

Market Preparation



Presented by:
Mark Adams



Market Research

2

Market Research is defined as the collection and analysis of information about consumers, market niches, and the effectiveness of corporate marketing programmes.



Market Research Benefits

3

- Market research can identify target export markets
- Market research helps to identify opportunities in the marketplace
- Market research minimizes the risk of doing business
- Market research guides business communication with current and potential customers
- Market research creates benchmarks and helps a company to track its progress

Importance of Market Research

4

- Export feasibility evaluation
- Market expansion possibilities
- Acquiring or implementing a new technology
- Product related research
- Promotion related research
- Pricing related research
- Distribution related research

Questions Addressed by Market Research

5

- What do customers think of the company's products/services?
- What are the customer's needs, priorities and expectations?
- How satisfied are the customers with the products/services provided by the company?
- How do the company's products/services compare with competitors?
- What do the customers know/think/feel about the company's products/services?
- How likely are the customers to buy the company's products/services rather than the competitors, and why?
- How are the customer's decisions made and who makes it?
- How do the customers find out about products/services in the market?
- What motivates the customer?
- How does the company reach and communicate with the customers?

Methods of Market Research

6

- ❖ **Secondary Research (Desktop Study)**
- ❖ **Primary Market Research (Field Work)**

Secondary Market Research

7

- By keeping abreast of world events that influence the international marketplace, watching for announcements of specific projects, or simply visiting likely markets. For example, a thawing of political hostilities often leads to the opening of economic channels between countries.
- By analysing trade and economic statistics. Trade statistics are generally compiled by product category and by country. These statistics provide the company with information concerning shipments of products over specified periods of time. Demographic and general economic statistics such as population size and makeup, per capita income, and production levels by industry can be important indicators of the market potential for a company's products.
- ▶ By obtaining the advice of experts.

Primary Market Research

8

- Primary research is conducted in the foreign marketplace through personal interviews, surveys, and other methods of direct contact with potential customers and representatives.

Type Primary Market Research

9

There are two main market research methods for collecting primary data, namely:

- ▶ **Quantitative** - aims to measure or count how many people do or say something
- ▶ **Qualitative** - aims to obtain more detailed information by using in-depth interviews or discussion groups (focus groups) among a relative small number of people.

Step-By-Step Approach

10



Situational Analysis

11

- ▶ **SWOT Analysis – Internal**
- ▶ **S** - Strengths
- ▶ **W** - Weaknesses
- ▶ **O** - Opportunities
- ▶ **T** - Threats
- ▶ **T** - Trends

Where are we NOW | Where do we WANT to be and HOW are we going to get there!

Situational Analysis

12

- ✓ **Internal factors** – these are the **Strengths and Weaknesses** of the company and relates to the company's resources, abilities and skills. Strengths describe the activities that an organisation does well and that set it apart from competitors, such as a skilled labour force. Weaknesses, on the other hand, refer to the areas in which a company needs to improve if it does not want to lose advantage to competitors, such as a lack of adequate capital.

Situational Analysis

13

- ✓ **External factors** – these are **Opportunities and Threats** and focus on factors present in the external environment, which are likely to impact on the success or failure of the company. Opportunities, for example, consist of the situations in the external environment that the organisation can exploit to its benefit, such as a new customer need that arises that the firm is in a position to fulfil. Threats, however, refer to the situations that exist in the external environment which your firm cannot exploit to its advantage. For example, the introduction of a newer, better and cheaper product introduced by the competition would be considered a threat to your firm.

PESTLE Analysis – External

14

Dimensions associated with PESTLE

- ▶ Political
- ▶ Economical
- ▶ Social
- ▶ Technological
- ▶ Legal
- ▶ Environmental.

The PESTLE analysis is a useful tool for understanding market growth or decline, and as such the position, potential and direction for a company when it comes to exports

Questions when doing PESTLE Analysis

15

- ▶ What is the political situation of the country?
- ▶ What are the prevalent economic factors?
- ▶ How much importance does culture has in the market and what are its determinants?
- ▶ What technological innovations are likely to pop up and effect the market structure?
- ▶ Are there any current legislations that regulate the industry or can there be any change in the legislations for the industry?
- ▶ What are the environmental concerns for the industry?

Example of - PESTLE

16

Video

[Uber PESTLE Analysis.png](#)

Conducting A Competitor Analysis

17

Identifying your competitors and evaluating their strategies to determine their strengths and weaknesses relative to those of your own product or service.

Why do we need competitor information?

18

- We are in competition with them;
- For benchmarking;
- For customer satisfaction;
- Use it as an attacking mechanism;
- Sometimes we copy a bit;
- To differentiate us from them;
- Sometimes we can use it for possible future co-operation.

What info does it give you

19

- Assist your strategic decision making.
- Highlight the strengths and weaknesses of your own organisation, as well as those of your competitors.
- Uncover potential opportunities in the marketplace where you can gain market share, gain a competitive advantage etc.
- Enable the whole of your organisation to better understand the competitive landscape in which your company operates.
- Help inform your value proposition, that is, how you stand out in the marketplace compared with your competitors.

Insight

20

It may not be immediately obvious who all of your competitors are, particularly in regard to your indirect competitors, so it's a good idea to create and maintain your competitors analysis over time, ideally over a year.

General Scope when conducting Competitor Analysis

21

- ☞ Who are my top three competitors?
- ☞ On what basis am I able to compete?
- ☞ What is the range of products and services they offer?
- ☞ Are their products or services aimed at satisfying similar target markets?
- ☞ Are my competitors profitable?
- ☞ Are they expanding? Scaling down?

General Scope when conducting Competitor Analysis.....Continue

22

- ☞ How long have they been in business?
- ☞ What are their positive attributes in the eyes of customers?
- ☞ What are their negative attributes in the eyes of customers?
- ☞ How do current customers view us compared to the competition?
- ☞ How can I distinguish my company from my competitors?
- ☞ Do they have a competitive advantage; if so, what is it?
- ☞ What is their marketing strategy?

4 Key Areas of Competitor Analysis

23

- Company
- Market
- Product
- SWOTT Information

Competitor Analysis Template

24

COMPETITOR ANALYSIS TEMPLATE					
		My Company	Competitor 1	Competitor 2	Competitor 3
		Direct Competition			
Company Profile	Company Information				
Key Competitive Advantage					
Target Market	Market Information				
Market Share					
Marketing Strategy					
Products and Services	Product Information				
Pricing					
Distribution Channels					
Strengths	SWOTT Information				
Weaknesses					
Opportunities					
Threats					
Trends					

Research Sources

25

- Centre for the Promotion of Imports from developing Countries (CBI), Netherlands - www.cbi.eu
- International Trade centre (ITC), Geneva, Switzerland - <https://intracen.org/>
- Central Intelligence Agency (CIA), USA - World Factbook - <https://www.cia.gov/the-world-factbook/>
- World Trade Organization - <https://www.wto.org/>
- World Bank - www.worldbank.org/

26

Thank You!!!

Mark Adams
+27 82 258 4172
mark@marvilogix.com