



# Identifying and Selecting Foreign Market

## Identifying Foreign Markets

- Foreign marketing environment
- Compatibility with org. objectives
- Segmentation of market
- Right product for right market

## Proper Selection of International Markets

- Identify banned and accepted products host
- Identify banned and accepted products origin country
- Incompatible technical standards
- Cost of production
- Decided quota for import/export
- Tariff regulation
- Shipping cost
- Competition
- Promotional expenditure

## Steps for Selection of Foreign Markets

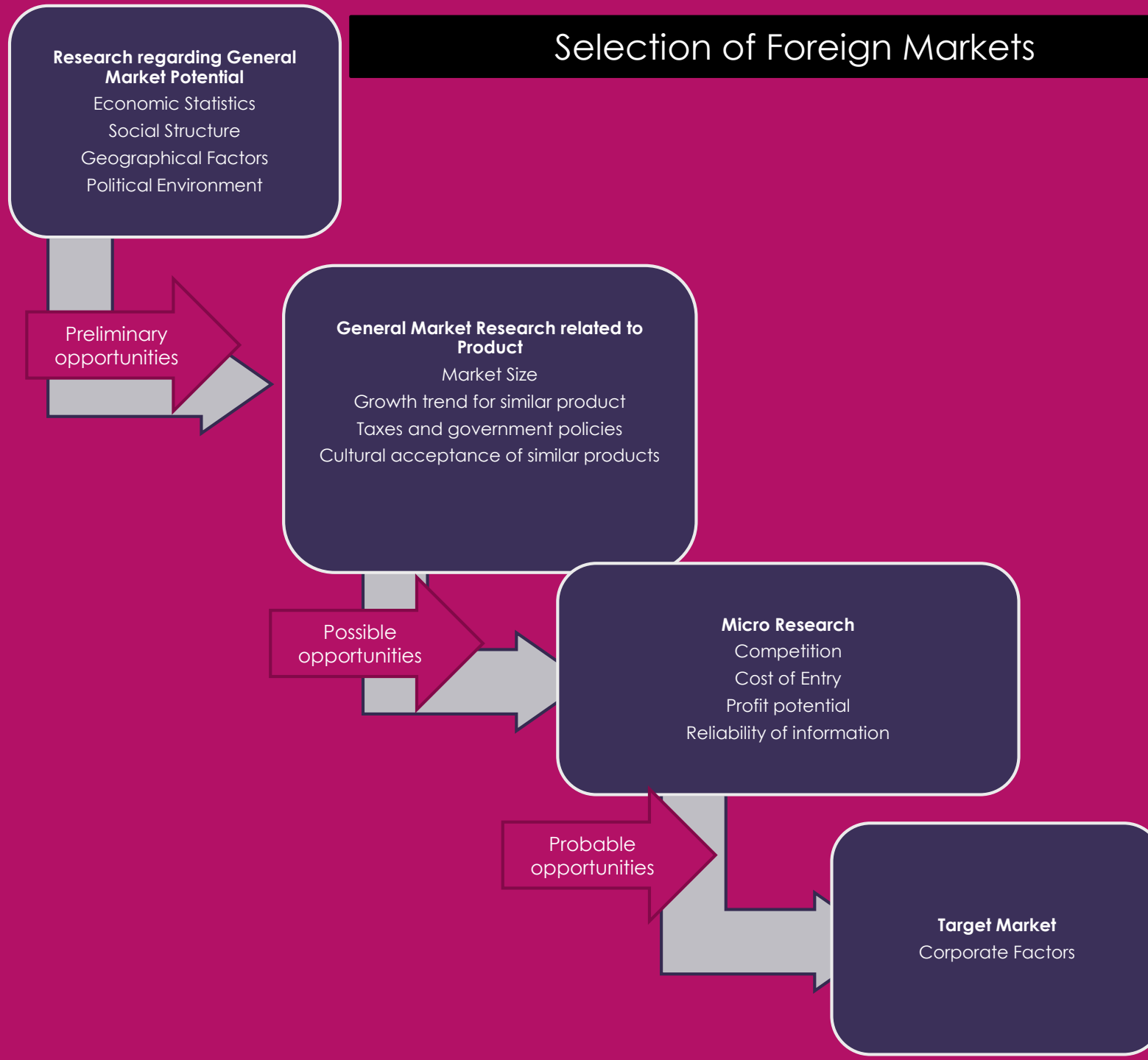
## Criteria for Selecting Target Countries

1. Market Size.
2. Political Environment.
3. Social and Cultural Environment.
4. Legal Environment.

## Preferences Available to Indian Exporters

1. The Generalized System of Preferences or GSP
2. Exchange of Preferences among Developing Countries
3. Import Promotion Centers in Some Countries

# Selection of Foreign Markets



# Market Size

## Economic Factors

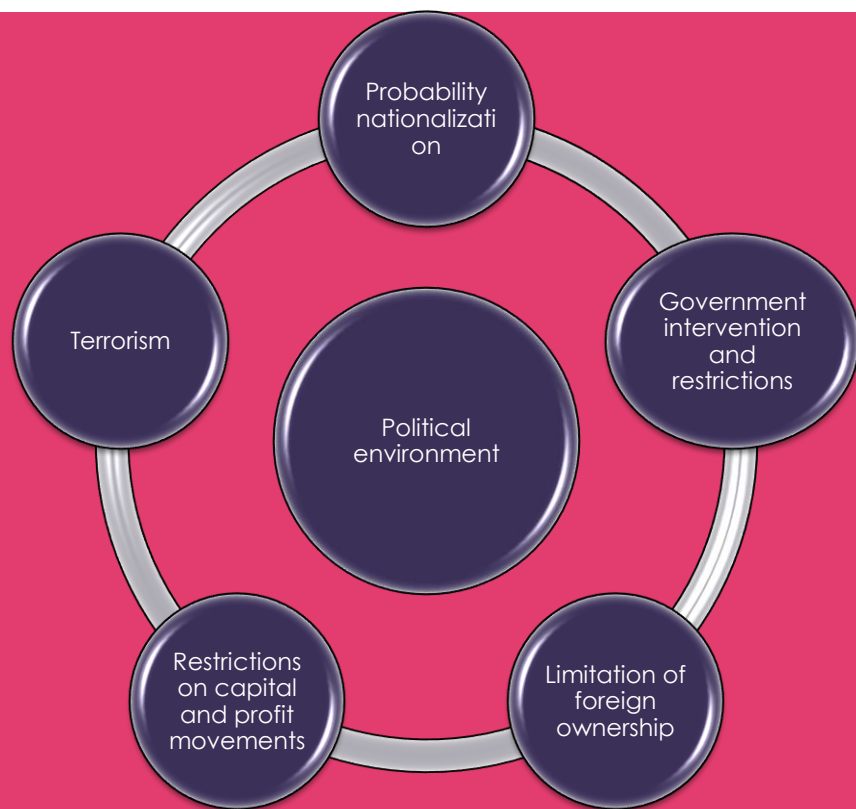
- (i) Total Gross National Product
- (ii) Per capita income
- (iii) Income growth rate
- (iv) Income and wealth distribution
- (v) Personal disposable income
- (vi) Import size of the country and growth rate of import
- (vii) Export-Import policy and other Trade Policies of the country
- (viii) Export restrictions and incentives
- (ix) Balance of payment
- (x) Trade agreements with other countries, and
- (xi) Competition in the market and competitor's market share

## Population Factors

- (i) Total population
- (ii) Population growth rate
- (iii) Distribution of population
  - (a) rural-urban wise
  - (b) Age-wise
  - (c) Sex-wise
  - (d) Income-wise
  - (e) Literacy-wise, and
  - (f) Religion-wise.
- (iv) Work habits and occupations.
- (v) Consumer mobility, geographically and within social class structure.
- (vi) Population density

## Geographical factors

- (i) Size of country.
- (ii) Climate.
- (iii) Topographical characteristics.



Legal complexities

## References

<https://opentext.wsu.edu/marketing/chapter/chapter-3-strategic-planning-2/>