

6.0 Environmental Market Penetration Strategies for India

6.1 A Mindset for the Indian Market

There are three basic requirements for Canadian companies considering the Indian market: a niche, an agent, and perseverance.

India is a large and complex country. Most foreigners are shocked at the country's development, business sophistication and technical capacity during their first visit. The commercial centre, Bombay, is not unlike other major business capitals in industrialized and emerging economies. In light of this reality, Canadian environmental companies are well advised to select a market niche, rather than trying to compete on a broader market basis. This requires a substantial allocation of effort to find the best market position for your company.

India's business culture operates on two levels. The vibrancy of commercial activities are reported in the media, and have a high public visibility. On the other hand, most actual business dealings are done privately, often through family connections. It is, therefore, imperative that a market entry strategy into the country connect with the private business world. This is best done either through a representative agent who is well connected, or by utilizing company staff who have family or business relationships in the country.

The pace of business activity in India is rapid. With the exception of some government approvals, decisions by Indian business partners are often made quite rapidly once a company has done its homework. The devil, however, is in the details. In sometimes takes 2-3 years to carve out a market niche. To complete a transaction numerous technicalities have to be ironed out and, inevitably, some government approvals will be required.

Turning the profit corner in an enterprise, and repatriating returns, will take a couple more years. However, once established in India with partners, a Canadian environmental company can look forward to a steady flow of income gains that can be quite impressive. In a rapidly growing emerging economy like India, many entrepreneurs are doing very well.

6.2 Market Intelligence and Analysis

Among emerging economies, India ranks as one of the most open. General business information is readily available. Specific business opportunities are, though, harder to define.