

A Model Suggestion on Competitiveness and Sustainability of SMEs in Developing Countries

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Abstract : The factor which developing countries are in need is capital. Such countries make an effort to increase their income in order to meet their expenses for employment, infrastructure, superstructure investments, education, health and defense. The sole income of the countries is taxes collected from businesses. The businesses should drive profit and return in order to be able to toll. In a world where competition exists, different strategies may be followed by business in developing countries and they must specify their target markets. In order to minimize cost and maximize profit, SMEs have to concentrate on target markets and select cost oriented strategy. In this study, a theoretical model is suggested that SME firms have to act as cluster between each other, and also must be optimal provider for large scale firms. SMEs' policy must be supported by public. This relationship can benefit large scale firms to have brand over the world, and this organization increases value added for developing countries.

Keywords : competitiveness, countries, SMEs developing, sustainability

Conference Title : ICBEFM 2016 : International Conference on Business, Economics, Finance, and Management

Conference Location : Stockholm, Sweden

Conference Dates : July 11-12, 2016