

Tackling a Tough Country

Does anyone know of an easy country to develop in 2023? The days have disappeared when a leading USA or European brand could simply "ship and sell" into an emerging market. In the past, many companies blindly pursued the famous BRIC countries, mostly with disappointing results. Exporters learned the hard way that market entry requires more than a pretty package and nice story to succeed.



Today, countries like Saudi Arabia, Vietnam, Indonesia, Turkey, Brasil, and Mexico appear as attractive prizes. Every European company claims sales to the USA, but most are severely underdeveloped relative to category potential. Winning in complex markets is possible! Tabasco and Barilla represent patient, family owned, companies that enjoy leadership positions worldwide.

A game changing goal is to double your international business in three years. Consider Export Solutions five strategies for accepting the challenge of creating critical mass in a tough country.

1. Research Local Results of Companies "Like You"

Overseas supermarkets in tough countries serve as the best teachers. Walk the entire store searching for other brands from your country or aisle that enjoy strong presence. What is their price premium? Who is the distributor (check sticker)? Has the brand adapted their formula or package to sync with local taste profiles? Learn from local experts versus massive PowerPoints touting the "attractiveness of India."

2. Models Matter

Brand owners may need to search beyond traditional distributors in large, complex countries. Other route to market models may include partnerships with local manufacturers, contract packers, or even the establishment of subsidiaries. Another option is to acquire the local category leader. "If you can't beat them, buy them."

3. Launch the "Right Way"

Imagine the strategy required for a new brand to gain traction in your own country? Apply the same fundamental principles overseas. Export Solutions has identified 30 elements in a "Right Way" launch. This includes consumer research, sampling, digital marketing, and a memorable distributor launch program.

4. Customer, Region, or Channel?

Segment the target country into smaller, more manageable opportunities. "From high class to mass." A common strategy is start with upscale supermarkets and retailers serving expatriate communities. A metro area like Sao Paolo, Jakarta, or Chicago can total more consumers than an entire European country. E-Commerce represents another on ramp option in Asia.

5. Boots on the Ground

Your investment in human resources may equal the importance of trade spending. Hire a team or at least one person that wakes up every day in the country. Your country manager can be a "local" veteran or expat who has credibility with headquarters. Plan to visit at least four times per year.

As we dream of success in large countries, it is important to remember that the word "impossible" contains the word "possible."

Good luck!

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"Spend Time Selling to Distributors versus Searching for Distributors"

"The Right Way" - New Country Launch

Retail buyers and distributors are receptive to brand launches from multinationals. Why? Multinationals succeed, as they introduce new products "The Right Way." Export Solutions recaps 30 components of launching "The Right Way." Exporters create magic with limited budgets! Winners check as many boxes as possible on "The Right Way" scorecard.

Product	Retailer
☐ Meaningful innovation – not "me too"	☐ Boost category sales, margin, and profit
☐ Consumer market research insights	☐ Syndicated data (Nielsen) – category facts
☐ Technical confirmation of product differentiation	☐ Invest in retailer "push" programs
☐ Reasonable retail price – premium (not sky high)	☐ 4-6 high value promotional events per year
☐ Test market results – similar country or retailer	☐ Retailer VP, distributor CEO at intro call
Marketing	Excitement
☐ 360 marketing plan: TV, in-store, social, PR	☐ Launch party – memorable location
□ Sampling	☐ PR, social media, trade press
☐ Social media	☐ Celebrity endorsement
☐ Displays: end of aisle and shelf blocks	☐ Distributor sales contest
☐ Special offers – retailer fliers	☐ Donation to local charity
Team	Scorecard
☐ Distributor – best in class, category expert	☐ Year 1: invest; year 2: break even; year 3: profit
☐ Local manager – launch oversight	☐ Sales volume (retail sell-out)
☐ Marketing, social media, PR agencies	☐ Market share
☐ Brand/technical resource from headquarters	☐ Retail availability (weighted distribution)
☐ Total distributor engagement: reps. to CEO	☐ Year 2 commitment and enthusiasm