The most appropriate entry route for your company depends on the characteristics of your sector, your financial constraints and your company's organizational skills. According to the companies interviewed, each route has its intrinsic advantages and disadvantages. Some of the perceived advantages and disadvantages of each option are listed below.

Pros and Cons of Entry Routes Chosen

Agents

PROs

Simplicity: no responsibilities, no investment, no recruitment, no office to set up, etc.

Easy way to test acceptance of your products in a new market.

CONs

Reduced profits because of the commission you must pay.

Unless exclusivity deal, agents not as keen as you on selling your product, if other lines held offer higher margins.

In many cases, agents do not have the knowledge and expertise to sell high-tech products.

Sales Office

PROS

Good way to become familiar with unknown market.

Allows expansion from single country base into other European countries for products where transportation costs are low and buyers don't require just-in-time delivery.

Gives more control on sales than with an agent.

CONS

Potential transportation and customs clearance problems.