

Why Your Business Should Export Its Products

All successful businesses, regardless of size or specialty, must remain proactive and growth-oriented. A failure to grab the reins and take charge can result in too much time spent on a stagnant plateau, instead of on the path towards improvement and increased profits. So, how can you jumpstart sales and revolutionize the way you do business?

The answer is exporting to foreign markets. Exporting is an option for businesses of every size, in every industry. If you want to manage risk, generate new revenue streams, produce more efficiently, neutralize competition, and increase the stability of your business, exporting is the next logical step to take on your path to success. There is countless potential in untapped foreign markets - it's up to you to take advantage of them and make sure your products end up in the hands of the people who want and need them.

Here are some of the main reasons why your business should start exporting:

1. **Market diversification.** If you aren't exporting, you're putting all of your eggs in one basket. Many companies realize how dependent they are on the health of a single market only after it's too late. To dampen the effects of a localized economic downturn, diversify your client base and find new foreign markets you can export to. Being proactive about diversification insures your company against poor economic conditions in one part of the globe. This is a great way to manage risk and become more profitable in the process.
2. **Jumpstart growth.** You already have the products that people need, so why limit sales by working exclusively within domestic markets? Exporting gives your company the chance to quickly bring in revenue that can be re-invested in the business. Instead of waiting for the local market to exhaust stock, export to expand the range of your business and generate capital faster. This proactive strategy allows your company to be more competitive in its industry as you eclipse competitors at speedier rates.
3. **New sources of revenue.** Exporting products gives your company the opportunity to create new streams of revenue. There are untapped markets worldwide that are waiting for your products - it's just a matter of locating them and then forging new business relationships. Once you've established reliable distributor contacts, your exports can lead to a tremendous increase in annual revenue without much additional work on your part.
4. **Increased stability.** Almost every business is affected by the seasonal swings of their industry. If your numbers are significantly impacted by the natural rhythms of the domestic market, exporting to countries with opposite trends can give you much-needed stability. For example: If you sell winter apparel, don't accept dwindling sales during the spring and summer months at home. Instead, counteract these predictable downturns by finding cold-weather markets with a high demand for your products. This strategy is an easy way to maintain consistent production and profitability, year-round.
5. **Take advantage of full production capacity.** As an industrial manufacturer looking to get the most out of existing resources, it's important to take advantage of your full production capacity. If you are scaling back production because you are tied to the demands of a local market, exporting can solve this problem and make you more money. Find foreign markets that give you the chance to increase production while reducing fixed costs. Higher production levels also means more influence during price negotiations for raw materials.

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6. **Extend product lifespan.** After selling your product to a domestic market for a long period of time, sales may begin to decline as demand slowly tapers off. When you notice this trend, consider new markets before you consider new products. Products that are considered "mature," in one market have the chance of becoming a desirable new product when exported to a foreign market. Make sure you've gotten the most out of your existing ideas before investing in new product development. Exporting is an effective way to achieve this.
7. **Better feedback.** Businesses that cater to diverse markets find it easier to collect accurate feedback and product improvement suggestions. When working with a sole domestic market, customer response is not as well-rounded. The multi-national and multi-faceted feedback you get from working with diverse global markets allows you to improve your products in a more efficient manner. This advantage makes it easier to be competitive in a domestic market.
8. **Neutralize competition.** If your competitors are exporting and you aren't, you are giving away a competitive advantage. There's no way to compete with a business that works with diversified global markets if you are unwilling to look beyond your borders. By sending your products abroad, you can counteract the advantages of your competition and level the playing field in your industry. Exporting also helps to neutralize foreign competitors that are selling within your domestic market. By shipping your products overseas to their home markets, you can offset a key imbalance.

There is unlimited potential in the growing global economy and little reason to avoid the opportunities provided. While exporting may not have been a practical option in the past, it is now a widespread strategy that is increasing the cash flow, competitiveness, and stability of large and small businesses alike. Sending your products abroad is the next logical step for companies that are limited by their domestic markets.

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