

## Exporter checklist

Exporting can be a **profitable way of expanding** your business and **spreading your risks** in a number of countries. However, it should not be entered into lightly as the penalties for failure can be high. Thinking about your readiness to export is a way of identifying key success factors and helping you in your planning. This **check-list** will help you in this process:

- **Commitment and resources:** Developing export markets can be costly in terms of time, money and resources and you will need to show management commitment to be successful. You must take a long-term view and be prepared to be persistent and patient while you wait for returns. Consider how many resources and how long it takes to break into a new regional area in your country. This can be multiplied several times when you are looking at an overseas country.
- **Product/service:** Your product or service needs to be able to meet and better international competition. Price may not always be the deciding factor. Market niches can sometimes be won on superior quality. You may need to change product design or service offering to suit different industry needs. Product/service literature should preferably be to international standards and be tailored to overseas requirements.
- **Marketing:** A strong grasp of marketing is vital in export. Does your company have solid marketing knowledge and experience gained by successful selling in your home land? If your product/service has had limited exposure in the home market it could be more cost-effective to expand at home before tackling new export markets.
- **Management:** Exporting will require considerable management time and can be a major distraction from the domestic business. Does your company have the available management capacity, which will be required to develop and service exports? Is it necessary to strengthen the management team to service overseas exports properly?
- **Supply capacity:** If you obtain export orders they must be filled correctly and promptly. Does your company have the supply capacity to develop export distribution? Can the existing capacity be expanded quickly when required? Your product, service or technology might be more suited to a licensing arrangement.
- **Finance:** Breaking into any new export area requires considerable funds (airfares, accommodation, advertising, sales promotion, new brochures, training of overseas sales agents, setting up of joint servicing offices offshore, etc.). Does your company have the financial strength to commit, it may take to develop a new overseas market? For more complex countries such as USA or Japan, the amount and time required could be double or more than this rule of thumb.
- **Research capability:** Accessing information and making the right decision about which country to enter first when you are convinced you are ready is important.