

Barriers of Entry to Foreign Markets for Firms in Bosnia and Herzegovina

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Abstract: *Today exports are one of the most important factors for the development of global and national economies. The main objective of the study is to identify difficulties experienced by Bosnian companies when they enter into different global markets. Exports to foreign countries involve numerous problems and present a high risk strategy. The company on which I will be based in this study is "Alfe-Mi" company that specializes in selling products on the domestic and foreign markets. Formulating a market entry strategy means that management must decide which option or options to use in pursuing opportunities outside of the home country. Export is one of the fastest ways of entering foreign markets. The field of export marketing covers all those marketing activities involved when a firm markets its products outside its main base of operation and when products are physically shipped from one market of country or another. Difficulties faced by companies when entering the foreign market are: religion, language, taxes, bureaucracy, political instability etc. The major challenges of export marketing are the selection of appropriate markets or countries through marketing research, the determination of appropriate product modification to meet the demand requirements of export markets and the development of export channels through which the company can market its products abroad. Primary data use in this study is direct interview with managers and employers in Alfe-Mi Company. Secondary data use in this study is information and data were collected from books and various websites to help me understand and analyze barriers when company exiting on foreign markets. Other secondary data sources that were utilized are literature review from the company brochure and textbooks. Results will show the main motive for „Alfe-Mi“ to go international is the level of demand for Alfe-Mi's products in foreign markets. When the company entered the foreign market, it faces the barriers and finding a solution for the difficulties. In order for the company to be able to adopt on the foreign market they have to have unique product with flexible prices.*

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