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# INTERNATIONAL BUSINESS IN TURKEY: AN EXPERIENCIAL LEARNING METHOD

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## Abstract

The Turkish economy has followed a roller-coaster ride in the past several decades. Following an anemic performance with severe imbalances in the 1990s and a debilitating financial crisis in 2001. An Experiential learning method used through a survey conducted in two cities in Turkey, which is Istanbul and Bursa for a period of two weeks. Systematic review method used to enhance the collected materials. Turkey enjoyed five years of rapid economic growth, with GDP per capita increasing at almost 6% per annum – its highest ever rate since the 1960s – accompanied by structural changes, productivity growth and a broadening base of economic activity, both geographically and socially. From about 2007 onwards, however, economic growth slowed significantly, and productivity growth stagnated for all practical purpose.

**Keywords:** Turkey, Experiential Learning, International Business, Economic growth strategy.

## Turkey's International Strategies

### A) Multi-domestic Strategy

The multi-domestic strategy in Turkey caters around the international marketing tactic that stresses on advertising and on commercializing local market rather instead of stressing on a global market strategy. The uniqueness of this strategy is that the marketing strategy adopted in Turkey emphasizes on fulfilling the local markets needs and values particularly emphasizing on the demographic needs of various marketing areas in Turkey. This means that companies hiring this marketing approach will look to understand the culture of several local markets and adapt their way of entrance into those markets based on the demographics of that part. The multi-domestic company sacrifice the efficiency to create more emphasizing of the national market it served. In

Turkey, foreign firm from other country try to be more concern about local responsiveness such as Burger King in Turkey does not serve spicy sauce because the local prefer tomato sauce instead of chili. This shows how foreign firm that does business in Turkey follows what the local prefer in order to expand their market demand.

### **B) Global Strategy**

The second strategy adopted by the businesses in Turkey is the strategy whereby firms sacrifice awareness to local necessity within each of its market in courtesy of stressing proficiency. This strategy is entirely differing to multi-domestic. Global strategy pressures the need to achieve economies of scale by contributing similar product and service in each marketplace. For example, the leather jacket company in Turkey offer its product all using the same design, quality and material, which follow the global requirement to other countries. The leather jacket company also supply its leather jacket and shoes to famous international company such as Prada, Gucci and Louis Vuitton.

### **C) Transnational Strategy**

Transnational strategy is one of the powerful strategy as recommended and adopted by most of the six countries leading the fourth industrial revolution, which includes Canada, Japan, Germany, Australia, Australia, and Switzerland (Potter, 2019). A strategy, which is the center of platform between multi-domestic and global strategy. Transnational strategy balances the needs of local requirement and global requirement. Firm tries to stability the craving to proficiency and with the necessity to adjust to native preferences within numerous countries. For example, McDonald in Turkey depend on identical list of options item all around the world but add some menu to local preference such as the McTurco Meat in turkey which is basically Kofteburger but wrapped in a warm pita.

### **D) Support Activities**

Additional support activities employed as part of the business strategies in Turkey in order to strengthen and assist Turkey's business major events. This is accomplish by assisting the main events through the sub-events. The sub-events which is also referred to as the support events will directly provide as well as made available the new ideas, technology, human resources, and numerous firm through the wide purposes (Porter, 1985). Advancement in technology in Turkey makes foreign firm invest such as telecommunication firms like Vodafone, which comes from United Kingdom. Another example of support activities is Turk Telecom which provides internet for the workers to connect with their headquarter management. Low labor costs also influence firms to invest in Turkey, as they are able to maximize their output while reducing the cost of input.

## Conclusion

Turkey's main business activities includes, making of merchandise and trade their products through the transfer of final product to final users and purchasers. The main business activities can be categorized as inbound logistic, operations, outbound logistic, advertising and sales, as well as services. Turkey provide services to big manufacturing companies such as FIAT automobile, who invested in Turkey through their manufacturing plant that is currently operated in Bursa manufacturing area. A transnational strategy occurs here where raw materials are move in by the country Italy to Bursa due to low labor and currency cost as compared to manufacturing in other European countries. Many firms benefitted from Turkey's low labor cost especially after Turkey's economic embargo, which caused Turkey's Lira, falls severely. Nevertheless, Japanese manufacturer such as HONDA jump the bandwagon to benefit from Turkey's economic condition. HONDA realizes that, by manufacturing their automobile in Turkey, it permits them to compete well among other automobile manufacturer in Europe, as they are huge number of European car brands from Europe that manufacture and produce in the European Union while less from ASIA. Turkey became the gateway for the Japanese automobile manufacturer within European Automobile industry.

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