-sufficient in raw materials as much as possible. Further, carrying the practices forward by providing information on both sectoral, technical and new practices with trainings that will include all stakeholders, delivering regional practices similar to the border trade practice implemented between Bulgaria and Edirne in the past, ensuring an environment of economic stability in the sense of policy, in order to ensure the sustainability of all these practices listed constitute the inputs of the model. With these inputs presented, each stage of implementation process should be followed up by ECCEI, local municipality & Governorate and general administration, and the necessary supports should be provided. In consequence of these implementations, in regional and national terms the international recognition may increase, an increase of the inflow of foreign currency may be ensured, and this situation may have a positive impact on current account deficit of our country. In consequence of paying attention to this model in the projects which will be manifested by the local administration, general administration and NGOs who are responsible with the implementation of this model internationally, it is thought that a regional and hence a national development can be obtained.

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