

INTERNATIONAL MARKET RESEARCH

A STRATEGIC APPROACH

FAST FACTS

Overview

International market research plays an important role in the identification and development of a company's strategies for internationalization. It enables a business to identify, evaluate and compare potential foreign market opportunities and develop a marketing plan. Research also provides a company

with foreign market intelligence to help it anticipate events, take appropriate action, and prepare for global changes. As businesses expand further into international markets, the role of timely and accurate market research to guide decision-making becomes increasingly critical.

Make a plan for growth

Systematic market research and planning is essential to exporting and can be instrumental in avoiding costly mistakes. What may have worked for you domestically may not work overseas. Exporters encounter different income levels and demand cycles abroad; different languages, cultures and environments; different laws and regulations; different ways of doing business; and different risks (e.g., foreign exchange fluctuations, civil strife, nationalization, etc.). You want to find your best markets, but you also want a manageable number of markets. Don't spread yourself too thin or pursue markets that aren't right for you. The "best" markets offer a combination of high comfort for your company and high potential for your products.

- **HIGH-COMFORT MARKETS** are those you're personally close to in some way. You may have trusted contacts there, such as relatives or friends; or you're at ease with the language and culture; or you've spent time in the country. Often, however, high comfort countries do not offer the highest potential for your products.
- **HIGH-POTENTIAL MARKETS** are where you ultimately want to be. They're the large, emerging or fast-growing markets, with high receptivity to products like yours; limited local or foreign competition; and no significant market barriers.

Analyzing and researching overseas markets are critical elements in determining an export strategy. Market research

is a crucial part of building your export strategy. It helps to distinguish your target markets based on factors such as their size, growth, competitive environment, culture, potential partners, etc. Businesses should identify and select target markets based on the key leading market indicators for its product(s).

U.S. Commercial Service Market Research Library

Containing more than 100,000 industry and country-specific market reports, authored by trade specialists working in overseas posts. Registration (free) is required.

CIA World Factbook

Provides information on the history, people, government, economy, geography, communications, transportation, military, and transnational issues for 267 world entities.

WEDC Global Network – Market Intelligence

Developing a successful international growth strategy begins with understanding where the greatest opportunities are for your business. As the state's lead economic development agency, the Wisconsin Economic Development Corporation can call upon a Global Network of Market Development Directors based in Wisconsin and trade representatives in 95 countries to provide timely and relevant in-country expertise.

Trade and professional associations are often a useful way to find out what is happening in an industry as well.

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