

# ASSESS YOUR EXPORT READINESS

Successful exporters know that expanding into offshore markets can bring significant rewards. They also warn that building an offshore business takes time, energy, commitment and money.

Whether you are a first-time exporter, or an exporter who wants to expand, now is the time to test your export-readiness by taking the export-readiness test.

## ASSESS YOUR EXPORT-READINESS

YES NO

- |   |                          |                          |
|---|--------------------------|--------------------------|
| 1. Have you identified potential overseas markets for your product or service?  | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Have you estimated the market size? Strength of competitors in your export markets? Will your pricing fit the market?  | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Do you have a product or service that is successful in the Australian market?  | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Will you need to modify your product or service to meet the needs of overseas customers? (Considering the overseas economy, buyer needs, cultural and religious preferences, climate, seasonality, government regulations) | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Do you have the capacity to support new markets (people, production capacity, time?)   | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Is your management team committed to exporting?  | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Do you have the financial resources to support the marketing, distribution and servicing of overseas markets? Is your bank prepared to back you?   | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Do you and your team know about export payment mechanisms, such as letters of credit?  | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. Are you, your investors, your employees and your family prepared to make a long-term commitment to exporting?  | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. Do you have an export plan with defined goals and strategies?   | <input type="checkbox"/> | <input type="checkbox"/> |

If you said 'yes' to seven or more of these questions, you are probably ready to export now. If you scored between four and seven, you have good potential for export. If you scored less than four, you may need to do more work before launching an export plan.

# TOP 10 TIPS FOR FIRST-TIME EXPORTERS AND THOSE BUILDING A SUSTAINABLE EXPORT BUSINESS

## 1. SEEK ADVICE

The most important advice for any would-be exporter is; before you do anything, get advice! Get advice from your accountant, banker and other successful exporters. Government and industry agencies also provide advice, services and assistance, much of which is free.

## 2. KNOW WHERE YOU'RE GOING

What do you hope to achieve through export? New markets? Economies of scale? Increased competitive advantage? Is your product or service ideally suited to overseas customers?

## 3. HOW COMMITTED ARE YOU?

Do you have the time, energy and resources to tackle exporting? It takes time and money to build the business; will your board, investors, management and family support the plan?

## 4. RESEARCH THE MARKET

Plan a visit to your target market to learn about demand, competitors and entry requirements. Consider demographics, economic conditions, market conditions, legal and regulatory environment, business culture and practices, and the competition.

## 5. DO YOU HAVE A PRODUCT OR SERVICE THAT SUITS THE MARKET?

Have you identified the people who will buy your product or service? What do you do that makes you stand out from the crowd? How big is your export potential?

## 6. DEVELOP A MARKETING PLAN

How will you market your product or service to overseas customers? What is your unique selling proposition? Can you adapt your Australian marketing materials or will you need to rethink your approach? Is your website ready for international business?

## 7. AN EXPORT PLAN

Trading overseas is different to doing business in Australia. Customers have different tastes and needs. Product exporters need to consider different labelling and product regulations. Plan ahead so your chances of success are increased and the risk of loss is reduced.

## 8. CAPABILITY

Do you have people with the right skills to grow your export business? Will you need to bring new people into the business? Will you need special licences or qualifications to operate overseas? What training will your people need?

## 9. CAPACITY

Do you have the capacity to respond to increased orders? Will you need more resources or equipment? How will you ship goods overseas? How will you service your domestic and export markets?

## 10. FINANCE

You need financial resources and the means to fund market development. How much will you need to invest? How will you maintain your domestic cash-flow to fund export market-entry? Remember it is likely to take time to reach break-even and several years to recover the costs of market-entry.