

Exporting – the Ten Commandments

Small Business Development Corporation

Business success is all about identifying trends and opportunities. With rapid advances in technology, transport and communications, increased affluence and the lowering of trade barriers, Australian businesses are overcoming the limitations of geographical location and historical ties. Many Australian products and services can now compete successfully in the world marketplace. However export success does not happen by accident. A well planned and executed export strategy is required to maximise the chances of capitalising on opportunities overseas.

The Ten Commandments of Exporting have been written to provide first time exporters with some fundamental advice on how to physically and mentally prepare for export action.

1. Conquer your home market first

Establish a solid domestic market before venturing into export. It will arm you with the skills and experience required for the rigours of exporting and provide much-needed cash-flow to finance your export campaign. Austrade research indicates that 90% of successful exporters were already well established in the Australian market before they attempted to export.

2. Be committed and patient

Never underestimate the amount of time, effort, money and commitment required to succeed in exporting. You will need to be patient. Don't expect things to happen overnight and don't try to rush. Mistakes can be costly and opportunities can disappear as fast as they appear if you're not careful. Pace yourself.

3. Be flexible and adaptable

Don't try to be all things to all people. It's highly likely you will have to adapt your products or services to suit each export market you target. This will improve your chances of success.

4. Undertake thorough research

Be prepared to spend a considerable amount of time thoroughly researching potential markets. Identify real opportunities. Be aware of how much information is already available to you and know where to find it, either in your home country or in the target markets

5. Plan a progressive market entry

Prioritise your list of potential target markets based on the results of your desk and in-market research. Plan to enter them one at a time in a planned and calculated manner. A multiple market entry strategy can break many small businesses because the strain on resources is simply too great.

6. Develop strong relationships

Select your export partners carefully. Assess not only their contacts and market position but also their ethics and commitment to the relationship. Work steadfastly at developing partnerships by ensuring clear and open lines of communication and an environment of mutual respect and trust.

7. Visit your markets

Be prepared to visit potential markets before you commence export activity to assess the potential first hand and identify possible export partners. Once established, regular market visits will help to cement the relationships and keep you abreast of changing market circumstances.

8. Plan your export campaign

Success in exporting won't come by good luck. Develop a detailed export plan that establishes goals and objectives, sets out the strategies and actions you will use to achieve your objectives and quantifies the financial and operational impact on your business. Currency fluctuations can have a major impact on export profits and they should be factored into your planning.

9. Don't try to re-invent the wheel

Be aware of the multitude of public and private sector support programs and resource centres. Make full use of them. Many are either free or work on a basic cost recovery basis. Be prepared to pay for expertise when you need it.

10. Enjoy export

A positive attitude and will to succeed will help you to enjoy your export development activities. Don't set unrealistic goals or commit yourself to unreasonable timelines. The resulting stress and pressure will only diminish your enjoyment and consequently, commitment to the export process. The world of export can open up substantial business opportunities. It may lead to the creation of lasting friendships as you become an ambassador for trade, building international understanding and goodwill for the benefit of all countries.

Other sources of information

Austrade

Austrade is the Australian Trade Commission - the Federal Government's export and investment facilitation agency. It helps Australian exporters take their goods and services into overseas markets.

Website: www.austrade.gov.au

Tel: 13 28 78

Australian Customs Service

Website: www.customs.gov.au

Tel: 1300 363 263

Department of Foreign Affairs and Trade

Website: www.dfat.gov.au

Business Entry Point

Website: www.business.gov.au

Publications

Publications available from the Small Business Development Corporation (SBDC) bookshop at 553 Hay Street Perth, or online at www.sbdc.com.au, include the following titles:

Exporters and importers: survive and prosper

PLU 55.....\$10.70

International trade handbook for Western Australia

PLU 231.....\$38.50

Western Australian international business directory

PLU 230.....\$38.50

Winning in foreign markets: your global guide

PLU 186.....\$23.90

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