
APEC: GROWING INDIGENOUS BUSINESSES THROUGH TRADE (PHASE 3) 2024

Reviewing your offering





FACTSHEET

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Overview.

Businesses must thoroughly review their offering and identify how to best market and sell their Australian products or services in the overseas market. When you review your client's offerings, carefully consider the following key aspects that need to be addressed to ensure that the offering is suited for the new market.

Adjusting cultural requirements:

Culture plays a huge factor in business, majorly impacting a company's success in the overseas market. Businesses must therefore carefully consider the following:

- Building relationships:** What are the cultural norms of relationship building in the market that the business is looking to export to? How important are business cards or informal dinners?
- Seasonal holidays:** Seasonal holidays will impact business activity. For example, during the Chinese New Year many businesses will be closed across Asia, however, it is still business as usual for Australia or Germany. What are key seasonal holidays in the market that the business is planning on entering?
- Gift giving culture:** Are gifts expected or viewed as bribes?
- Lucky numbers and colours:** Has the business checked that its business name and corporate colours and logos are accepted in the market that it is looking at entering? Has the business considered potential different meanings?
- Regional differences:** Countries don't always have homogenous cultures. Companies must keep in mind that single countries may be made up of multiple races, languages, and traditions.

Adjusting packaging requirements:

There are many requirements for when it comes to packaging goods for international sales, with the following being key:

- Sizing:** Different sales sizes can be experienced in overseas markets. For example, Asian supermarket heights are shorter and therefore traditional boxes may not fit. Does the business need to adjust its product sizes?
- Product volume:** Consumer volume preferences can change depending on the market, especially with food and beverage offerings. In Asia, for example, the common snack size is 8-12g, compared to 20g in Australia. Does the product volume need to be changed to meet in-market preferences and norms?
- Type of packaging needed for transportation:** Method of transportation chosen will determine the type of packaging needed. If going by sea, is the product protected against threats such as rust or mold?
- Climate:** Does the target market's climate require packaging changes? For example, extra protection against humidity in Asian markets.
- Consumer preferences:** A business needs to clearly understand its consumers' preferences. For example, how important is sustainable packaging to them? Do they prefer biodegradable or reusable packaging?
- Legal requirements:** Are there any packaging types that are banned or encouraged in the target market? In Germany, for example, consumers will receive 20 cents per bottle refund when returned at a recycling machine.
- Packaging design:** The look and design of a package is an important selling point for most consumers, especially those new to a brand. Has the business ensured that the overall feel and aesthetic of its packaging aligns with its brand, market, and product offering?

Adjusting labelling requirements:

Labels are a key feature of products that help market and inform customers. Different countries have different requirements, wherefore businesses must consider the following:

- Local language requirements:** Some markets require all official languages to be included in labels. Does the business need to adjust the language(s) used on its labels? When exporting beer to Canada, for example, labels must be both in English and French.
- Translations:** Not all words and their implied meanings translate how the business may have intended it to. Has the business researched what its intended translation implies? For example, the word 'foraging' may be associated with searching for local sustainable produce in Australia. However, when translated into Chinese, it may be associated with rubbish dump.
- Ingredient list:** Each country has different requirements on how much information and in what measurements ingredients are to be included on labels. Are these requirements different to domestic standards?
- Requirements for religious adherence:** Does the business's product need to communicate anything that may impact religious adherence? For example, Kosher or Halal labels?
- Legal requirements:** Is the business required to add health concerns or any other warning on its goods?

Adjusting service requirements:

The business's service offering may need to be adjusted for each new international market that it is exporting to. If your client is exporting services, focus on the following:

- Service customisation:** Is the company's service customisable or standardised? For either option, the business must ensure that it suits the target market's preferences.
- Protection of IP:** Sending a service abroad could threaten the business's Intellectual Property. Has the business protected its IP?
- Legal requirements:** Does the business have all relevant certifications and licenses that may be needed in the overseas market?
- Inseparability of services:** How can the business export its service offering if it is dependent on all components being offered or consumed together? How can the business offer the same level of experience to its overseas customers?
- Service levels:** Is the business offering service support in the overseas market outside its domestic business hours? Has the business outsourced support services?

Adjusting the brand for the international market:

Just like a business will need to prepare its product or service for the international market, it may also need to prepare and adapt its brand. Brand recognition is an important element to international success. Does the business need to change its corporate branding to fit the overseas market? If so, how can the company ensure that its brand remains recognizable across all markets?

