General Market Information

Nobody knows your company better than you do. However, as an exporter you may need to look at your company in a different light. A clear understanding of your business plan and resources – from an exporter's point of view – will allow you to decide if Mexico is a practical alternative. At that point, you can begin to plan your information gathering. What am I looking for? What do I plan to do with it? When do I need it?

Once you have organized a plan of action, you are ready to examine the Mexican business environment. Business practices, political and economic considerations, and demographics need to be studied. As you analyse each, focus on potential barriers and opportunities. Such a sceening will let you develop a "feel" for the market before advancing to more detailed sector- or product-specific information.

The symbol in the Contact Organizations sections of this guide, pages 8 to 14, indicate sources of general market information.

Figure 1 points out some of the more important issues that you will need to address during the first stages of market research.

KNOW YOUR COMPANY

- Business plan
- Export experience
- Production capacity
- Language and cultural preference
- Realistic objectives
- Commitment

INFORMATION PRIORITIES

- Market size statistics
- Market share statistics
- Buyer behaviour
- Potential distributors
- Market segments

BUSINESS INFORMATION

Business Practices

- Dealing with market obstacles
- Face-to-face contact
- Commitment
- Legal issues

Political

- Government priorities
- Elections
- Upcoming legislation

Economic

- Availability of capital
- Exchange rates
- Inflation
- Effects of the NAFTA

Demographic

- Young population
- Income distribution
- Urbanization

The power of numbers...

You can often determine whether the market is worthy of pursuit by consulting statistics that are readily available in general market information publications. Review of the introductory publication *Canada/Mexico: Partnering for Success*, available from the Department of Foreign Affairs and International Trade (see order form at end of this guide), led one executive to comment: "For us, Mexico was a roller coaster. We sell video equipment targeted at high-income professionals, so we were disappointed to find that the average income is low. Further digging revealed that income distribution is more concentrated in Mexico than in Canada. There is a significant upper-income segment. And, approximately 50 percent of Mexicans are under the age of 20. Our hopes rose, and we decided to conduct additional, product-specific research..."