# Identifying and Selecting Foreign Market

Identifying Foreign Markets

Proper Selection of International Markets

Steps for Selection of Foreign Markets Criteria for Selecting Target Countries Preferences
Available to
Indian Exporters









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

- 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

- 1. Market Size.
- 2. Political

Environment.

3. Social and

Cultural

Environment.

4. Legal

Environment.

- 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 Research regarding General Market Potential **Economic Statistics** Social Structure Geographical Factors Political Environment General Market Research related to Preliminary Product opportunities Market Size Growth trend for similar product Taxes and government policies Cultural acceptance of similar products Micro Research Possible Competition opportunities Cost of Entry Profit potential Reliability of information Probable opportunities Target Market Corporate Factors

#### Market Size

#### **Economic Factors**

# Population Factors

# Geographical factors

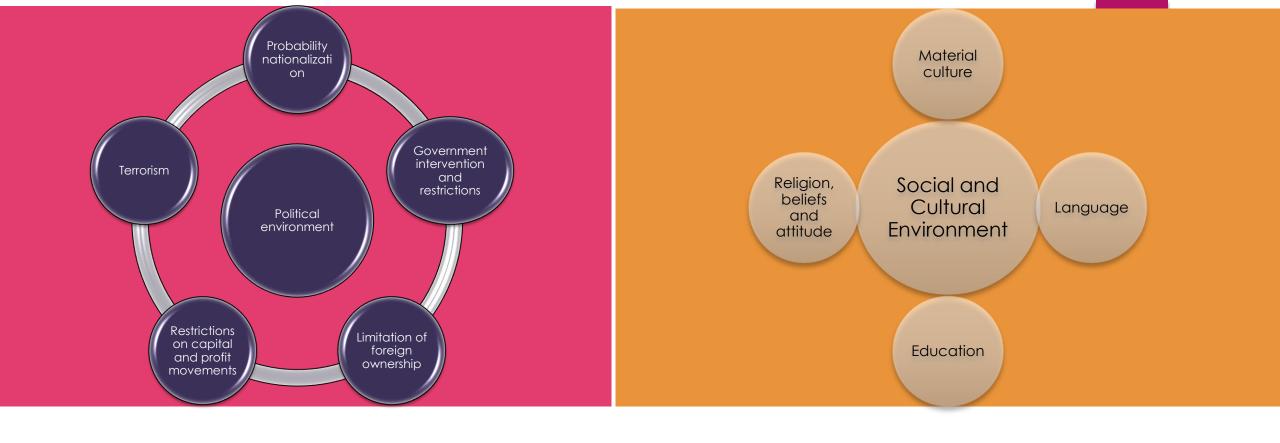
- (i) Total Gross National Product
  - (ii) Per capita income
  - (iii) Income growth rate
- (iv) Income and wealth distribution
  - (v) Personal disposable income
- (vi) Import size of the country and growth rate of import
- (vii) Export-Import policy and other Trade Policies of the country
  - (viii) 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

- (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

(i) Size of country.

(ii) Climate.

(iii) Topographical characteristics.





## References

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