

## ENTRY INTO A SOPHISTICATED MARKET

### INTRODUCTION

EUROPE is a highly developed market, which economically has been united gradually up to the situation where almost thirty countries are merged.

Economically means that there is a union for free traffic of goods, services and people only. Cultures, history and traditions remain different and that diversity is more stimulated than ever before.

Economic diversity now follows the same rules and regulations in every country, but is still governed by different interpretation and attitude of people. The monetary Union is the second union to be built, but is not yet successful. In time there will be more Unions to come.

The economic integration has led to a high degree of organization throughout the union following the situation as it was in the Western countries.

Companies wishing to enter the European Union can benefit from this high degree of organization and transparency. In addition, exporters have to comply to one single set of standards to enter to this very open and receptive market.

Industrial products need to conform to the quality and technical standards and be supported by professional companies. After complying you will find Europe to be a vast, demanding, competitive and open market for everyone.

### PREPARATIONS

Exporters need to qualify themselves and their company first to be accepted in the strict and sophisticated scene of industrial marketing. Showing quality, environmental and social proof through certificates by accredited bodies is a must to be observed and shortlisted as a supplier in Europe. All customers are part of a supply chain and cannot run the risk to fail.

Without proper and professional business attitude beginning exporters will not succeed with exports in a sustainable way. Following genuine advice will avoid that exports are only made accidentally.

## UNIQUE SELLING POINTS

### HOW TO GENERATE USPs (UNIQUE SELLING PROPOSITIONS) WITHIN YOUR OWN COMPANY AND HOW TO USE THEM IN YOUR PROMOTIONS

It is most important that you know the strengths of your company in the market you are serving. This needs a clear focus on the intended market, its players and the success factors.

Customers worldwide are looking for distinct and secured characteristics, which set their future suppliers aside from others. To know what they are exactly looking for needs continuous interactions with them.

What has made your company grow locally, cannot always be applied successfully when exporting to global markets. You first need a good projection of that target market with its existing structures. Therefore it is important to talk to traders, consultants and clients from and in that particular market.

When brainstorming with your own people and asking the right questions to your present customers, you may get a good picture of what is most appreciated by your clients. The values you have for your clients are to be gathered as USPs.

If that fits with your own vision and strategy and you can secure and further develop these processes in your own company, you are getting on the right way. You need to analyze carefully that the developments in your company match with your capacity and capabilities, but foremost with the market requirements.

The next step will be to highlight these values in your promotional activities, which is mostly difficult for technology driven companies; this needs professional marketing skills.

Repeating those benefits for your potential customer in different forms and with various wordings is something you better leave to outsiders who know your company well. But, the mostly technical aspects to be highlighted have to come from within your company first.

Embed this promotional strategy in all your activities. Make sure you influence your total promotion package with these USPs. This starts with your introduction letter but should also be visible in your brochures, on your website, at exhibitions and in the way you communicate with clients.

KommaNet will prepare a toolbox for this activity with more detailed information.

## INTRODUCTION LETTER

Instruction Document for composing an introduction letter to new customers in Europe

Your introduction letter gives the potential customers the first impression about your company; therefore composing the letter in the right way is important. This document will guide you on preparing your company introduction letter by emphasizing your USPs (Unique Selling Points), so that the reader will get attracted by your company and your products, which stimulates his/her further interest to look at your brochure or website as a result.

### A.I.D.A.S.

The A.I.D.A.S. formula is a well known key for your successful introduction letter, in line with the following steps will certainly get your reader's enthusiasm:

**A:** Get the ***Attention*** of your reader by grasping his eyes with an engaging headline, which fills his/her wants and needs. A powerful, catchy headline will motivate the reader to continue reading and that was your intention.

**I:** Arouse *Interest* in presenting your main products or services. Emphasize on your distinctive products/services to capture the reader's interest. Avoid you willing to say it all.

**D:** Arouse *Desire* for your product or service by describing its benefits and give the reader the feeling that it is smart to choose your company instead of another.

**A:** Initiate the reader to take *Action* by exhibiting benefits, which they will obtain once they order, buy or contact you. Generating any action would be enough.

**S:** Bring *Satisfaction* by telling your reader what he will lose if he does nothing and how happy he will be with your product and association if he takes the action to contact you.

### **The content of the introduction letter:**

- Use short, upbeat sentences; Paragraphs should be concise;
- Highlight the typicalities of your products or your company;
- Restrict your letter to one A4 size with only half page text;
- Write factually and objectively;
- Insert quotes from your company's CEO or other experts if relevant;
- Double check the exact spelling of individual's and company names;
- Avoid difficult jargons;
- Edit your material neatly; look for ways to shorten phrases and sentences;
- Follow the A.I.D.A.S. structure strictly.

### **Observe:**

- Include your company's contact details, and mention the contact person;
- Provide a short headline that describes the content at a glance. Try to include your company name in the headline to build instant name recognition.

## **Strong advice:**

Never, ever introduce your company for the first time by e-mail. If the recipient does not know you yet, the chance that he will even see your message is minimal. All your efforts and energy will be wasted. Make sure your letter with a small brochure or flyer will be on his desk through surface mail. The psychology behind this is: “he has to do something with the information”. He should throw it away immediately (if it is not appealing enough), file it, keep it, give it to somebody else or **take action**.

## **MARKET RESEARCH**

Refer to the enclosed PowerPoint presentation Practical Data Mining of some years ago.

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**Industrial Market Research  
and Data Mining**

By Peter van der Sman, Managing Director

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**Systematic approach**

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**Organise your Market Information  
System MIS**

- Determine your sources
- Qualify your sources
- Update your sources
- Secure them

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## From MIS to MES

In this phase you are about to get ready for composing your Market Entry Strategy (MES)

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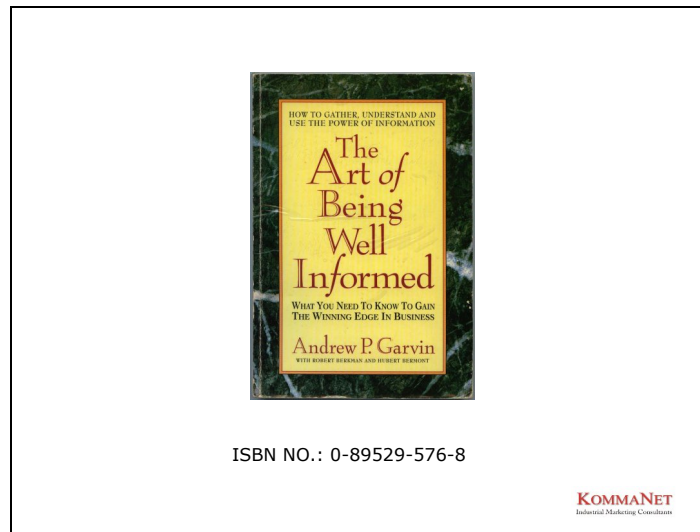


## Abundant information is accessible for everyone

- It is all about “The Art of being well informed”
- Information is all that business is about nowadays, and applicable to any business

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### Gathering the essentials

- **Market:** size, segments, developments, restrictions, standards, legislation, players, competitors, preferences
- **Product:** characteristics, trends, life cycle, innovation, prices, packaging
- **Distribution:** channels, market entry, tactics, logistics, contracts

**Determine your information objectives.**

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## Gathering market information

- Using the Internet (Google) smartly  
*(see CBI's publication Digging for Gold)*
- Taking a subscription to online directories  
*(for instance [www.kompass.com](http://www.kompass.com))*
- Visiting international exhibitions  
*(programme your travels to attend)*
- Collect competitive information  
*(Preferably through another company)*

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## Assumptions

- In the course of time you will logically assume certain outcomes by putting the puzzle together and base your marketing decisions on many assumptions. It is dangerous since commerce does not always follow logical paths.
- You have to manoeuvre yourself to the position that you can compare what you had assumed earlier to composition of your MES, which needs many interactions, especially for market players.

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### Use of the Internet

- The Internet has opened the world for you
- Surf only in a disciplined way
- Do it yourself first before you assign this to someone else; YOU know what to look for
- Compose your own sourcing list, like KRIS

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### Digging for Gold

Download and implement this CBI publication to make a better use of the information on Internet

<http://www.cbi.eu/marketinfo/cbi/?action=showDetails&id=65>

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### Information sources

Some valuable sources are:

- Contained in KommaNet's Relevant Internet Sites  
KRIS  
[www.kommanet.nl](http://www.kommanet.nl)
- Directories on line like: Kompass, TREM, Kelly's, WLW, ABC etc.
- Sectoral Associations have growing informative databases available
- Have a look at the websites of exhibitions
- Embassies and Chambers of Commerce contribute only a little to the engineering sectors

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### Online directories

- <http://www.kompass.com>
- [http://www.kommanet.nl/Kris\\_TradeDirectories.htm](http://www.kommanet.nl/Kris_TradeDirectories.htm)
- [www.mesteel.com](http://www.mesteel.com)
- [www.wlwonline.de](http://www.wlwonline.de)
- [www.kellysearch.com](http://www.kellysearch.com)

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## Associations

- <http://www.feda-fme.nl/>
- <http://www.vdma.org>
- <http://www.bpma.org.uk>
- [http://www.kommanet.nl/Kris\\_Association.htm](http://www.kommanet.nl/Kris_Association.htm)
- <http://www.orgalime.org/>
- <http://www.eucia.org/>
- <http://www.eirma.org/>

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## Exhibitions

- [www.hannovermesse.de](http://www.hannovermesse.de)
- [www.aandrijftechniek.nl](http://www.aandrijftechniek.nl)
- <http://www.motek-messe.de/de/motek>
- <http://www.messe-stuttgart.de/cms/index.php?id=96711&L=1>
- [www.amsterdam.aquatechtrade.com](http://www.amsterdam.aquatechtrade.com)
- [www.achema.de](http://www.achema.de)

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## Your EMP as cornerstone

- Gathering verified data by merging and mixing information from different sources will give you the edge over the competition
- Assumptions have to be proved
- These data will enhance your ability to compose your Export Marketing Plan (EMP) and implement it successfully.

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## Please realise differences

<b>Consumer Marketing</b>	<b>Industrial Marketing</b>
Many suppliers Unprofessional Price sensitive Close to consumers Consumed End station	Few suppliers Experts Quality sensitive Far from customers Long lasting Part of the chain

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