Overview

The purpose of this reference tool is to provide the business person with a guide to the export planning process. It presents the key questions that business people should consider as they take the steps connected with exporting into new markets. It is intended both for first-time exporters as well as those who have some limited export experience and wish to expand their export efforts.

Specifically, this publication guides the business person through ten basic areas of export planning, as listed below. Each of these involves information gathering, analysis and decision making, all of which culminate in action. Though thematically distinct, each step should be integrated into a seamless, iterative planning process.

1. Internal evaluation. Considers whether exporting is appropriate for the company given its current internal capabilities and resources.
2. Export readiness: a diagnostic. Examines the readiness of the firm to begin exporting or to expand its export efforts.
3. Target market definition. Examines the customers the company currently serves, how it adds value to them, and where it competes effectively as a way of guiding the search for new markets in which it can succeed.
4. Selection. Evaluates likely prospects to identify these geographic regions or countries that offer the most promising targets for the company.
5. Entry. Examines different ways of entering the target market to determine which one(s) best suits the company's needs and capabilities.
6. Marketing. Identifies different approaches to positioning and promoting the company and its offering in the target market, so as to choose which is likely to be the most effective.
7. Sales and distribution. Assesses how the company can sell its goods or services to customers in the target market, as well as how it can physically reach those customers.
8. Logistics and delivery. Evaluates issues concerned with moving goods or people (in the case of services) into the target market.
9. Financing. Analyzes the company's current financial situation, the outlays expected for the new export venture, and the expected returns. Identifies potential shortfalls and specifies financing requirements.
10. Monitoring. Identifies the tools and reporting systems that are appropriate and available in the target market to keep track of how well the company is doing. Also considers how to change direction in response to the information gathered.

It should be emphasized that planning is cyclical: it should not be treated as a linear process. As information is gathered, decisions are made and then tested through action. If results show that the information was incomplete or inaccurate, or the decision faulty, assumptions must be revised and additional information gathered. Often, the planner will return to the starting point to reconsider the entire strategic direction in light of new information, new developments or a new understanding of the company's situation and opportunities. What is critical is to ensure that there is an appropriate level of monitoring and feedback built in at every stage of the planning process.