

TOPIC: INTERNATIONAL MARKETING

1. IMPORTANCE OF INTERNATIONAL MARKETING IN EXPORT.
2. SOURCES HELPING IN INTERNATIONAL MARKETING.
3. IMPORTANCE OF ROLE OF EP COUNCILS
4. IMPORTANT WEBSITES
5. DETAILS OF INTERNATIONAL MARKETS
6. ROLE OF FEDERATION OF INDIAN EXPORT ORGANISATIONS (APEX BODY OF ALL EP COUNCILS).
7. INTERNET MARKETING.
8. METHODS OF EXPORT - DIRECT EXPORT - CONSIGNMENT EXPORT - INDIRECT EXPORT.
9. APPOINTING AGENTS
10. THROUGH ADVERTISING.
11. SELLING DIRECT THROUGH SALES REPRESENTATIVE.
12. CASE STUDY



TOPIC - INTERNATIONAL MARKETING

Finding foreign buyer is the key for success in export trade. Exporters can contact Indian embassy in the specific country where you want to export goods. You have to give your product category and embassy will provide you the list of importers for your products. You can also get information from export promotion council. There are more than 37 council product wise e.g. Engineering export promotion council for engineering product for chemical product export promotion council etc.

- i) On becoming members of EPC council, they provide password so that you can get the latest information of the buyers
- ii) They provide list of buyers dealing in product.
- iii) In case of any change in a exports import policy, council will keep you updated.
- iv) Council takes part in international trade fair, members can also participate in the fair where you can get live contacts.
- v) They also provide list of black listed parties.
- vi) Out of 37 councils FIEO - FEDERATION OF INDIAN EXPORTS ORGANISATION is apex body for multiple products, its function are same like other council.
- vii) World trade council library- this library can provide data of buyers country wise and product wise. Indian merchant chamber Mumbai has library which provide foreign magazine and other periodicals, providing useful information in respect of foreign buyers.
- viii) There are certain websites through which you get the contacts. These are
 1. www.tradeindia.com
 2. www.indiamart.com
 3. www.sulekha.com
 4. www.tradekev.com
 5. www.asianhub.com



EXPORT GUIDANCE CENTRE

6. www.grateindianbazar.com
 7. www.alibaba.com
 - ix) If you have your own website then buyers can contact you directly
 - x) You can also get information from consulate general of foreign trade in India.
 - xi) You can also advertise in foreign journals, or refer to such ads
- Sources helping for data
- a) Indian embassy in specific country
 - b) Exports promotion council listed in appendix 2 T of book of FTP

Details of international market are as under

1. South-east Asia and Asean Region- Brunei, Cambodia, Indonesia, Lao, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam.
 2. North-east Asia- China, Japan, Republic of Korea, Hong Kong, Taiwan, Macao and Mongolia
 3. Australia and New Zealand
 4. SAARC countries- Afghanistan, Bangladesh, Bhutan, Maldives, Nepal, Pakistan, Sri Lanka, Iran.
 5. European Union- Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Netherlands and UK and USA.
 6. West Asia and North Africa (WANA) Region- Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and United Arab Emirates
Six west Asian countries - Iraq, Israel, Jordan, Lebanon, Yemen and Syria
Seven North African countries- Algeria, Egypt, Libya, Morocco, Sudan and Tunisia
 7. Latin American and Caribbean countries- Brazil, Venezuela, Bahamas, Mexico, Chile, Argentina, Colombia, Peru, Ecuador, Panama
 8. MERCOSUR- Argentina, Brazil, Paraguay, South America. Besides there are four associate members namely, Bolivia, Peru, Venezuela, and Mexico.
- You will observe from the above details that there is wide scope for selection of market. You can export products to any country except certain specified countries where the government has prohibited export. At present these are Iraq and Syria.

It is advisable to concentrate on developing select market instead of trying to tap too many markets at a time. Selective approach or focus on specific market will enable exporters to get results in shorter time.

SOURCES HELPING FOR MARKETING IN EXPORTS

These sources provide to exporters information on trade opportunities, tenders, enquiries collected through their overseas offices, trade commissioners, chambers of commerce and trade Association published in international journals and magazine. EP councils keep track of latest products development in international markets and obtain sample of such products for guidance to their members.



EXPORT GUIDANCE CENTRE

They organize participating in overseas exhibitions/trade fairs and others promotional displays. They operate joint foreign publicity to assist member firms for undertaking effective brand publicity.

They send individuals abroad to explore and study foreign markets. Besides, members are included in the trade delegation as well as in study-cum-sales teams, which are sent regularly.

They arrange seminars and conference of these exporters and exchange with government department.



FEDERATION OF INDIAN EXPORT ORGANISATIONS

Set up by Ministry of Commerce, Government of India
ISO 9001:2015 Certified

FIEO is established with an objective to render integrated services to Govt. Recognized export houses and consultancy firm. It serves, as a common forum for national export promotion effort with particular references to:

- i. Sending trade delegations abroad
- ii. Inviting trade delegations from abroad
- iii. Publicity in India and abroad through exhibition, films and other publicity media
- iv. Establishment of overseas offices trade centres, show room, trade houses.
- v. Chamber of commerce/trade association reports of trade delegation /study teams
- VI. Indian institute of foreign trade
- Vii. Federation of Indian export organisation
- viii. Research organisations like national council for applied research (NCAER)
- ix. International trade centre (ITC)
- x. Directorate general of commercial intelligence and statistics, Calcutta. Its weekly Periodical i.e. Indian trade journal is particularly a good source for India's trade Commissioner reports.

INTERNATIONAL MARKETING THROUGH INTERNET

This book is a collection of articles/papers/materials mostly international sources, and brings them together in one place. In total there are 114 contributions by over 50 international marketing experts. These contributions are put into following broads groups

- i. Export marketing. Planning and strategy and electronic media in export marketing.
- ii. Product/country marketing
- iii. Tradefairs/exhibition-selection and participation



EXPORT GUIDANCE CENTRE

METHODS OF EXPORT

- a. Indirect exporting
- b. Direct exporting
- C. Consignment export

In the case of indirect export, the products are exported either through merchant exporters or export houses. This helps the new entrants in exports to gain experience.

BRIEF PARTICULAR ARE AS UNDER

- a. Through merchant exporters- these are the exporters who are already in the field and they have vast experience in export activities. They buy products from home market and export
- b. Exporting through export houses- these exporters have long standing in international trade. They have strong financial base and they enjoy substantial facilities from their respective bankers. They support actively domestic manufacturer
- c. Some manufactures in small and medium sector would initially prefer to export through such export houses
- d. Export through state trading enterprises like state trading corporation (STC) and subsidiary Project and equipment corporation (PEC) MINERAL AND METAL TRADING CORPORATION (MMTC)

DIRECT EXPORT- Exporters ships his products as per specific order from his overseas client as per terms and conditions stipulated in export order

CONSIGNMENT EXPORT- Exporter does not have specific order. However he ships product on trust basis and payment is received through bank as and when product is sold. Payment limit is nine months from the date of exports as per RBI rules. If the goods are not sold in overseas market, in time the same are the called back by exporters.

DIRECT EXPORT

APPOINTING AGENT- exporters appoint agents in particular territory. They are paid commission on volume of exports which they bring from specific territory. In addition on achieving targets they are given additional benefit as bonus.

THROUGH ADVERTISING- In this method exporter insert advertisement in reputed magazine, describing your product along with its photograph, you get direct response from buyers.

SELLING YOUR PRODUCT THROUGH DIRECT SELLING

SALESMAN- In this method, you have to recruit salesman, who is willing to sell your product on salary/commission. These are professional salesmen and they go out in the field, calling business to business, selling products and services.

SUBJECT: NEGOTIATIONS IN EXPORT TRANSACTION

Content: The method of negotiation has now been drastically changed from physical to virtual approach. Previously the discussion for concluding export business was effected on one to one basis i.e. individual discussion either at exporter's office or in foreign client's office.

On account of internet facility, the method has changed to virtual discussion and if at all a personal discussion becomes necessary, only then the interactive discussion takes place. Although, the method has changed, the important points for negotiation remain the same and the same are

- a) Negotiation should be done in a peaceful manner. Exporter should avoid meeting for discussion if he is busy with any other matter.
- b) Price of the product is important but the price alone is not the only factor in export transaction, as the price is accompanied by quality and service which includes timely shipment and accuracy in shipping documents.
- c) Exporter should therefore puts his argument to emphasise that the price also includes international quality and timely shipment which are vital for foreign
- d) If foreign client insists upon any discount in price, exporter should not offer high discount as it will create doubt in foreign clients representative. If at all exporter is in a position to offer a modest discount, he should insist for higher quantity of the export product i.e. higher quantity of export order.
- e) Exporter should concentrate on export negotiation and should not divert to any other matter whereby the discussion becomes lengthy and irrelevant.
- f) Exporter should not show that he is very keen to conclude the export order as the foreign client will try to take advantage of the situation and will insist for substantial price reduction.
- g) Ultimately the exporter has to understand that a bad deal is not advisable rather than no deal.

SUBJECT: CASE STUDY FOR INTERNATIONAL MARKETING

Selection of international market is an important factor. As we can observe from the particulars in our study material, "details of international market" topic, you will find details of various international markets. For achieving success in export we have to adopt focus approach, whereby we begin with selective market on the basis of product/product range selected for export.

We share the example of industrialist who was manufacturing and supplying his items to vehicle industry sector like cars, commercial vehicles, SUV (sports utility vehicles), tractors etc. These were supplies under OEM basis (original equipment manufacturers) and he has achieved patronage in domestic market.

He started receiving enquires from foreign client located in Europe market. These were the manufacturers of motor cars, commercial vehicles, mining equipment's etc.

On the basis of their technical specification, our industrialist followed adaptability to suit the requirements of foreign clients. He manufactured samples as per their specific requirements and on getting approval he started executing export order in higher quantities.

He executed the order of his European clients by maintaining international quality standards and shipment schedule and in a shorter period he achieved confidence from his clients.

He then expanded his activity in highly competitive USA market where many vehicle manufacturers, are located in different states of USA. Through persistent efforts he received good patronage on this market also. The point which you have to consider

- a) His selection for international market was based on deep study in survey of European as well as USA market as his export product was demanded by vehicle manufacturers - this is a focus approach.
- b) New entrants in export finds several markets to be tapped and he is attracted to try several markets at a time and his attention is spread over and he is unable to achieve the desired results.
- c) By focusing on specific market, it is experienced that new entrants in export achieve success in a time bound period.

The case study will enable our participants to adopt focus approach while selecting his market in international field.