



A structured approach to an export initiative must begin with the evaluation of three key questions:

- Product complexity — What level of support and maintenance is required?
- Financial resources — What level of financial “patience” is available?
- Long-term export strategy — Is a local subsidiary the ultimate goal?

In the process of evaluating the above questions, decisions should be made about:

- Who should execute and pay for the local adaptation of the application?
- What discount rates are acceptable?
- What level of support is necessary and available?

Thereafter, it is time for extensive homework to:

- Identify and study relevant joint-venture partners, especially their distribution channels and financial solidity — more than one candidate should be chosen.
- Study the target markets in terms of size, growth and competition.

At this point, a critical decision must be made between whether to establish your own distribution channels directly or enter into a joint venture with a software developer that already has established distribution channels. We believe that the latter will be the most productive approach for overcoming cultural/political barriers.

- When actual contact is made with a potential “partner”, plan to visit the candidates several times, both before and after an agreement is made.

Export takes a lot of patience. That is the key message. The approach, “First we become friends, then we do business in Europe”, is at the heart of a sound distribution strategy, because therein is found a consistent understanding of local management, sales and support.