



THE INTEGRATED MARKET-DRIVEN EXPORTING PROCESS – WHAT IS IT?

The following integrated process consists of a nine-point program. This is best developed and implemented by trade, manufacturing and business associations, economic development organizations, individual states and provinces as well as international trade departments of national governments.

EXPORTING



Individual companies, however, must put pressure on these types of organizations to implement this type of program as it would be of great benefit to their individual members.

My analysis of various organizations around the world indicates that only a few have actually implemented this entire process. Many do offer their members just a few of the individual steps in the process, usually in the form of individual ad hoc services or activities. These can come in the form of helping to organize a trade mission or provide a group of seminars on various topics. However, this is not sufficient enough within a specific group to achieve any significant increase in their number of exporters.

To evaluate this commentary, see if you can identify any organization that has offered this total service package to you or your company.

STEPS IN EXPORTING

1. Know the specific areas of opportunity that exist within a targeted country, for example, China. Some examples of the needs in China are the aging problem, food problems, environmental issues, the need to move up the technology scale and to eventually get out of low-cost manufacturing, more effective education, etc. These are just some examples, but more details would be needed on each issue or problem. This research work needs to be done within China.

2. Tie the problems, issues and areas of opportunity within a foreign market directly into specific suppliers, e.g., technology suppliers, environmentally focused companies, assisted living developers, food producers, technical and other educational institutes, etc. This work has to be done by local agencies, business and manufacturing associations, states, etc. Individual companies within each group are now to be made aware of the issues facing other countries.

3. With overseas needs identified and with the knowledge that there are some groups of similar suppliers within an association or state, some priorities must now be set, possibly on a sector by sector basis. How many potential suppliers are there in a given organization? Set some priorities, e.g., if one has a number of possible suppliers in a particular organization, this would become a priority sector.

4. The association or state now has to create some type of excitement within its specific sectors about the opportunities that exist in that particular overseas market. People, especially those who have never exported, need to be informed of these areas of opportunity and to know that there is someone who will help them attain a foothold in that targeted market. The association needs to allocate a certain amount of creativity and some funds to undertake a program that will inform their members of these opportunities.

5. After a period of time, the group should invite the interested parties to attend a seminar. The focus of this is to review the specific areas of opportunity in the targeted country and then lay out those steps that one has to go through in order to tap into that market. This would include the various entry strategies that are available to that market, the types of required export and import documentation, obstacles that one might likely face and how to overcome those obstacles, and the steps that one will then need to undertake after one forms a distributor or partnership agreement. At the end of the seminar, the group needs an indication as to which of the companies wants to move forward.

6. As one now knows something about each company, it can then be determined as to which entry strategy is most suitable to each company, e.g., a trade show, trade mission, some

individual contacts made over the internet, etc. Not all companies should be using the same entry strategy to a given market.

7. Bring the interested companies back together to discuss those entry strategies that are most appropriate for each company. Show them the most effective methods in dealing with potential buyers. If necessary, teach them how to actually participate effectively in a trade show or on a trade mission. Show them the key cultural issues that they may encounter and how to deal with these. Now, take them to the market.

8. Upon their return to their home country, work with them to insure that they will know how to follow-up with the people they have met in that foreign market. Monitor them to insure that they have followed-up.

9. Upon their securing some type of agreement, show them how to manage this relationship with their foreign partner and how they can move the relationship forward so that both parties achieve their objectives.

For individuals who have never exported anything, these are the steps in which they should be exposed to by whatever association or state of which they are a member. Some companies will require some assistance in only certain areas.

As an individual company, suggest to whatever association you belong to, or to whatever economic development department is tied in with your state or province, that there needs to be a structured, step-wise approach to their helping you either begin to or to improve your exporting efforts. **mt**

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