

Market Profile

In preparing a market profile, you will need up-to-date trade statistics and information for each potential market. To obtain this information is not as great a challenge as may appear at first glance. Utilize readily accessible domestic sources of information (see Sources of Information, page 6, and the Section *Your Reference Sources*). Much of the preliminary market research can be done in Canada and should enable you to identify your best market. Once a market is selected, you should visit it to confirm and supplement your knowledge of it before committing yourself to exporting there. Your market visit will, however, be much more successful if you approach it having made an assessment of what its potential and problems are likely to be.

Background Information

- Size of country, distances, climate, terrain and other geographical considerations that affect the saleability of your product.
- Size and distribution of population.
- Level and distribution of income.
- Level of purchasing power. Buying power is rising rapidly in many countries and, as a result, spending patterns are changing drastically. If you export consumer goods, pay special attention to the buying habits in that market.
- Extent and stage of development; plans for future development. This will have a direct bearing on the products that may be in demand over the next decade.
- Present economic situation; trade balance; availability of foreign exchange; credit standing.
- Present political situation.
- Cultural or religious considerations.

Accessibility of Markets

- Restrictions to import of goods through taxes; import duties; quotas;

licences; deposits required of importers.

- Market policy and attitude toward imports of products from Canada — preferential or Most Favoured Nation status.
- Currency controls and convertibility to Canadian dollars.
- Bilateral trade agreements favouring imports from other countries over Canadian goods.

Market Potential

- Current demand.
- Potential for long-term growth.
- Import statistics and trends by volume, value and country of origin.
- Domestic production of product and related products. Is present demand due to a temporary shortage?
- Price differential between domestic and imported product.
- Range of quality.
- Product range with the longest current and potential sales.
- Mark-ups at the importer, wholesaler and retailer level.
- Market control. Is market dominated and tightly held by a few established suppliers? How strong and how well organized is the competition?
- Acceptability of new products.

Market Regulations

- System of measurements used.
- Preferred pricing basis.
- Usual terms of payment.
- Marking and labelling requirements.
- Health, safety and technical standards that apply.