Selling overseas is the new mantra for Irish business and, for companies with the right products, mindset and resources, the world can be their oyster. But rushing into an overseas market too early, or without adequate preparation, could also lead to frustration, potential reputational damage and cash burn. Understanding your markets and the nature of your opportunity is critical to targeting your resources and maximising your opportunity.
Assess your export readiness – a quick checklist

Enterprise Ireland has developed an online export readiness self-assessment tool to help companies assess whether they are ready to break into new markets.

Key questions to consider include:

- Have you set out a vision for exporting that your stakeholders (management, employees and investors) will sign-up to and support?
- What is your in-house experience of international selling – and is there a willingness to learn it rapidly?
- Are you looking at the right market?
- Do you have the organisational resources to enter the market?
- How will you gain knowledge of and access to your market?
- Can your product or service ‘cut it’ there?
- Is your intellectual property (IP) secure?
- Are you price competitive, without competing solely on price?
- Are you tax and visa compliant?

Remember, weakness in any area – strategy, finance, premises, production capacity, staff levels, branding and marketing – may compromise the whole process. However, remember too, that they can be addressed with training, investment or planning, and in some cases, dedicated Enterprise Ireland workshops and seminars are available.
Putting an export plan in place

‘You may have a good business model in your current environment, but is that business model transportable? What are the conditions that allow you to win here? Are they present in other markets?’

Prof. Chris Styles

A strategic plan should be comprehensive but sufficiently dynamic to adapt to actual experience in the market. Your strategic plan should focus on:

- **Targeting customers not markets**
  Markets can look attractive on paper but the critical question is not where the best market is but where you have the best chance of succeeding. On-the-ground insight and research about the market is by far the most valuable information in this regard.

- **Understanding your offer**
  Your unique value proposition is a succinct statement of what differentiates you from your competitors. Are you clear: what your offering is; who you are offering it to; how it will make you money? Note that being the lowest cost is rarely a ‘killer’ proposition in any new market.

- **Financial planning**
  It is vital to know the real and complete cost of an overseas operation to gauge your return on investment. Costs generally divide between those that are controllable and predictable, like rent, shipping and import duties, and those that are not, such as staffing and currency fluctuations.
• **Organisational structure**

As an SME, expansion into overseas markets will have a direct impact on the organisational structure of your company. Organisational stresses can appear in terms of critical processes, structure, staffing issues, critical skills and culture.

**Finding a partner in your new market**

> ‘Whatever market you are targeting, it is important to focus on the needs of the customers, and use this as the starting point to determine the optimum delivery route. In so doing, be aware that assumptions underlying ‘facts’ in one market may not apply in another market.’

Pauline Byrne, Practical Business Solutions

Research consistently indicates the correct choice of local partner is one of the most critical success factors for SMEs in overseas markets. Setting and agreeing expectations is key to establishing a strong relationship with a distributor from the outset. The types of details you may want to lock-down up front include sales objectives, pricing, margins, discounts and payment terms. But remember, you can only agree realistic terms and expectations with a distributor after researching the target market.
Five pitfalls to avoid in a new market

• **Are you talking to the right person?**

  A mistake companies fall into again and again. Finding out who has the authority to buy your product or service can be an art in itself. Consider asking your lead: ‘Who, as well as you, will be making the buying decision?’

• **How good are your leads?**

  A key question on the quality of your leads in a new market is: are people willing to give you their time? If they are not setting up dates to meet and interact with you, they’re not interested.

• **Are your resources and vision aligned?**

  If you have a Marketing Manager for Ireland and an Export Manager looking after markets ten to fifty times larger, have you the optimum division of resources?

• **Is your paperwork in order?**

  A key thing to be aware of when you establish a physical overseas presence is the need to abide by all the country’s laws associated with labour and tax. Closing your eyes to these issues at the start can cost a lot of money afterwards. A tax adviser (in Ireland and your export market) should be your first port of call if you have any doubts.

• **Are you over doing your duty?**

  If you are exporting outside the EU, an understanding of customs classification codes, preferential trade agreements and duty relief schemes can reduce the cost of your goods to clearing customs. The European Union’s [Market Access Database](#) provides information about the duties and taxes applicable in all countries outside the EU.