
Promotion

Export marketing is more than export selling. Most foreign buyers expect marketing support that goes beyond samples, brochures and pamphlets to include advertising and participation in trade shows. Trading companies will want to know what and how much the manufacturer is prepared to contribute to the promotion of its products abroad. Returning to the example of the Beam-Overseas partnership, an advertising campaign is being designed for Beam in Saudi Arabia. There will have to be a financial contribution from the Canadian side, provided either by Overseas alone or jointly with Beam. Overseas will also want to know whether Beam has developed any advertising material which may be useful in Saudi Arabia.

Contract

A contract is just as necessary in exporting as in domestic business. It should be viewed not only as a means of legal protection, but also as an instrument for fostering the clearest possible understanding between two parties. Lastly, the manufacturer or the trading house will remember that a contract which attempts to wring every last concession from the other party is not an achievement, but rather a sure sign that the deal will never work. Indeed, a contract will bear fruit only to the degree that it incorporates terms which work to the equal advantage of all contracting parties.

Pricing for Export Success

Traders serve as intermediaries in matters which relate not only to product specifications but also to price. As regards price, they negotiate with both the seller and buyer. Their role is likely to involve getting the foreign buyer to accept a higher price or the seller a lower price or convincing both of them to compromise when they are too far apart. It may also include negotiating better terms for freight, insurance handling and financial costs.

Demand Pricing

For an example of demand pricing, one can go back to the case of exports of wheelbarrows to Trinidad. Mr. Kampouris has found a Canadian supplier who is offering to meet the delivery deadline