MARKETING

Selling in US

Be prepared to encounter super-competition and regulations

Psychographic profile of the customer—example, politically active, athletic, concerned about global warming, liberal or conservative, media they use to get information daily, etc.

Demographic—what age group they are in and where do they live in the US—urban, rural, innercity, etc.

Competitive analysis—do a thorough competitive analysis that includes the following:

List (name, address, sales of major competitors)
Offering their product or services
Their brand positioning—are they known for quality and superior customer service or lowest price?
Their strengths/weaknesses.
How are they marketing/selling their products/services?

THIS LARGEST MARKET OF THE WORLD IS ALSO THE MOST OPEN MARKET FOR DOING BUSINESS.
THERE ARE MINIMAL RESTRICTIONS FOR ENTERING THE MARKET

Their unique value proposition (UVP). Their unique sales proposition (USP)—how are these competitors amplifying their UVP in their marketing and sales process.

Pricing—check competitors pricing vs. their market positioning. This will help you price effectively.

SWOT strengths, weaknesses, opportunities, threats of your company and the select competitors.

Marketing

Develop a marketing plan.
You marketing message.
Media for marketing—internet, print, radio, TV
Build needed marketing platform
Website. Print postcard, brochure, etc.
Commercial for radio/Tv.
Identify marketing budget based on the plan.

Internal analysis

Analyse your business to decide whether it is viable for the US market. Some specific analyses are:

How good is your product/service?
Your product or service should be able to compete with the selected competitors.

Your market positioning strategy—price or quality/customer service. Most German companies focus on product quality whereas most Chinese companies focus on the lowest price.

Base your strategy on your internal reality. If you have a huge cost advantage over US competitors, go for the low-cost strategy. If your product is superior, go for quality/customer service positioning.

Decide you UVP based on your market positioning strategy.
Identify your USP based on your UVP.

Regulatory analysis

This is one area where several companies may enter the US market. Make sure those regulations from federal agencies like Federal Trade Commission, Federal Drug Agency, and a few of other agencies regulating specific product or service. Identify which federal agency regulates your product or service.

In addition, there are several state regulations that could impact your business. Decide on which states you plan to market, and identify regulations that could impact you.

Advertising mediums such as search engines (Google, Bing, etc.), TV, print, radio etc., restrict advertisement of some products/services. Several companies have realised that they could not execute their marketing strategy because of these restrictions. Know these restrictions when you are building your marketing plan.

Procedures for starting your business

Once you have decided to enter the US market, you will need to get the following:

Office space and address.

Setup corporation—options are C, S, LLC or Sole Proprietor. Get counsel so you set up appropriate corporation based on your needs.

Bank account setup—you will need a business account at a US bank.

Licence from State, County, City as needed.

Merchant services if you need to accept credit card.

Ongoing business operations requirements:

Execution of marketing plan. Refocus if needed.
Marketing management—optimise results.

Fulfillment of sales.

Secretarial services for answering questions from customers.

Book-keeping services for ongoing accounting.

Corporate attorney and as needed.

CPA for filing quarterly taxes.

There is a huge potential profit to be made in the US. But there are heartbreak- ing incidents of businesses losing a fortune because of information gaps.


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AYAJ PRASAD

AMERICA is the largest mar- ket in the world with a GDP of over $16 trillion. This is some size as the GDP of Eu- ropean Union countries combined, and about $4 trillion larger than the fastest growing country of Chi- na. This largest market in the world is also the most open market of the world for do- ing business. There are minimal restric- tions for entering the market. American consumers and businesses have always purchased from overseas companies.

Indian products/services are gaining awareness among American businesses and consumers. There is a good chance that Americans may soon prefer dealing with Indians. China or Russia given their geopolitical conflicts. So this is a good time for any Indian business with a trade in India to explore entering the US.

The openness of the economy makes it super-competitive for almost every prod- uct/service. This, plus federal, state and local regulations are two major obstacles for new entrants to this market.

The following process is recommended for a successful entry into the US market:

Market research

Internal analysis

Regulatory analysis

Procedures for starting your business

Ongoing business operations requirements

Market research

Do a thorough market research before making a decision to enter the US market. Market research should ideally consist of the following:

Identify your target customer—Is it US-based businesses or American consumers?

Market size—how big is the market for your product or service, in terms of value and volume?

Customer analysis—understand your customers before you can start selling your products to them. Specific informa-

Buying behaviour—why would your potential customers buy? Is it low price or best quality?

Are you addressing a need or a want?