

# An Introduction to the Indian Market

By Michael Wondergem, *Trade Commissioner, Department of Foreign Affairs and International Trade*

Much has been written about the remarkable economic growth of Asia's developing countries and the exciting opportunities this represents for Canadians.

The largest part of the world's population lives there and one would conclude that there lies a huge market to be tapped. Right, but it's not as easy as that. It takes lots of adaptability; a lot of promotion and marketing effort; an exchange of technology; and lots and lots of patience.

Sometimes you've done all the foregoing and then find that your client is unable to finance a much-wanted transaction.

Take India, for instance: close to one billion inhabitants; a middle class — with an excellent purchasing power — bigger than that of the United States; and a well-educated workforce, bar none.

It also is a country: where red tape has been perfected; where one cannot achieve good results without having excellent connections (and everybody says they have them); where everybody wants to trade.

One has to be prepared to physically spend time in the marketplace — to conduct market research; to set up a realistic marketing strategy; and to be well represented by a local company.

If you wish to make use of the inexpensive labour force and, at the same time, avoid certain tariffs or duties, you may wish to explore a strategic alliance with a local firm.

The proof is in the pudding — BATA, one of Canada's largest investors in India, is selling lots of shoes.

If you have a solid marketing plan the Government of Canada will assist you in many ways:

- Foreign Affairs and International Trade's Program for Export Mar-

ket Development (PEMD) is delivered through its International Trade Centres across Canada;

- CIDA Inc. operates an excellent industrial cooperation program;

- the commercial staff at the High Commission in New Delhi and the Consulate in Bombay always is prepared to provide valuable assistance; as is

- the Canada-India Business Council in Ottawa.

## Promotional Events

Often, in cooperation with other government departments, Foreign Affairs and International Trade organizes various promotional events (such as participation in international trade fairs) and operates trade missions.

On a recent mission, a group of nine telecommunications company representatives travelled to New Delhi, Bombay and Bangalore, where they had the opportunity to address several hundred potential partners at seminars organized in each city.

"Useful", "Considerable potential", "Excellent prospects", "Projects identified" were some of the superlatives voiced by the participants.

A short time ago, a Canadian Power and Energy Mission was enroute to India to cater to the country's dire need for more power, needed to support India's booming industry. Within 24 hours of their arrival, word was received of their first success!

At time of writing, a Canadian group of airport development experts had just arrived in India, aiming to get in on the ground floor of India's plan to modernize its major airports.

Other organizations are involved, as well, in the promotion of opportunities in India:

- The Canada-India Business Council conducts seminars across Canada;

- The Canadian Manufacturers' Association operates a successful Business Linkage Program (see article page 1); and

- Several provincial ministries organize trade missions, as do Chambers of Commerce.

## Winnipeg Mission

A recent mission coordinated by the Winnipeg Chamber of Commerce is an oft-quoted success story.

(In brief, 11 senior businesspersons from Pune, India had more than 100 face-to-face meetings with prairie businesses.

Some of the more than eight business agreements that already have resulted include:

- Letter of Interest for development of a first-ever-in-India Imax theatre in Pune;

- Letter of interest signed to explore a joint venture in bioculture technology;

- Development of a software company marketing agreement; and

- Training and technology transfer agreement developed on dairy herd enhancement).

Your company may have had much success in selling to the United States and there may be additional opportunities there under the Free Trade Agreement. But it is also time to look ahead and diversify.

India has the market — and it is a large one. The language of business is English, so there is no language barrier. The country is open to business and it has the labour force.

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