

P2-ACA-160



INTERNATIONAL MARKETING

**An Overview Course Designed for
THE TRADE DEVELOPMENT CENTER**

Cairo, Egypt

Presented By

IGI INTERNATIONAL INC.

Through

CHEMONICS INTERNATIONAL CONSULTING INC.

March/April 1994



Washington, DC
April 8, 1994

Mr. Kimball Kennedy
Chemonics International Consulting Inc.
2000 M. Street N.W.
Washington, DC 20036

Dear Kim:

RE: TDC Training Course in International Marketing

Enclosed please find two copies of (a) our Final Report on the above course and (b) the course curriculum we prepared prior to our departure for Cairo.

I would be grateful if you could forward these materials and a copy of this letter to Rick Miller.

Prior to our departure from Cairo, we distributed Course Evaluation Forms for the participants to complete and return to us. This was not done, and I would appreciate it if you could ask TDC to collect these reports and send them on to me. However, we did have an evaluation discussion during the last morning of the course, and the verbal feedback was very positive. Participants appeared to have gotten a great deal of practical and usable information, and could not think of any major curriculum items we omitted. This information is included in our final report.

Although we covered most of the items in the curriculum we prepared prior to arriving in Cairo, we also covered many subjects not originally anticipated on the basis of Rick's briefing to us. Most valuable, according to the participants, was the development of methodologies and actual workplans to implement the strategies Rick presented to us and the group. Task/Timing/Responsibility/Cost planning was a new concept to most of the Group, and will be of continuing help in achieving their goals, as well as monitoring and evaluating their progress.

As noted in the Report, we also had a very intense and lively discussion of how to plan for Sustainable Development. This is a subject that has not been clearly and methodically addressed by the TDC (or USAID), and if you felt it appropriate, we would very much welcome the opportunity to work with the TDC to develop a strategy and long-range action plan in this area. As you know, this has become one of our areas of specialization.

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There were a number of developments I would like to discuss with you personally, and perhaps we can get together once you have had an opportunity to review our Report.

Meanwhile, all good wishes.

A handwritten signature in black ink, appearing to be 'Bill' or 'William Fisher', written in a cursive style.

William Fisher
Senior Vice President

Enclosures



INTRODUCTION

Welcome!

Over the next few days, we will be covering some of the key issues in International Marketing. Many of these will be found in the following pages. Because of time constraints, we probably will not be able to cover all of them -- but we will try to cover those that you regard as most important.

Our objectives are (a) to help you to do your work more effectively and (b) to make you more valuable to prospective Egyptian exporters.

We do not plan to give "lectures". Rather, we regard this short course as a dialogue, and we have tried to structure our approach so that it will be fully open, participative and interactive.

One of the implications of this approach is that you will be doing a good deal of the work -- thinking about and recommending solutions to very practical business problems.

Gene Miller and I are pleased to be here and look forward to working with you. We hope our time together will be enjoyable as well as useful and productive.

William Fisher
Senior Vice President

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COURSE OUTLINE

DAY ONE:	OVERVIEW OF INTERNATIONAL MARKETING	Page 1
DAY TWO:	STRATEGIC PLANNING AND SALES	2
DAY THREE:	ON-THE-JOB SKILLS	3
DAY FOUR:	EXPORT PROCEDURES	4
DAY FIVE:	TRADE FAIRS AND EXHIBITIONS	5

ANNEX:

Presenters

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DAY ONE: OVERVIEW OF MARKETING

International Marketing

Definition • Differences between marketing and sales • Strategy vs. Tactics • Goal-setting • Identifying target audiences.

Need for Export Marketing Research

Framing the research: what do we want to know? • What Questions can Market Research answer? • Who is my market? • What is market size? • Who needs my product? • What % of the market is a realistic goal? • What is growth potential of the market? • How will I satisfy the market? • How should I price my product? • Who is my competition? • Secondary vs. Primary Research • Formal vs. Informal • Statistically valid vs. anecdotal. Sources of Information • Sample Design • Segmentation • Constituencies • Timing/Shelf-Life of Research • Variables • Analysis of Research.

Marketing/Distribution Channels

Importers • Distributors • Manufacturers • Manufacturers' Reps • Retailers • Prime contractors/OEMs.

Knowing your Competitors, Clients, Products.

Competitors: Compile competitors' profiles, including: Products, customers, Time in market(s), reputation (pricing, on-time delivery, quality, etc. • Comparative/Competitive Advantages • Financial stability.

Clients and Their Products: Time in business • Quality of management • Quality of product • Capacity • Products • Motivation/will to do business • Financial needs/stability • Reputation (for producing quality products, delivering on time, etc. • Sampling history • Technology employed/needed • Employee history/policies • Cost structure.

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DAY TWO: PLANNING AND STRATEGY

Strategic Planning

Who should be involved? • Allocating responsibilities/accountability • Definition of goals • SWOT Analysis • Developing the strategic statement • How exporting fits into the Business Plan • Identifying actions needed to achieve • Identifying constraints/solutions • Identifying costs • Planning time-frames • Identifying tactical initiatives • Framing and evaluating pilot programs.

Problem-Solving: Market Research • Business Plan • Communicating with Target Audiences.

Selling Skills

Understanding customer motivations, needs, limitations, etc. • Establishing confidence: the comfort-level factor • Building relationships, not transactions • Understanding and articulating comparative and/or competitive advantages • References • Opening the dialogue • Closing the deal • Sales aids • Customers' cultural differences/attributes.

Promotion

Letters/faxes • Samples • Catalogs • Other product/company literature • Language • Networking • Use of trade fairs (intro) • Desk-top exhibits • Audio-Visual presentations • Observation tours • Buyer visits.

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DAY THREE: ON-THE-JOB SKILLS

Effective Writing and Telephone Skills

Defining goals/desired outcomes • Brevity • Telephone: the first 30 seconds • Responsiveness to customer/client needs • Advance planning • Attention to detail • Follow-up and follow-through.

Preparing for Site Visits for Buyers

Prospects' first impressions • Good housekeeping • Representative sample of suppliers • Selection of products to show • Quoting prices, delivery dates, etc. • Buyer as teacher • Hospitality.

Conducting Successful One-on-one Meetings

Understanding customer needs • Selecting personnel • Keep it simple! • Importance of listening • Need to be concise/brief • Using printed/AV support materials • Show and Tell.

Problem-Solving

Understanding/defining the problem • Identifying sources of help • Elaborating options • Reaching consensus • Proposing solutions.

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DAY FOUR: EXPORT PROCEDURES

Export Financing and Documentation

Letters of credit and other financial instruments • Licenses and permits
• Understanding receiving country's laws, regs, standards • Insurance •
Packaging/packing/labelling • Bankers as helpers • Financing receivables •
Buyers' credits • Other sources of help • Policy constraints • Bureaucratic
constraints.

Terms of Delivery

Timing • Price • Quantity • Acceptable quality • Basis: FOB/CIF.

Terms of Payment

Applicable laws • Stage payments • Phased payments • Currency • Applicable
laws • Proof of delivery.

Costing and Pricing for Export

Correct quotations • Timely estimates • Samples • Cost factors, i.e materials,
labor, expected quantity and unit cost, overhead, insurance, packing,
forwarding, shipping, cost of sales promotion, etc. • Competitive
Environment.

Common Market Regulations

Tariffs • Other duties • Health and safety • Sources of information •
Importer/buyer as teacher.

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DAY FIVE: TRADE FAIRS AND EXHIBITIONS

Selecting the Fair

Vertical • Horizontal • National "Combo" Fairs • Cost • Audience • History, track record • Sources of information.

Participating in the Fair

Stand/booth design, theme • Personnel • Product selection • Packing, shipping, receiving, delivery dates • Cost-sharing.

Promoting the Stand

Advance promotion • List-building • Direct mail • Paid advertising • Editorial publicity • Hospitality suites • "Walking the Show".

Managing the Stand

Fulltime • Supplies • Exhibitors' representatives • Knowledgeable spokespersons • Housekeeping.

Evaluation and Reporting

Establishment of criteria • Orders received • Samples requested • Contacts made • Other exhibitors' stands • Lessons learned.

Follow-up

Letters • Faxes • Catalogs, other product literature • Samples • People-collecting • "Tickler" system • Lessons learned.

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ANNEX

PRESENTERS

William Fisher has more than 30 years' experience in international trade and marketing in public and private sectors, and in industrialized and developing countries. He has carried out export-related assignments for USAID, the European Community, the Centre for Industrial Development, the Government of Japan and the British Department of Trade and Industry. These assignments have been in Latin America, the Caribbean, Southeast Asia, and Europe. In addition, Mr. Fisher has served as an international marketing and promotion consultant to numerous multinational companies and financial institutions in the US and Europe. During the administration of President John F. Kennedy, Mr. Fisher served as Special Assistant to the Secretary of Commerce. In that position, he played a key role in the US Export Expansion program, including conceiving the "E for Export" award scheme, and managing the opening of US Trade Centers abroad, helping to re-orient US Trade Missions and Trade Fair participation, and re-vitalizing the USDC's monthly magazine, "International Business".

Eugene Miller, a consultant to IGI, is a senior level executive and consultant with a wide range of experience in production, international distribution, marketing and promotion of vertically integrated agribusinesses and related manufacturing operations. In the private sector, he spent 16 years with Carnation, including senior managerial posts in a number of developing countries. His work with Carnation included creating a number of international joint ventures, exporting the company's products, and working with a wide variety of developing country sub-contractors and suppliers. In the public sector, Mr. Miller has carried out numerous assignments for USAID and other donors in Latin America, Africa, Eastern Europe and the Far East. He has also owned and managed large farms and agribusinesses in the US.