

Engineering Consulting Firms

Canadian consulting firms should consider three approaches that will allow them to effectively penetrate the Chilean market.

1. The first approach assumes use of a local agent to identify potential projects for the consultant. This is the minimum level of commitment that should be considered if the objective is to penetrate the Chilean market.
2. A company employee should make regular sales trips to Chile to meet with potential customers and support the company's representatives.
3. Since the foreign consultants will be responsible for the process design, and the detailed design work will be done by local consultants, an affiliation or joint venture with a local consulting firm would be an ideal way to serve the market.
4. Given the trend to opt for technical services provided by the vendor, the consultant should consider a joint venture with one or more telecommunications equipment suppliers (if the equipment is not manufactured by the Canadian company).

Equipment Suppliers

1. The supplier should have a local representative or agent with the function of identifying potential sales. The agent will also be responsible for marketing and promoting the Canadian supplier's products.
2. The supplier should have a firm intention to provide after-sales service and supply the required components and spare parts before making business contacts on the market.
3. Company employees should make regular sales trips to Chile, since buyers prefer to deal directly with the supplier whenever possible, but especially for large purchases. Regular contacts will show the Chileans that there is a commitment to support this market.
4. It would be in the supplier's interest to make an alliance with a local company manufacturing components or spare parts for its equipment (if possible). This may be a way to gain a price advantage by using local labour and of demonstrating to potential customers that it has a local operation to produce parts.
5. The company should make efforts to use standard parts and components in its equipment in order to facilitate on-site replacement and maintenance.
6. To improve the sales potential, the supplier should set up operational training programs. It should ensure that the performance claims for its equipment are confirmed by users and that it can meet technical requirements and answer customers' questions.