



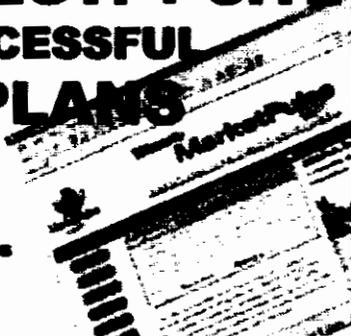
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MarketPulse/Egypt
ON-LINE

HOW TO USE THE MARKETPULSE/EGYPT SITE TO BUILD SUCCESSFUL EXPORT PLANS

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Director Market Information Services
ALEB

www.aieb.org/marketpulse/index.html



Definition of Marketing

There are many definitions of marketing. One of the most practical ones comes from the United Kingdom (U.K.) Institute of Marketing which defines marketing as *"the management process responsible for identifying, anticipating and satisfying customer requirements profitably"*. The term "marketing" should not be confused with advertising, sales, promotion; in fact, marketing is the strategy which drives these processes which all result in communicating a message to the target audience. It is important to fully understand customer needs, a task which is normally accomplished through in-depth market research.

The Marketing Concept

The marketing concept rests on the importance of customers to a firm and states that:

- All company policies and activities should be aimed at satisfying customer needs, and
- Profitable sales volume is a better company goal than maximum sales volume.

To use the marketing concept, businesses should:

- Determine the needs of their customers (**Market Research**);
- Analyze their competitive advantages (**Market Strategy**);
- Select specific markets to serve (**Target Marketing**), and;
- Determine how to satisfy those needs (**Market Mix**).

Developing an Export Plan

The Importance of an Export Plan

Developing an export plan is vital for it can help you communicate your export ideas to others clearly and easily. Writing the plan out can help you analyze strengths and weaknesses, identify export responsibilities, and schedule milestones. An export plan can help you explicitly state your:

- reasons and commitment to export
- set long and short term goals
- determine product and company readiness
- determine primary and secondary target markets
- formulate export strategy
- establish details of pricing, payment and delivery
- and develop finance options

Developing an Export Plan

What You Need to Know to Develop an Export Plan

- **Assess Your Export Potential**

To develop an export plan, you must first assess your export potential. Factors that influence your export potential are related to company and product readiness.

- **Research Your Market**

Businesses with focused export plans targeting potential industries, countries and markets have higher success rates with exporting. Researching your market, industry and potential country to which you will export will help you predict product demand, identify competition, and examine necessary product modifications. Market research is the second most important component of an export plan, following the identification of product and company export readiness.

- **Develop An Export Strategy**

When you develop an export strategy, you plan how you go about entering into a foreign market, and finding trade leads and overseas representation. As an exporter you may want someone else to interface with the customer—hence the need for an agent or distributor. However, you may decide to operate the business without a middle person, hence you will need to think about promoting the product abroad, as well as servicing the product by alternative means.

- **Focus on the Details**

Understand the Rules of Trade

Financing Your Exports

Schedule Success Milestones

International Market Research

International market research is the gathering of information necessary to make sound international marketing decisions. International market research reveals the political, economic and cultural factors which affect operating in a foreign market. Effective market research facilitates the market selection process and enhances your chances for a successful export venture.

MARKET RESEARCH

To be successful, exporters must assess their markets through market research. Exporters engage in market research primarily to identify their marketing opportunities and constraints within individual foreign markets and also to identify and find prospective buyers and customers.

Market research includes all methods that a company uses to determine which foreign markets have the best potential for its products. Results of this research inform the firm of

- the largest markets for its product,
- the fastest growing markets,
- market trends and outlook,
- market conditions and practices, and
- competitive firms and products.

Types of Market Research

There are two main types of market research: *primary* and *secondary*.

Primary research consists of the collection of market information and intelligence through direct contact with potential customers or other information sources, and normally takes the form of interviews, either in person or via telephone, focus groups or surveys. Primary research may be costly and time-consuming but, it enables you to collect very specific and detailed information.

Secondary research involves the use of data previously collected by other sources. Typical sources of such information include periodicals, studies, books, surveys and statistical analyses, many of which are available via the Internet.

When conducting **secondary** market research, a company collects data from compiled sources, such as trade statistics for a country or a product. Working with secondary sources is less expensive and helps the company focus its marketing efforts. Although secondary data sources are critical to market research, they do have limitations. The most recent statistics for some countries may be more than two years old. Product breakdowns may be too broad to be of much value to a company. Statistics on services are often unavailable. Finally, statistics may be distorted by incomplete data-gathering techniques. Yet, even with these limitations, secondary research is a valuable and relatively easy first step for a company to take. It may be the only step needed if the company decides to export indirectly through an intermediary, since the other firm may have advanced research capabilities.

MPE offers an excellent source of data for this analysis.

METHODS OF RESEARCH

Because of the expense of primary market research, most firms rely on secondary data sources. Secondary market research is conducted in three basic ways:

- **By keeping abreast of world events that influence the international marketplace, watching for announcements of specific projects, or simply visiting likely markets. (MPE-Market Pulse Update)**
- **By analyzing trade and economic statistics. Trade statistics are generally compiled by product category and by country. These statistics provide the Egyptian firm with information concerning shipments of products over specified periods of time. Demographic and general economic statistics such as population size and makeup, per capita income, and production levels by industry can be important indicators of the market potential for a company's products. (MPE- Data Center)**
- **By obtaining the advice of experts (MPE expert contacts)**

How should you conduct secondary market research?

There are a number of ways to conduct secondary market research. For those that are not sure where to start, begin with the following:

- Conduct secondary market research by first classifying your product. Many trade statistics are compiled based on product classifications or HTS Codes.
- With your classification codes in hand, reference statistical trade databases
- Finally, wrap up initial research with a narrowed down list of appropriate markets that are realistic and feasible

A STEP-BY-STEP APPROACH TO MARKET RESEARCH

1. Screen potential markets.

- **Step 1. Obtain export statistics** that indicate product exports to various countries. Foreign Trade Report: Monthly Exports and Imports.
- **Step 2. Identify 5 to 10 large and fast-growing markets** for the firm's product. Look at them over the past three to five years. Has market growth been consistent year to year? Did import growth occur even during periods of economic recession? If not, did growth resume with economic recovery?
- **Step 3. Identify some smaller but fast-emerging markets** that may provide ground-floor opportunities. If the market is just beginning to open up, there may be fewer competitors than in established markets. Growth rates should be substantially higher in these countries to qualify as up-and-coming markets, given the lower starting point.
- **Step 4. Target three to five of the most statistically promising markets** for further assessment. Consult with Commerce district offices, business associates, freight forwarders, and others to help refine targeted markets.

A STEP-BY-STEP APPROACH TO MARKET RESEARCH

2. Assess targeted markets.

- **Step 1.** Examine trends for company products as well as related products that could influence demand. Calculate overall consumption of the product and the amount accounted for by imports.
- **Step 2.** Ascertain the sources of competition, including the extent of domestic industry production and the major foreign countries the firm is competing against in each targeted market.
- **Step 3.** Analyze factors affecting marketing and use of the product in each market, such as end user sectors, channels of distribution, cultural idiosyncrasies, and business practices.
- **Step 4.** Identify any foreign barriers (tariff or non tariff) for the product being imported into the country.
- **Step 5.** Identify any Egyptian or foreign government incentives to promote exporting of the product or service.

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A STEP-BY-STEP APPROACH TO MARKET

3. Draw conclusions.

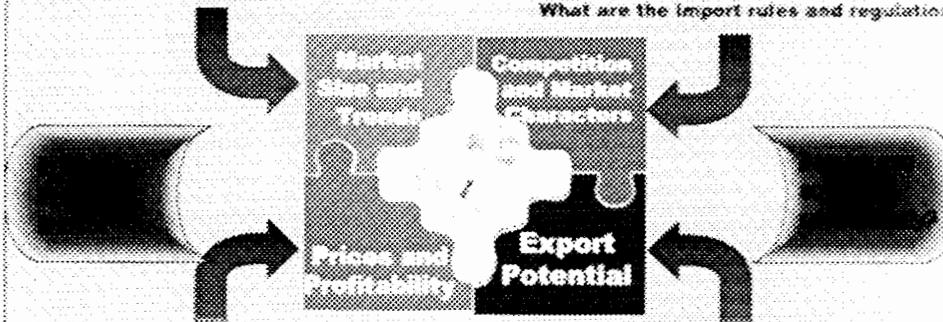
After analyzing the data, the company may conclude that its marketing resources would be applied more effectively to a few countries. In general, efforts should be directed to fewer than 10 markets if the company is new to exporting; one or two countries may be enough to start with. The company's internal resources should help determine its level of effort.

Market Research

Will help to answer the following questions

What is the overall world production and trade?
Where buyers located? Major markets
Is the markets mature or growing?
What is the current market size?
What is the potential market size?

Who are the current suppliers?
What are their advantages ?
Who are the delivery cost competition?
What are the major types of end-users?
What are their import requirements?
What are the import rules and regulations?



What is the level of market prices?
Is the prices attractive to the Exporters?
What is the major price trends?
Is the market prices stable or fluctuated?

Is the raw materials available?
Potential availability of raw materials?
What is the level of raw material prices?
Suitability of export infrastructure

Researching Your Export Markets

- Market Size
- Market Growth
- Market Accessibility
- Political Climate
- Cultural Climate
- Environmental Factors
- Geographical Factors



Identify Potential Markets

- Where a product is being exported to

By looking at where a product is being exported to, you can identify markets in which the product will sell well.

- Where a product is being imported from

By looking at where a product is being imported from, you can identify both domestic and international competitors of your product. Markets with many competitors may be such a strong market for the product or quality of the product and the customer's needs may be different. However, too much competition may be both a good and bad thing and identifying competitors can help you generate a good market. Instead, look at where the product is being imported from and consider the reasons for that. Is the product in demand and are there any government policies that affect the product's importation into the market?

- How much product (in dollars and quantities) is being shipped

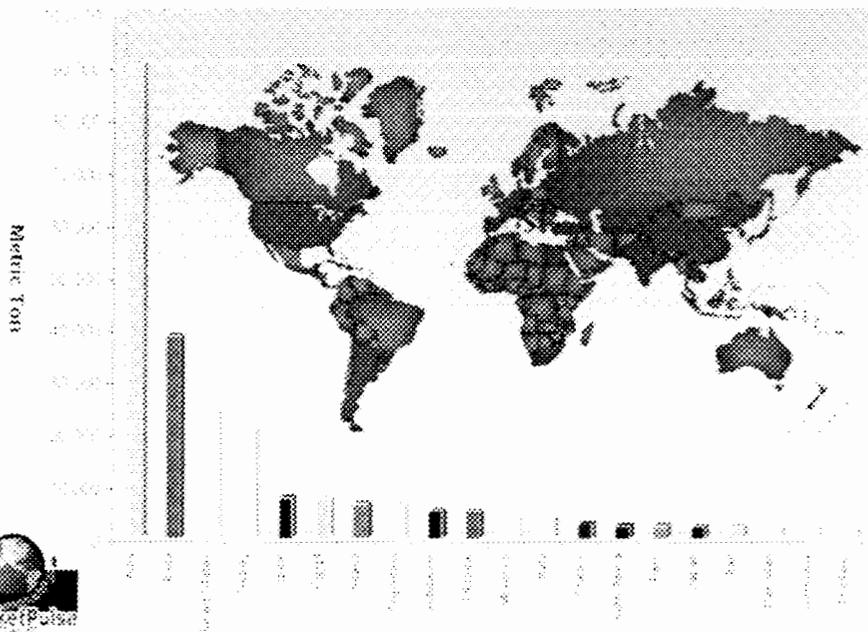
By looking at how much of the product is being shipped, you can identify the size of the market and whether it is a large or small market. You can also identify the product's value and quantity and identify the product's value. Think about the number of the product's value, the product's quantity, the product's value and the product's quantity. Is a small number of the product's value or quantity most of the product? Think about the number of the product's value and quantity.

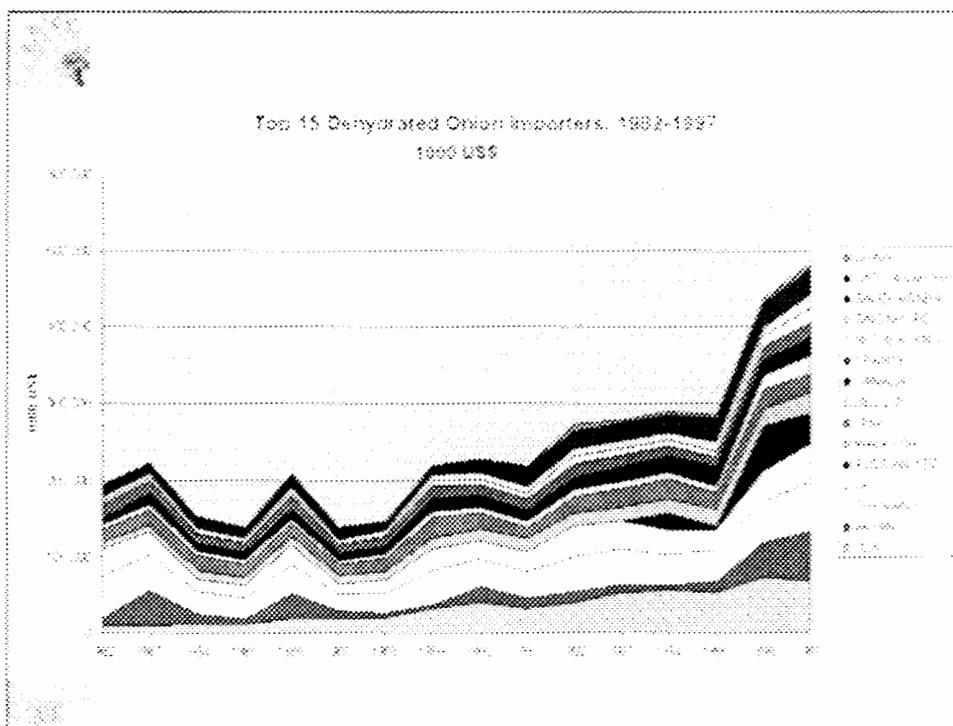
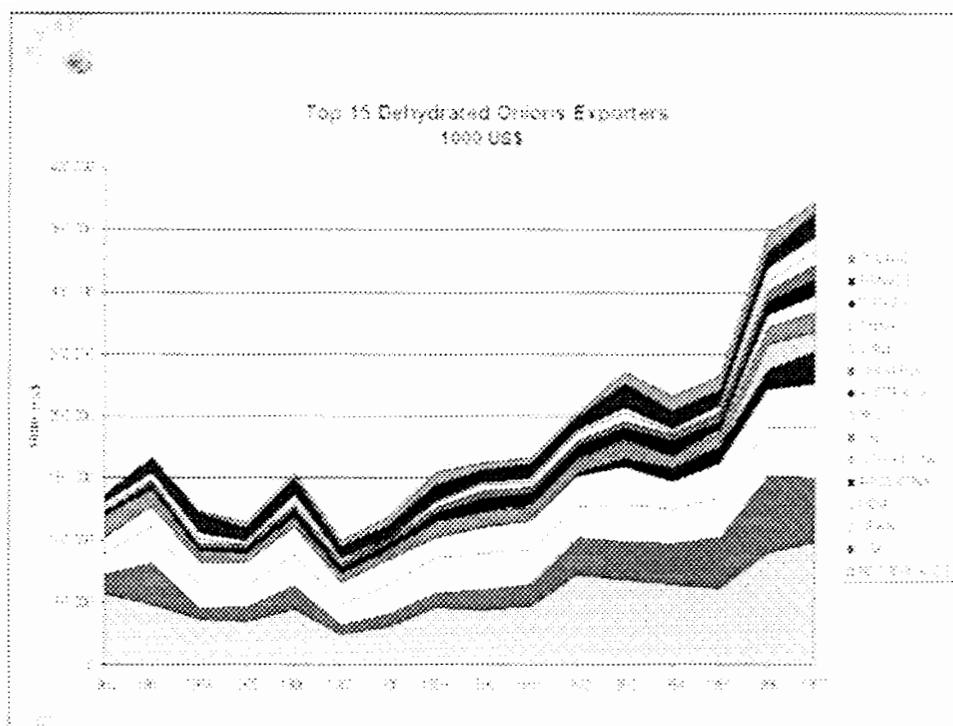
- Product's trade history

By looking at a summary of the product's trade history over the last few years, you can see more about the market's growth or decline and whether the market is growing or declining. You can also see the product's value and quantity and identify the product's value and quantity. Think about the product's value and quantity and whether the product's value and quantity are growing or declining. Think about the product's value and quantity and whether the product's value and quantity are growing or declining.

Dehydrated Onions

Total World Production 258.2 Thousand metric Ton







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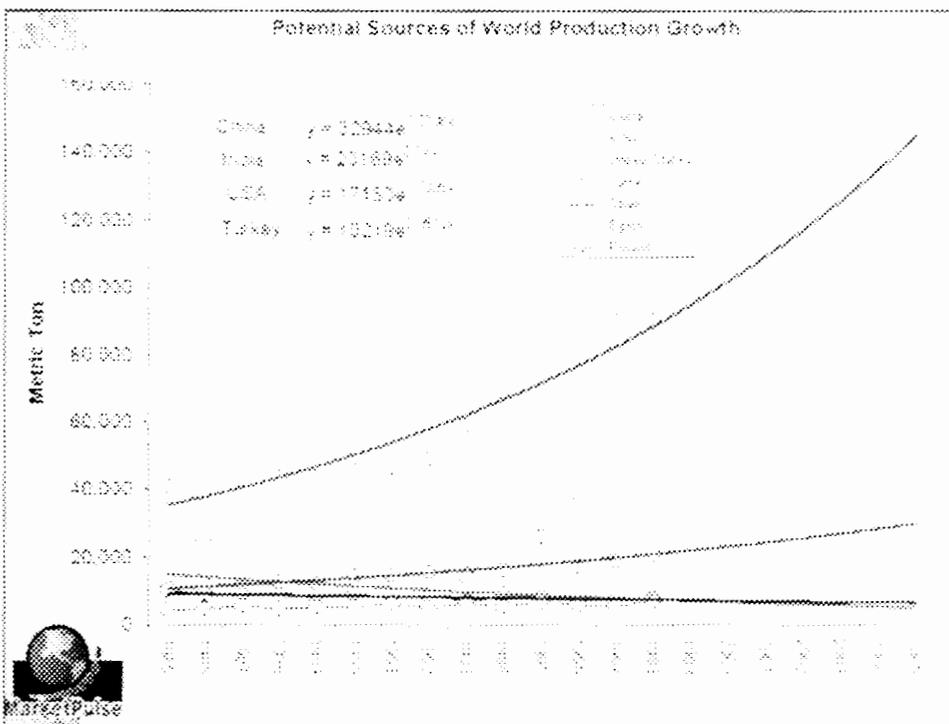
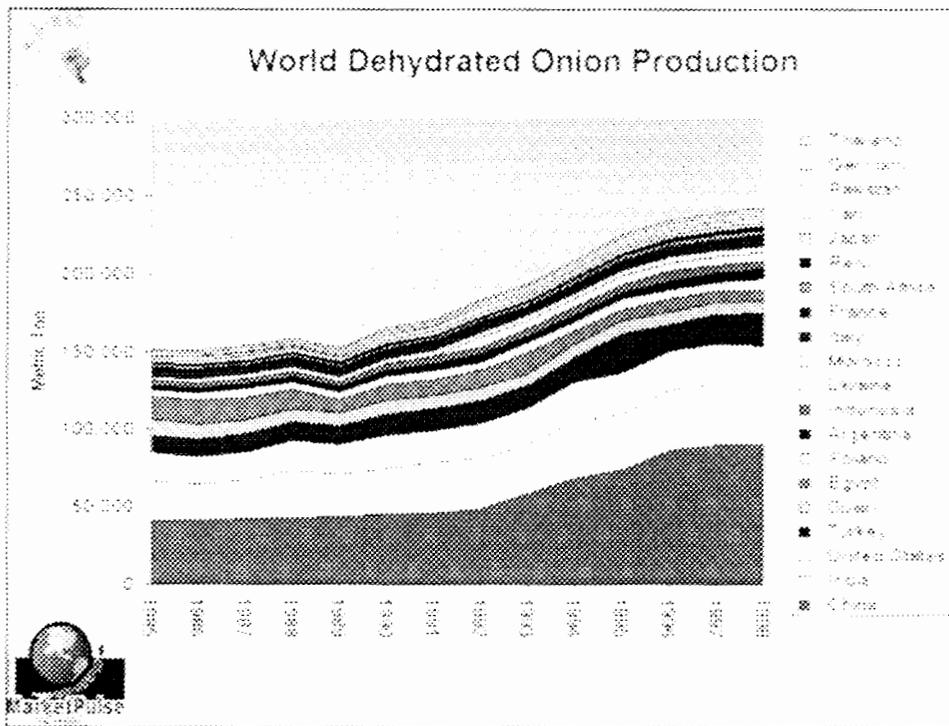


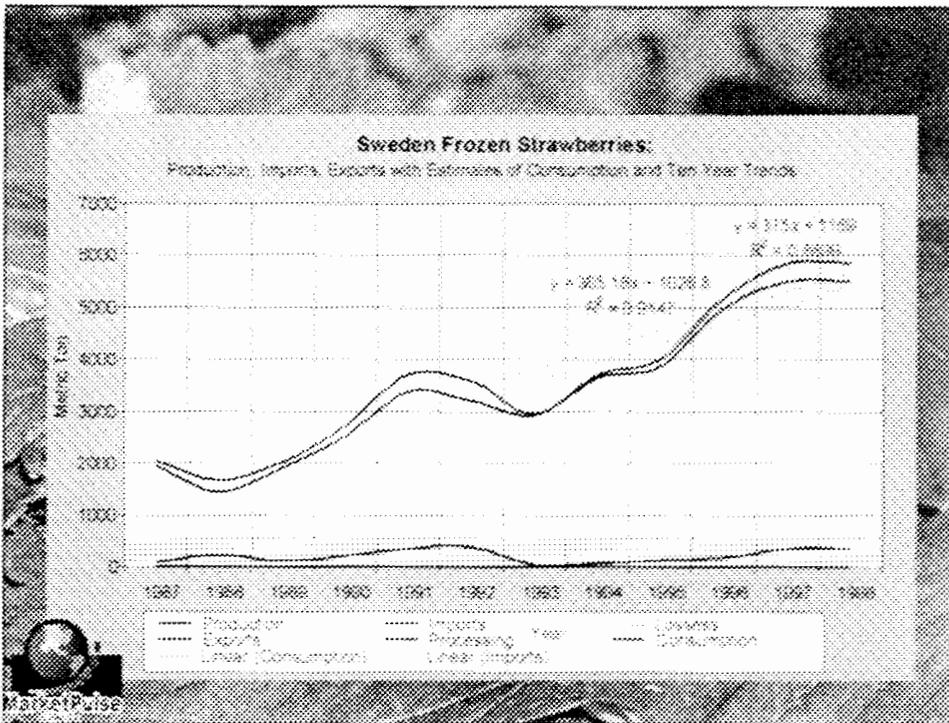
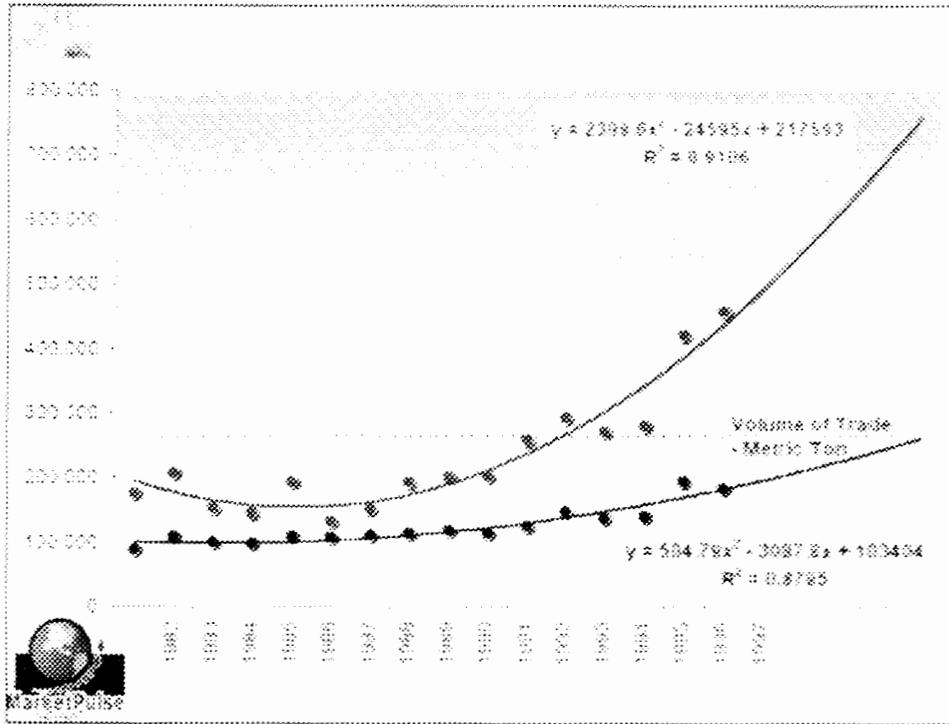
Worksheet 3 World Imports of Dehydrated Onions, 1991-96
in Rank Order by Country

IN BANK COUNTRIES TO THE 25 COUNTRIES
IN \$1,000'S

Country	1991	1992	1993	1994	1995	1996
USA	12,000	12,000	12,000	12,000	12,000	12,000
Canada	10,000	10,000	10,000	10,000	10,000	10,000
Japan	8,000	8,000	8,000	8,000	8,000	8,000
Germany	7,000	7,000	7,000	7,000	7,000	7,000
France	6,000	6,000	6,000	6,000	6,000	6,000
UK	5,000	5,000	5,000	5,000	5,000	5,000
Italy	4,000	4,000	4,000	4,000	4,000	4,000
Spain	3,000	3,000	3,000	3,000	3,000	3,000
China	2,000	2,000	2,000	2,000	2,000	2,000
India	1,500	1,500	1,500	1,500	1,500	1,500
South Korea	1,200	1,200	1,200	1,200	1,200	1,200
Malaysia	1,000	1,000	1,000	1,000	1,000	1,000
Thailand	900	900	900	900	900	900
Philippines	800	800	800	800	800	800
Indonesia	700	700	700	700	700	700
Singapore	600	600	600	600	600	600
Maldives	500	500	500	500	500	500
Myanmar	400	400	400	400	400	400
Laos	300	300	300	300	300	300
Vietnam	200	200	200	200	200	200
Other	100	100	100	100	100	100



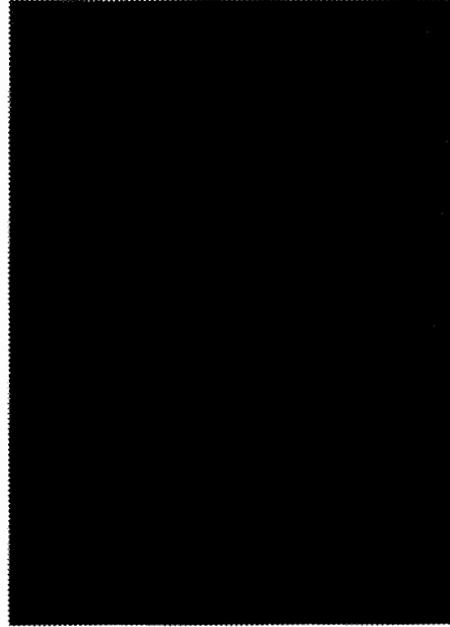






Researching Your Export Markets

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Internet Applications in Export Marketing

- Communications & e-mail
- Export market research
- Global sales promotion
- e-Business



Export Market Research and the Internet

The use of the Internet as a low cost export market research resource is one of the most important ways in which your firm can improve its international competitiveness and level the playing field.



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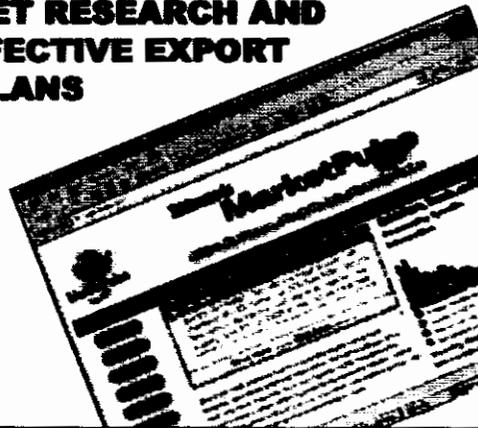
Internet Market Research

Statistics are an important part of any business plan or performance benchmarking report. They help you to determine whether or not your company is taking advantage of all the opportunities offered by your business market, industry and environment.

One of the fastest growing sources of free statistics is the internet. Of course it is also one of fastest growing sources of frustration. You can easily spend hours "surfing" and come up with literally nothing at all. Fortunately, this is not a inevitable consequence of technology. By following a few simple steps and keeping in mind a few tips, you can successfully research on the internet at a minimal cost of time and effort. MPE is organized systematically to save time and effort

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**HOW MARKETPULSE/EGYPT SITE
CAN HELP YOU TO DO SUCCESSFUL
EXPORT MARKET RESEARCH AND
DEVELOP EFFECTIVE EXPORT
PLANS**



HOW TO USE MARKETPULSE/EGYPT SITE

A. Market Potential

1

MarketPulse
World Economic Outlook, May 2001 - IMF

- Prospects and policy challenges, PDF
- Three current policy issues, PDF
- Fiscal improvement in selected economies, how long will it last?, PDF
- The decade of inflation emerging markets: Can it be sustained?, PDF
- Appendix, PDF

World Economic Tables

Output

- 1 Summary of World Output, PDF, XLS
- 2 Annual Figures, Real GDP and Total Domestic Expend, PDF, XLS

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A. Market Potential

2

MarketPulse
Market Information

Asia Pacific Europe

Countries are listed by alphabetical order
A B C D E F G H I J K L M N O P Q R S T U V W X Y Z

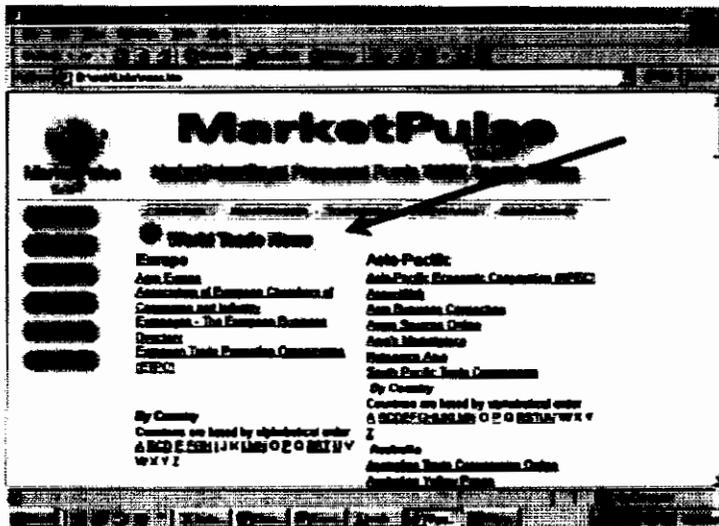
Regional Information
Canadian Area, Agricultural Trade
Commonwealth, Developing Economies
Asia Pacific, Economic and Trade
Information, Middle East - US Department
of Commerce
Market Research - ICAE
Public Marketing Organization - Middle
East
Australia - Food and Rural Development

Regional Information
B.L.E. At a Glance, Overview
European Union - Asia Pacific Export Market
Assessment, Report Overview
Asia Pacific - 2001, Report Overview
Market Report
Guide to Food Labeling & Packaging
Development of the ECU
Asia Pacific Trade and Finance Plan by

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A. Market Potential

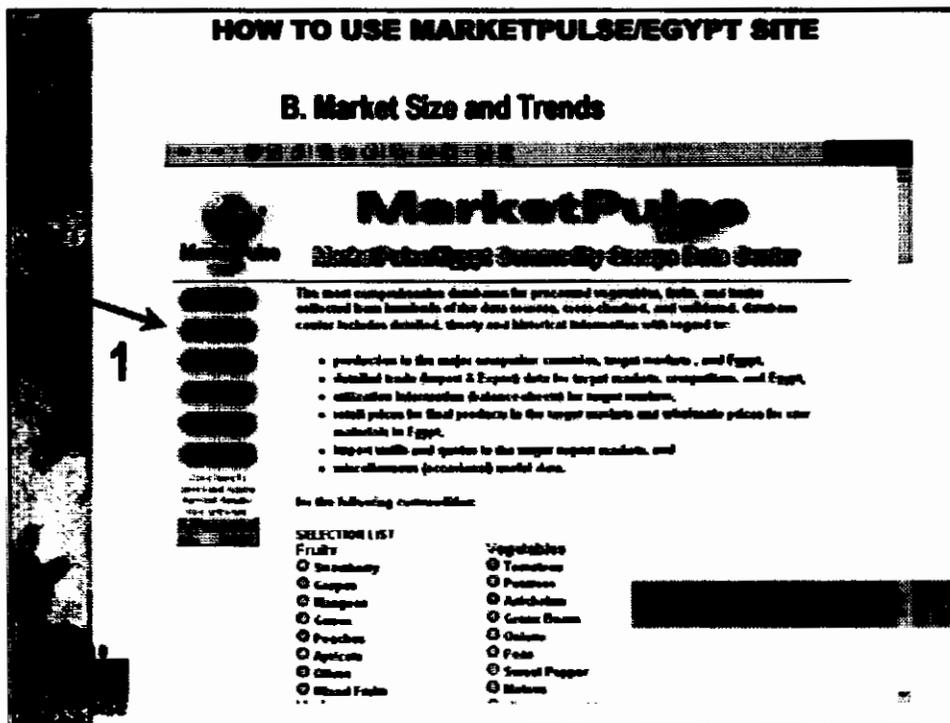
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B. Market Size and Trends

1



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B. Market Size and Trends

3

Market Pulse / Egypt Update

14 May 2001

FRUIT JUICE CONCENTRATES

Market Pulse / Egypt Update

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C. Profitability

1

Retail Food Prices in Europe, 1st Quarter 2000

Prices are in local currency as recorded by the vendor across EU nations are specified. Prices are for the package, net per unit of weight.

Product	Qty	Brand	Variety	Region	EU
Strawberries	Amsterdam	Auto	Single Pack	Continental Euro	
Strawberries	Strasbourg	Auto	Single Pack	Continental Euro	
Strawberries	Strasbourg	Auto	Soft Pack	Continental Euro	
Strawberries	Strasbourg	Auto	Single Pack	Continental Euro	
Strawberries	Strasbourg	Congle	Soft Pack	Continental Euro	
Strawberries	Frankfurt	Frucht	Single Pack	EU	
Strawberries	Frankfurt	Auto	Single Pack	Continental Euro	
Strawberries	Frankfurt	Confession	Single Pack	EU	
Strawberries	Frankfurt	Auto	Single Pack	Continental Euro	
Strawberries	Amsterdam	Auto	Single Pack	EU	
Strawberries	Amsterdam	Auto	Single Pack	Continental Euro	EU
Strawberries	Amsterdam	Auto	Single Pack	EU	EU

Home

News / Commentary

Data Center

Production Data

- World Production
- Export Production

Trade Data

- EU Market Imports
- EU Market Trends
- Balance Sheets
- Export/Import Data

Prices Data

- EU Retail Prices
- Export/Import Prices

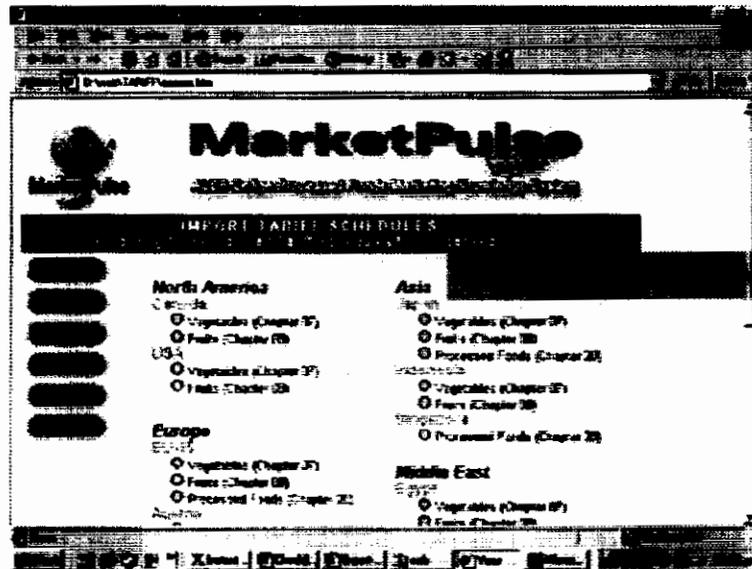
Market Analysis

Feedback

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D. Market Access

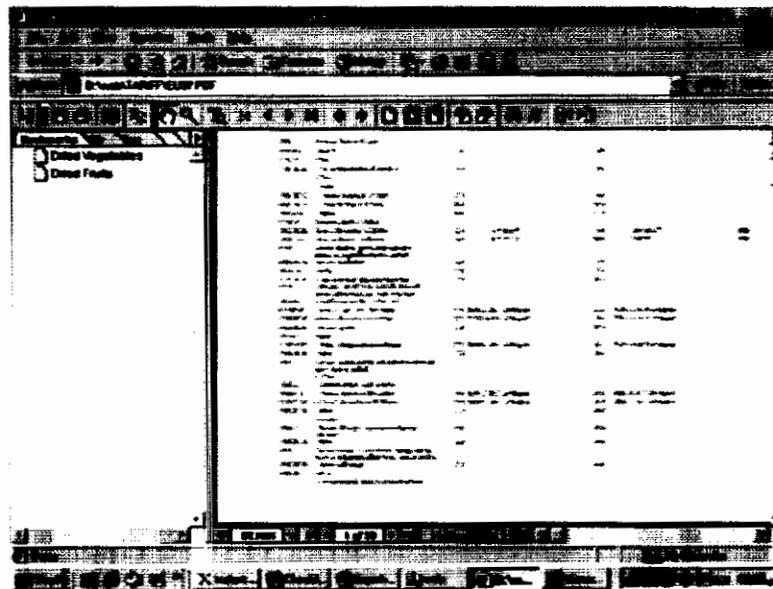
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D. Market Access

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