

are the ones that succeed. This support is currently offered in three ways: a) training by the firm selling the software: this means both organizing a training facility that includes space for course teaching and preparing your software account managers to give preliminary after sales technical support, b) selecting and recommending a firm to supply the after sale support and c) finding an alternative way of support, such as consulting via modem or sending demos and training diskettes.

Two additional strategies have proved adequate to overcome the lack of computer culture:

- a) Offering 'user friendly' products. They are usually the most successful.
- b) Introducing the software at school and university labs, a long range but most effective marketing investment.

Software translation into Spanish is crucial to access a massive market. Otherwise, sales necessarily concentrate on highly educated and/or specialized clients. Software translation will also open up the possibility of using Argentina as a jumping board to other Spanish-speaking markets, particularly within Mercosur, the newly formed common market by Argentina, Brasil, Paraguay and Uruguay. Experts in the field report that other Mercosur partners' software markets are at a lower technological stage than that prevailing in Argentina.

When dealing with government contracts it is much better to try to divide contracts into a large number of separate, smaller contracts. This is a very important strategy to avoid IBM lobbying activity against what they would view as a competitor. IBM usually involves itself in countering other large proposals to the government, but has shown itself to be uninterested in countering contracts for smaller amounts. Thoroughly reviewing this market quirk with the government officer involved in negotiations, particularly so if he is new in his position, is a most advisable path.

Firms that are trying to appeal to a large client base, report that one way of doing it is working as 'integrators', that is, selling a combination of hardware and different kinds of software that will give the client a global solution in terms of systems requirements. This type of approach will probably be successful for the next three years, the time thought to be required by all big and middle sized firms to computerize their environment. On the other hand, specializing in too

narrow a field (i.e.: concentrating in one product) can carry very slim profit margins because of competition from the USA grey market.

Software products aimed at a specific industry are limited in their growth potential. Continued success, therefore, will be linked to the ability of the software company to provide the market with successive new products, or constant upgrades.

Argentine firms resent being forced to pay licenses for PC software that they came by during the 1980s when they feel they had no other alternative to piracy. When faced by litigation the firms usually reach an out-of-court settlement to pay the license, but they immediately switch to a competing software, buying its license.

Argentine business office culture, especially in government, is rather anarchic. Users favour software that allows for individual files and individual usage. Integrated software solutions are resisted.

VI. Argentine View of Foreign Associate Firms

The main problems with working with foreign firms, as reported by the participants of this survey were:

1. The foreign firms know little about South America and its market, making it difficult to explain the peculiarities needed to expand business in Argentina. Firms from the United States, in many instances, further complicate things by hiring a Mexican American or Cuban American as their Latin American expert and Project Manager. USA businessmen do not seem to be aware that in spite of the common language, Latin America is made up of very different cultures, stemming from the varying mixtures of indigenous races, immigration waves from Europe and Asia, and the impact of differing geographical features that comprise each country. In past experience, the so-called expertise has lead to many subsequent misunderstandings, and to inadequate marketing support.

2. Argentine government import regulations (many of which have recently been abolished) have usually been considered irksome by the foreign firm, and discouraged some of the business