

V5.A0000d Mini-Briefing: Market Strategy for ICT & Security Exporters

Why export?	Exports are good for the source economy and the exporter but there are risks and costs; it pays to take a strategic approach on why, where and how to compete overseas
Why strategy?	<p>Developing an export market takes time, resources and patience and involves risk.</p> <p>Assess which markets offer the highest potential for least cost and risk remembering that, especially early on, an attractive market is more likely to be a densely-populated area around a major city than the entire country in which the city-region is located</p> <p>Then work out the business plan for each target market allowing spare resource capacity in case of deviations – and monitor how things are going against some key milestones</p>
What to consider in each market	<p>Limited resources are best applied after prioritisation of the potential city-regions into which you could export; rate each of the following factors and weight the factors so as to prioritise the target markets</p> <ul style="list-style-type: none"> • Political – democratic societies that operate relatively free markets are lowest risk for exporters with few barriers to entry and repatriation of profits • Economic - the most attractive export markets have a substantial, highly-concentrated, relatively affluent population with pressures to raise business capacity and productivity • Sociological – differences in cultural values combined with language differences make some markets very difficult to penetrate successfully • Technological – an attractive market tends to have a similar level of technical sophistication to your home market so little market education is needed • Legal & Regulatory – low risk markets respect the rule of law, including Intellectual Property rights and have markets regulated by competition and consumer protection rather than protectionism • Environmental – distance and time zone displacement are significant barriers to successful exporting
What are the Key Success Factors?	<p>Strategy – choose where and how to compete systematically to optimise capital and human resource investment against risk and return</p> <p>Process – apply a business plan in which resource utilisation and sales and marketing outcomes are reviewed at regular milestone points to check progress against plan</p> <p>Resources – capital and human, including management, resources are committed to support the plan with well-placed milestone reviews used to review and revise resources and expectations as experience grows; patience matters</p> <p>Organisation – a “one size” approach rarely works in all markets; organisations have to reflect this flexibility</p>
Who might best export from UK?	<p>Services providers able to enhance customer intimacy or operational productivity</p> <p>Technology-intensive players looking to embed their technology in partner products</p> <p>Gadget and service suppliers offering better information, entertainment or socialisation</p>
Which are the UK's strongest ICT export segments?	<p>UK companies have significant capability and international competitiveness in several key areas of ICT and security technology, including</p> <ul style="list-style-type: none"> • design of entertainment and information apps for mobile • design of high performance low-power devices for portable electronic equipment • software and systems to support banking, insurance and asset management • software and systems to mobilise enterprise management • software and systems for media production and distribution • software and systems to detect and neutralise cyber-attacks
More detailed and/or customised versions of this briefing can be provided	<p>If you found this useful - whichever markets you hope to export from and to - and/or would like a free and confidential introductory discussion of how we might help you</p> <p>please contact:</p> <p>Frank.Morris@vecta5.com</p>

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