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Go-to-Market Success

Finding & understanding available information to accelerate growth

Sector Landscape

Competitive Scenario

Cost & Pricing

Market Assessment Summary



Introduction

Many organizations have a directive and need to plan to grow but entering a new country and market sector is complex and challenging and will usually require significant time and monetary investment, even in these days of digital marketing and technological advance.

And this ambition has to be based on evidence and measurable data, not just gut-feeling. Typically, this 'market entry' ambition starts with the **macro** - wanting to prioritize which countries have the best chance of success and then requires the **micro** - detail on critical aspects for your specific sector – to build back up to the business plan internally.

We have been 'engineering' this type of 'insight' delivery for many years, utilizing low budget, high value 'secondary desk' research information and expert interviews to turn such public domain information into profitable wisdom specific to each client. The recent BREXIT years have only heightened the level of requests as many organizations – in East, West and the Americas – recognize the need to land new opportunities outside of home territories.

Some of requirements we have been approached with may well strike a chord with you:-

- We need robust sector/category information at our fingertips to be able to create a reliable business plan and accurate forecasts
- Who, or what type of customer/company/person will be interested in buying our product/service/idea – and how many of them are in Country A versus Company B?
- Will our product/service/idea appeal only to our traditional customer groups or can you identify interest amongst new/different customer groups?
- Who are the key competitors – are they local or global?
- What has/has not worked for the current companies – and importantly, what are they planning?
- What cost advantages do they enjoy in their supply chain?
- What is the media landscape? Where and how do people inform themselves?
- Does the Corporation Tax level in the country preclude or encourage our own subsidiary?
- How will local regulations and labour laws impact how we would go about normal business?

We have written this paper with our partner, Benori Knowledge Solutions in India, based on our shared experiences of delivering solutions across multiple markets. Projects have ranged from 1 to 40+ prospective markets & countries evaluated, with clients spanning B2B and B2C categories for established multi-nationals, local players wanting to expand, EU grant supported companies in New Energies, Education Bodies, Charities and new Start-ups with a good idea - from the obscure to the common.

The shared ingredients in the cake each company has sought to bake have been to understand the category landscape, relevant trends, competitive landscape, buying processes, regulatory and pricing situations across countries to help them decide how to best accelerate growth, before large-scale investment.

The most valuable insights about the entering new markets lie in four main aspects: -

- **Sector landscape**
- **Competitive scenario**
- **Cost & Pricing**
- **Market Assessment Summary**



1. Sector Landscape

The focus here is to understand the market environment and how it will influence the future demand for your product, service, or offer

Clients like to understand the macro picture - how large is, and how strong is the growth trend, in the specific country, region or industry, benchmarked against other leading, relevant countries.

Business forecasts need to know how external forces & regulation in the Political, Economic, Social, Technological, Legal and Environmental arenas will impact a sector.

Sales Managers like to know about the channels & distribution possibilities for market entry like joint venture, partnership, acquisition, franchising, licensing, Foreign Direct Investment etc.

We typically convert these objectives into specific areas for investigation: -

- Market size, recent growth and future forecasts
- Market segmentation such as by geography or product type
- Key trends
- Industry landscape including PESTLE analysis, demand drivers, challenges and disruptions affecting the industry/sector
- Market drivers and inhibitors
- Aspects of regulations and government bodies involved
- What channels of sale and distribution are important – retails vs. wholesale, high street vs on-line, direct vs. indirect e.g. franchising, licensing, JVs
- Latest developments in the market in terms of product innovation, technological breakthroughs.
- Opportunities in the market

2. Competitive Scenario

The focus here is to understand the competitive challenge in a country and sector.

By reviewing and assessing the major competitors, we aim to inform the shape and speed of your company strategy.

What has been happening to the market share & volume of current players – and why?

How are existing players positioning themselves in the market?

Is there a lowest price brand, a local large player, a technological or best service brand?

What innovations are competitors talking about bringing to market? What tactics are being used to appeal to customers?

What are the main customer/buyer needs & preferences – and how closely do existing players deliver on these? What opportunities exist to do better?



Specific questions & topics we investigate: -

- Identification of main competitors
- M&A, joint ventures and/or partnerships
- Competitor profiling - e.g. website, product portfolio, activities of key management
- Demand and supply analysis
- Growth factors and brand building strategies
- What is the media landscape - advertising and digital marketing strategies in play
- Analyzing spend optimization levers
- Competitor benchmarking – e.g. pricing; industry specific certifications
- USPs for competitors' products?
- Clientele - key end user industries?

3. Cost and Pricing

It is really helpful to budgeting and forecasting to gain an understanding of some of the real practicalities in local working practices e.g. in the mining industry we found permitted weekly working hours were limited to 36 hours in two Asian countries. In another sector, opening a branch office in Switzerland required a local Swiss resident to be appointed and in India a 40% Corporation tax rate for foreign companies compared to 15% for a new home grown company was critical to one manufacturer's plans.

Typical objectives in B2B are to understand how buyers make purchase decisions and inform, assess and implement new suppliers, services, products.

In B2C, identifying key price points and key seasonal periods can be extremely helpful.

Specific questions & topics we cover: -

- Customer Journey – pains/gains, peaks/troughs; best practice.
- Evaluation/bidding process
- Value chain analysis – supplier network, distribution
- Cost drivers, Cost components
- Pricing and engagement models
- Impact of regulations on the value chain
- Identifying procurement best practices
- Total cost of ownership (TCO) analysis
- Performance tracking on parameters like customer loyalty, revenue generation, digital marketing, promotional activities through social media analysis and surveys
- In B2B, what is the size of commercial contracts out for tender each year?




























4. Market Assessment Summary

Everyone is deluged with information and under time pressure, so our final report seeks to deliver clarity by distilling all the detail into a simple traffic lights overview, summarizing our evaluation on the key elements. This Market Assessment Summary is a key deliverable we think hard about.

 Green signifies that this aspect is without big difficulties and should be eminently achievable

 Amber signifies that an objective is more involved & complex

 Red signifies that an objective is highly complicated and hard to achieve

	Country 1	Country 2	Country 3	Country 4	Country 5	Country 6
Regulatory & Operational Framework						
Market Expansion						
Customer Availability						
Strength of Competitors						
Consider for Entry	No	Yes	Yes	Yes	No	No

On a recent project covering 28 countries, based on our understanding of client objectives, budgets and available contracts in the sector, only 3 countries could be seen as suitable for market entry consideration.

Market Entry Research has become more relevant in today's fast-moving marketplaces. In each project, before proceeding, we identify the quality and amount of information available by country against the client's initial intelligence wish-list. Over the years, we have identified many useful sources of statistics and subscriptions to databases such as Traxn and Factiva help to minimize the time taken and the budget required to undertake such assessments. Time and budget expectations are outlined and agreed up-front and we then review the depth of knowledge and the progress made each week in a weekly conference call. This weekly call also fine-tunes and directs deeper or new avenues for investigation.

One of our appreciated deliverables is that we always include 'detective style' interviews with experts and key opinion leaders (K.O.Ls). These people are often identified in our information gathering but can include government advisors, trade associations, sector journalists and on-line bloggers/opinion formers.

insight engineers and Benori Knowledge are always happy to explore how we can help you in your plans and to guide you on what to look out for. Please contact me for a free discussion on what you might be considering in any future journey to a new sector and country.

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