Opening the Door: **Entering Your Target Market**

"It's very important for new exporters to go to a target market personally and get a feel for local conditions. It's also important to partner with someone who's familiar with the local business culture."

– Exporter

Market entry support for Canadian exporters

The Program for Export Market Development (PEMD) assists Canadian companies that have $250,000 to $10 million in annual sales. It's intended to increase exports of Canadian goods and services by reducing the burden of the costs associated with penetrating new export markets. You'll find it at **www.dfait-maeci.gc.ca/pemd.** Trade Routes, supports initiatives from organizations in the arts and cultural sector that are linked to the development and implementation of long-term strategies through export preparedness and international business development. See **www.canadianheritage.gc.ca/routes.**

Understanding entry strategies

A market entry strategy is nothing more than finding the best methods of delivering your goods to your market and of distributing them there. Or, if you're exporting services, it means setting up ways to obtain and manage contracts in the foreign country.

You can find help through the International Trade Centres at **itc-cci.gc.ca**. Located in every province in Canada, they can provide you with counselling, market entry support and market intelligence at no cost. And don't forget the Canadian Trade Commissioner Service at **www.infoexport.gc.ca**. It can provide you with lists of qualified contacts in your target market, from potential buyers to patent attorneys.

Working out your entry strategy

Based on your market research, you've by now chosen the most promising markets for your product or service. Using what you know about these markets, you next decide which entry method best suits your needs. Some factors to consider are:

- How is business conducted in your target market and industry sector?
- What are your company's export strengths and weaknesses?
- What is your company's financial capacity?
- What product or service are you planning to export?
- How much service and after-sales support will your customers require?
- What trade agreements or barriers apply to your target market?

Methods of market entry

The traditional means of market entry fall into three broad categories: *direct exports, indirect exports* and *partnerships/alliances*. We'll examine each of these in the next three sections and then look at the question of intermediaries – agents, distributors, and other go-betweens.