

TEN COMMON EXPORTING ERRORS

In reviewing the success of the trial run, keep in mind the ten most common errors made by novice exporters. The firm may have made some or all of these mistakes. If so, it is in good company. Exporting success does not depend on avoiding all mistakes but on learning from them.

1. The firm did not gather all the necessary background information about the Mexican market. It failed to develop a marketing plan before attempting to export.
2. The company did not have the commitment or the determination to overcome the difficulties associated with exporting, and it lacked the resources to meet the financial obligations incurred during the initial stages of exporting.
3. Not enough attention was paid to choosing an agent or distributor. The one chosen performed poorly and the company became discouraged.
4. In the first flush of enthusiasm, the company spread itself too thin, attempting to enter several different markets rather than focussing on one and establishing a base of expertise and strength.
5. The company treated exporting as a safety net, turning to it only when the domestic market experienced a downturn and abandoning it when domestic business recovered. It did not develop a long-term strategy or presence.
6. The company treated its partners, agents and distributors with less consideration than it treated its partners and associates at home.
7. The company failed to adequately modify its products to respond to regulations or cultural preferences in the Mexican market.
8. The company did not bother to provide itself with capabilities in Spanish, nor did it seek to produce documents in Spanish.
9. The firm attempted to do everything by itself instead of engaging specialists such as freight forwarders and customs brokers to handle the technical details of exporting.
10. The company failed to investigate the potential benefits of partnerships, joint ventures and technology exchanges as a way of enhancing their export efforts.

THE PRODUCT

- Does it need to be modified in some way that may not have been anticipated initially?
- Does the firm need to strengthen its ability to provide training to use the product?
- Is it necessary to make better arrangements for providing after-sales service?

PRICING

- Is the price competitive?
- Can the firm accept a reduced profit margin to improve the appeal of the offering?
- Is it possible to raise the price and boost profits?

THE MEXICAN MARKET

- What surprises has the Mexican market produced? Did the firm make any erroneous assumptions about the market? If so, what are the implications?
- Are there better markets to pursue?
- If there has been some initial success should the firm expand its export effort within Mexico, or add other countries to its list?

THE EXPORT PROCESS

- Has the firm mastered the techniques required to maintain control over the export process?
- Is it comfortable with each of the steps involved? If not, how can it improve the way in which it deals with them?

AGENTS, REPRESENTATIVES, DISTRIBUTORS

- If selling via intermediaries, is the firm happy with their performance?
- If selling to a distributor, have the expected quantity of orders been placed?
- If not, what explanations does the distributor offer to account for this? What changes, if any, in the product, service or price is recommended?
- If selling through a trading house, how successful has it been in selling the product? If performance has been poor, what are the alternatives?
- If working through partners, is the relationship stable and mutually beneficial?