

less individual risk-taking in purchases of foreign-manufactured products. Decisions are usually made following group consultation.

- Canadian companies must seriously plan the necessary field trips, and must decide if they can afford them. More importantly, they must be willing to strategically redirect their marketing efforts for selected products from the North American to the Japanese market.
- There are well-established traditional distribution channels and methods in Japan. For most export transactions, the foreign manufacturer must market through an importer/agent willing to take the risk of marketing and distributing a foreign manufactured product. This importer/agent will then sell to the distributor, who sells to the wholesaler, who sells to the store, who sells to the consumer. One must market at all levels of this network before the Japanese importer will even consider marketing the product in Japan.
- The distribution system is so complex that there is a real risk that the product can be priced out of its market. Because of this, many products are sold on consignment, and cash flow requirements may make it more difficult to get established in the Japanese market.
- The risk of merchandising foreign products often results in the Japanese client placing too small an order to warrant the foreign manufacturer shipping or re-tooling to meet specific Japanese requirements. If the shipment is large enough for the exporter, it is usually too large for the Japanese importer.
- Transportation costs also place Canadian manufacturers at a disadvantage because the distances involved are so great. Since DIY products are low technology, countries closer to Japan who have lower labour and transportation costs are already manufacturing DIY products similar to those made in Canada. An advantage the Canadian manufacturer may have over this Far East competition was offered in the DIY Survey. Whereas the Southeast Asian countries provide