

STEP UP YOUR EXPORT MARKET RESEARCH



We are all very familiar with the standard approach to market research for potential export markets: it can be done in-house or by a research company.

The outlined and well published standard approach:

1. Screen potential markets based on available market data and statistics
2. Ranking of markets to match pre-set internal criteria
3. Choose the highest ranked 3-5 markets following the set criteria
4. Locate potential channels in selected markets
5. Talk to potential customers
6. Visit the market
7. Proceed or abort market entry plan

The constant developing globalisation, use of the internet and social media have enabled companies to both speed up the process and start to engage with the end-user before a lot of money has to be invested.

Additional 4 steps, the **PASS**[®] step to aid the standard approach.



POTENTIAL MARKETS

- Expand the screening of potential markets to include other countries' databases and trade portals. Use Google translate tools to translate the data into English. You can start by looking at English language sites. The US, Canada and Australia have excellent trade portals. Some examples are: www.export.org, www.statcan.gc.ca/start-debut-eng.html and <http://www.austrade.gov.au/>
- Use Google's "Global Market Finder", www.translate.google.com/globalmarketfinder, which guides and helps you by translating your "key words" for your product/service (56 languages) and ranks the countries with the highest monthly searches for the key words. Arena Flowers www.arenaflowers.com used the free service to search for the best key words to advertise their services in different countries. The search show that in Germany the key word "Thank you Flowers" was searched 3000 times per month compared with 800 times in the UK. This information is used for highly targeted ad campaigns and supporting their international growth.



ASSESS

If you only assess a market's potential based on past recorded data, there will be built-in obstacles such as competitors in an already existing market or the initial hurdle that the market does not exist. In most spreadsheets the market rating will come out low and you need to be a bit more creative that just using a fixed rating.

Many people will remember the launch of the Sony Walkman, the iPod/iPhone, Innocent Smoothies and the Dyson vacuum cleaner to mention a few products that overlapped various established categories and created a new category. One thing is sure: there would have been no direct supporting data to illustrate a demand and a fixed assessment scorecard would have shown a clear no-go. Have an open mind, incorporate related products/services such as cream and strawberries, butter and bread. One of my favourite products where a market was found in an existing and highly competitive market place is Conditorei Coppenrath & Weise' Baileys® Profiteroles www.coppenrath-wiese.com/, combining the world-famous Baileys® with German manufactured frozen profiteroles. Again there would have been no direct data available for this product, but openness to combine categories in an innovative way and create a new category.



SEGMENT

When segmenting potential markets after assessing possibilities and initial potential, you need to be open about how to enter and penetrate the market. One success story from the Telegraph's 1,000 snapshots of "Britain's Brightest Business 2011" is Mamas & Papas www.mamasandpapas.com/, who supplies nursery products and has plans to have stores in 60 countries within the next five years. The lesson learned and shared by Mamas & Papas is that there is no "cookie-cutter approach". Each market is different and you need to act locally to suit the demand and the best ways to do business.

In your research approach you need to account for the best way to service the potential market. You might assess what suits your company best but please leave doors open for all channel openings and service methods.

A strong on-line presence has made the world a global market place and with all the on-line tools available any set-up has been made possible even at limited budget and resource allocation. Again a fixed scorecard needs to include all the newer developed web tools such as web shop, Facebook, eBay and of course all price comparison sites just to mention a few.



START

On paper, you are ready to go as soon as you have selected and ticked your list and found the most potential markets. Invaluable tools that should be used to support and conclude the findings are social media activities, such as Twitter, and word press campaigns with poll surveys etc. Get ideas from active web users located in the segmented markets and start building the story. These campaigns are very low cost and low risk but highly useful when targeting retailers/distributors or any other partner, as you can prove there is an interest and demand hence limiting their initial risk when starting the partnership.

Keep looking – if there is no defined market or it is a very crowded market it could very well be the lucky break. You need to look at ways to break the mould by finding strategic partners, engaging with the end-user and creating tribes that will help balance the push and pull in the market place wherever it is in the world.

