

GOING GLOBAL

JOHN TRAIL

Sir Paul Callaghan and Miang Lim (centre), John Trail (fourth from left) and Andrew Coy (first on the left – interview on page 25) with the Magritek team at the International Conference on Magnetic Resonance Microscopy (ICMRM) held in Beijing in 2011. Sir Paul was awarded a lifetime achievement award during the conference banquet held in the Great Hall of the People.



International marketing and sales is a critical capability for New Zealand companies going global. You will learn it as you do it – making the errors and correcting them. But to help minimise the mistakes here are some comments gathered from a few who have been doing it for a while.

1. Customer and market

Yes, we have all heard it before – but really take the time to understand the customer in each market. This means getting on the plane to visit them and talk in person – it is very difficult to get a depth of understanding sitting in New Zealand on the phone and the web. Are they really a customer? Does your product really provide compelling value that they need right now? Is there really a market? What are their fears? For example, in Brazil getting equipment in and out of the country is extremely difficult and local support is a key concern.

2. Competitors

In order to truly pitch your product and its compelling benefits you need intimate knowledge of your competitor's products. Do the research and make detailed comparisons – customers

appreciate when you have done your homework. Think ahead on how the competitor might react in each market when you introduce your product.

3. Partners

Partners are a fast way to scale sales without huge costs but it is not an easy process. Take your time and try to pick carefully. Try asking for recommendations from existing customers in the region if you have them, or non-competing companies targeting a similar customer demographic. Explore and find the best fit – alignment in values, related products and customer base, brand, and distribution channels. They are working with you, not for you, so they will be quite independent. Interact with your partners, visit them and also bring them to New Zealand, ideally for a few weeks if they are key.

4. 'New Zealand' is not a tech brand

For technical products global markets couldn't care less that your product/company/story is from New Zealand – all they care about is how it compares on price and performance against the alternatives. Yes, the New Zealand image is positive, but in the mind of the international customer it also raises fear

around lack of scale and possible challenges with support. So look like a global company, focus on your benefits and try to assuage fears of scale and distance with whatever valid tools you have.

5. Geography

Be selective with your market entry geography. It is expensive to provide critical mass of marketing, sales and support offshore. Pick the key geographies where you can generate the early sales and focus on those – don't try to go everywhere at once. Countries with business practices similar to New Zealand will be much easier.

6. Funding

Revenue for niche New Zealand companies with competitive products is typically limited by the marketing and sales effort. Don't underestimate the cost of the marketing required to get brand awareness in the new market – have enough capital to fund marketing and sales.

7. Compliance

And finally – make sure you really understand and comply with all regulations, documentation, packaging, and certifications associated with your product in the target market.