

Export Plan Template

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Purpose of the Export Plan

The purpose of the Export Plan is to take the user through the process of preparing to export—possibly for the first time—and thereby force the company to think about, discuss, and put into writing a document that can be referred to when executing plans and presenting to potential financial backers. The Export Plan is living document that should be reviewed and revised at least annually. An Export Plan should be created for each geographical market the company is exporting to.

Using this Export Plan Template

Japan is used herein as an example open. There is nothing specific to Japan about this Export Plan and the user should freely substitute any foreign market for Japan while maintaining the key concepts behind the thought process.

This template is meant to be used when exporting either tangible, physical products (ex: clothing) or non-tangible knowledge-centric services (architectural design).

In many of the sections of this template there is verbiage required by the company. The word “Required” is underlined. Immediately below is a line for the user to complete that section and this verbiage is **Bold...** Answers should be short, concise, complete sentences with good grammar as they will used in the final document presented to bankers and investors.

When all sections are complete, use the required verbiage that is bolded and section headings for the final Export Plan document.

Marketing Plan

Often, the Export Plan(s) are incorporated into the company’s overall Marketing Plan, which is a significant portion of the primary Business Plan. Depending on the product or service—or company management style and preference—parts of the Export Plan may be used in the company’s Operations and Financial Plans. *The assumption of this template is that the Export Plan will be used primarily as a marketing planning tool and a document with which the author is attempting to acquire some form of financial investment in order to start selling in a new foreign market.*

The Four P’s

Marketers are most concerned with the “Four P’s”: Product, Price, Place, and Promotion and any Marketing Plan will provide significant focus on each of these topics. The Export Plan also requires thought about the Four P’s. We must first spend some time reviewing the home market so that we can then compare and analyze against the proposed foreign market.

Product

First, define your product or service in 50 words or less.

Example: Aloha SunBlocker50 is an unscented SPF 50 sunscreen made in Hawaii with zinc oxide and all natural ingredients and packaged in an attractive aluminum tin. Standard size for this SKU is 8oz (237ml).

Required: Define the Product/Service below.

The product that is the subject of this Export Plan is...

Required: Attach a good photo of the primary product(s) below and label accordingly.

(Repeat for each primary SKU that is to be exported).

Price

What is the basic street price of the primary product/service in the home market? “It depends” is not a legitimate answer. You should be able to answer easily in terms of dollars per unit, per hour, per project, or however your product/service is normally sold at home.

Example: The price of Aloha SunBlocker50 is USD 15.00 for the 8 oz tin when sold at individually at our popup store or online. Distributors buy the product with wholesale pricing at USD 8.00 per tin with a minimum order quantity (MOQ) of 144 tins. During seasonal sales, we offer the product for “Buy 4, get 1 free.”

Required: Provide the price of the Product/Service below.

The price of...

What are the typical payment terms? Net 30? Provide details on the typical payment terms here.

(Repeat for each primary SKU that is to be exported).

Place

Where is the product/service normally sold in the home market? Is it in a retail store, online, through distributors, etc., or a combination (with percentages) of these?

Example: 50% of the Aloha SunBlocker50 8oz SKU is sold to distributors, 30% online at our website, 10% via Amazon.com, and 10% via our popup store at farmers markets.

Our website is: www.example.com and the product page is

www.example.com/AlohaSunBlocker50

The Amazon page is: Amazon.com/randomness

Required: Provide details below of the place where the Product/Service is sold.

We sell our products at...

Promotion

How do you market the product/service in the home market? Do you have a website? List it. Do you use social media? List those accounts. Do you buy magazine ads? Radio? TV? Provide some details about your current marketing strategy.

Example: Most of our marketing activity is via our website, Instagram, and a magazine ad in November and December. For the website, we spend USD 15,000 per year on updating the content, USD 5,000 per year in creating photos and uploading to Instagram, USD 5,000 per year on Google ad words and SEO, and USD 10,000 for the magazine ads.

Required: Provide details of the promotion and rough costs below.

We promote our products via...

The Proposed Foreign Market

Example: "The Proposed Foreign Market is Japan"

Note that this may be too vague of a definition of the market at the beginning. Japan has several megacity commercial centers, such as Tokyo, Osaka, Fukuoka, etc. each with subtle cultural differences. Potential distributors in Japan likely have expertise in only one of these cities and perhaps only part of one of these cities. Therefore, perhaps The

Proposed Foreign Market is actually: “Japan: Tokyo: Central Tokyo: Minato-ku: Postal Codes 106-0041 through 106-0055.”

It is unlikely that a company new to exporting can define the target geography this specifically; nonetheless, this kind of specificity should be the goal after a few years of collecting and analyzing market feedback.

Required: Define the Foreign Market below

The Foreign Market that is the subject of this Export Plan is...

SWOT Analysis of the Proposed Foreign Market

A simple SWOT analysis is a standard tool used in management decision making. Strengths, Weaknesses, Opportunities, and Threats are listed and analyzed. Strengths and Weaknesses are considered internal, and Opportunities and Threats are external factors. This analysis is of the geographical market and how the company’s products might perform there.

Example: SWOT analysis for the Japan Market for Aloha SunBlocker50

Strengths	Weaknesses
Large population of 120,000,000	Products need testing before can sell
Several megacities to market to	Our products will be expensive
Interested in Hawaii products	Shipping from Hawaii is expensive
Interested in natural products	We have no experience in Japan at this time
1.5M visitors to Hawaii annually	We have no Japanese language marketing
Sunscreen use per capita is high	We have no distribution at this time
Amazon.com and Rakuten sell a lot	
Opportunities	Threats
There are no direct competitors from Hawaii	The JPY/USD rate has been volatile
We have experience on Amazon USA that could help with Amazon.jp	Import duties into Japan could increase
We can parlay the sales to Japanese visitors into refill sales when they return to Japan	Increased fuel prices will drive up shipping costs
There are several excellent skincare-specific trade shows every year we can attend	Our products might not pass the rigorous testing needed for sale in Japan

Required: Define the TMS below:

The Target Market Segment is defined as...

Product Development

Provide some details about your plans for future product development that addresses needs in the target market. How will you collect feedback on the products being sold in the first year such that you improve the products already being sold and then how will you develop new products (note: these products might not be available in your home market and are meant for consumption in the foreign market only).

Marketing and Communications

Pursuant to the Target Market Segment defined above, all marketing messaging must be directed at the TMS and the messaging is refined over time with the goal of achieving a state where the TMS is expecting and looking forward to communication from the exporter. In this section, provide details about how you communicate with the TMS.

Website

A corporate website is fundamental in the modern world, and it is difficult to imagine a company without one. How will your website be customized for the target market? Is the entire website translated into the language of the target market? One page only? Or is there an entirely different website for the local market, such as example.jp or japan.example.com? Is the website used for marketing information purposes only, or can customers place orders on the website? Can distributors access wholesale pricing and place orders? Who is the translator? Who is the website developer? Where is it hosted? Provide details.

Collateral

Nearly every non-US market will use metric units and a date format that is not 7/4/1776 (for US Independence Day). Instead, use the format of "4 July 1776" in all of your communications as this cannot be misunderstood.

The exporter must learn the metric system and local time/date format in the target market and any marketing materials must reflect these. A4 (210x297mm) paper size is by far the most common outside of the US, which uses the standard “Letter” size of 8.5x11”. Documents should be formatted in A4 and the exporter should get used to poster sizes in metric format, such as B1, C1, etc.

Social Media

Which social media platforms that are most common in the target market? Are they different than in the US? List your accounts and provide details about what you post, how often, and who does it. Is it in the local language? Who is the translator? Are there key hashtags that you will use, and can these hashtags be translated and make sense?

Email address

Does the exporter have an email address that is specific to the target market (ex: japan@example.com)? This is recommended. Who reads and replies to the email in the foreign language? What is the policy on the amount of time needed to respond to foreign language inquiries? Provide details.

Telephone number

Does the exporter have a telephone number in the foreign market? Who answers? Who handles a call if someone in the new target market calls the main US number? Provide details.

Chat

Increasingly, marketers are using chat applications to communicate in real time with customers and this is true for cross-border transactions, as well. Chat can be accomplished via social media (e.g. Instagram or Facebook Messenger), WhatsApp, iMessage, website bots, and many other applications and services. If chat is an option for you, describe how you will implement it and who will be the main person responding to the chat in real-time in the foreign language and during which hours.

Video

YouTube, Vimeo, and similar video-based channels can be fantastic tools to communicate with your customers. Not that Google products are not allowed in China, so plan accordingly. Provide any details about your video marketing here.

Trade Shows

Which foreign and domestic trade shows are relevant to the export market in question? Provide details here about the time of year, the budget needed, and the names of staff that will attend.

Packaging

Due to consumer preferences or government regulations, most foreign markets will require changes to the US exporter's standard packaging. These changes could be as simple as labeling in the local language (requires translation) or using a box that fits in the local store shelves dimensions.

Required: Provide details below about the packaging you intend to use.

Shipping & Logistics

Following on from Packaging, the Shipping of the products can be greatly impacted by the packaging, and vice versa. Therefore, meet with a freight forwarder and show them your products and the proposed packaging. Discuss the volume of the product that is to be shipped and discuss ocean versus air shipping. If the products need special treatment during shipment, such as temperature control, make that clear to the freight forwarder. Get rough quote on shipping various quantities.

Required: discuss below any Shipping specifics and list the name(s) and contact details of freight forwarders to be called when it time to ship internationally.

Required: here, list the HS Codes for your products. If not familiar with the HS Codes for your products, learn them now. For details, see <https://www.trade.gov/harmonized-system-hs-codes>

Importation into the foreign market

Importing into the target market can be complicated and time consuming, particularly if not using a distributor and/or a freight forwarder that can manage most or all of the process.

Q1: What are the duties and tariffs for your products coming into the market?

Q2: Do you have a customs broker in the foreign market? List that person and their contact information.

Q3: Will the products be warehoused or otherwise stored somewhere (Amazon.jp?) in the foreign market, or does a distributor handle that? List the contact information for these people.

Q4: Provide any domestic shipping costs in the foreign market that can be calculated.

Q5: Do the products require any special shipping and warehousing procedures, such as refrigeration or no exposure to sunlight? List any here.

Distribution

An extremely important decision is to determine how the products will be distributed in the target market in order to serve the target market segment. The table below provides a generalized idea of the three primary sales and distribution methods.

Distribution method	Control & Reward	Expenses
Direct Sales – Company Staff	10	10
Sales Agent – Non-Company Staff work cooperatively	5	5
Distributor – Non-Company Staff works independently	1	1

Direct Sales means that you will hire staff in the foreign market or send your existing staff as expatriates to sell the product directly to customers. Those customers could be distributors. This is the most expensive option, however the amount of control of the sales and distribution process is highest, as is the potential return on investment because there are no middlemen.

Sales Agents (often called Representatives or Reps) are companies registered in the foreign market who make sales—usually on commission—and rarely take legal ownership of the products. The exporter tends to work cooperatively with the Agent and shares marketing costs. Agents may have experience importing products and have developed the expertise to deal with inbound customs issues or product testing requirements, however this more often not the case. The costs of this method are lower than in the Direct Sales model, however the returns are also lower because any gross margin on sales must be shared with the Agent.

Distributors (or Resellers) are companies that buy the product from the exporter at wholesale prices then sell to end-users or even other distributors. Distributors usually

take ownership of the product at the exporter's dock and thus handle all importation responsibilities and associated costs, including warehousing and onward domestic shipping. Similarly, the distributor usually manages and pays for the marketing efforts in the local market. Thus, the exporter loses most control over their product and the margins are significantly lower, however the costs are usually much lower than in the above two models.

Warranty and Returns

Discuss your return policy and warranty replacement process for the export market. This likely involves the mode of distribution above.

Required: Define the primary mode of distribution below:

The primary mode of distribution is... and the primary contacts are...

Legal

It is important to have a lawyer who is versed in the target market. Even if not an expert in that market, counsel should know something about it. For more complex problems, the lawyer should have a reciprocal arrangement with a local lawyer or firm in the target market.

Required: Provide the name of that lawyer below.

Intellectual Property

A subset of international legal issues to consider is trademarks, patents, registrations, and copyrights. Many exporters find out too late that they have lost the rights to their logos, taglines, and product names in the foreign market because they did not register them properly. Depending on the complexity of the products in question, the primary lawyer listed above may not be especially skilled at the necessary filings for intellectual property rights in the target foreign market, and an intellectual property attorney may be needed.

Required: Provide details about the intellectual property attorney here, or state clearly that the primary lawyer listed above can handle the company's international intellectual property needs.

Required: Provide details about the international intellectual already acquired in the target market and any immediate plans to pursue trademarks and patents and the estimated dates of completion.

Banking

Before exporting, it is important to speak with a banker who is versed in international transactions and explain the company's ideas and plans to enter the new target market. Learn about the abilities (and lack of abilities) of the bank regarding receiving payments from international sources both in USD and in the target market's currency (example: Japanese Yen or JPY). Can the bank maintain a JPY account or only a USD account? Do you even need a JPY account, or should all incoming foreign currency transactions be converted automatically to USD? Does the bank have a branch in the foreign market? If not, do they have a close relationship with a bank in the foreign market? How much does it cost to receive a foreign wire? When you travel to the foreign market to visit customers, you may use your bank's credit or debit card—what are the international transaction fees? Can you access local currency cash from an ATM when traveling in the foreign market, and what are the fees to do so?

Required: Provide details about the bank and contact information for the person who is your international banker.

Accepting payments

Related to banking (and marketing), is how the exporter takes payment for its products and services. Do you accept credit cards? Which ones? Some markets, such as Japan, have popular credit cards that are not readily used in the US market. PayPal?

If you are selling to distributors, the value of the transactions will usually be higher than when selling to individuals. What are your standard payment terms for international transactions? Will you accept a Letter of Credit (often abbreviated LC or L/C)? Can your bank handle Letters of Credit? What are their fees for such?

Accounting

Internally, the exporter will be dealing with foreign currency exchange and possibly foreign currency assets on the books. Can the existing accounting staff handle that? Can the accounting software accommodate it?

Required: Provide details about the accounting staff's accreditations and any evidence they can manage foreign transactions.

Export Finance

Provide some details about how the exporter plans to finance the exporting venture in this Export Plan. Will new capital be required? Are SBA loans being explored?

What are the INCOTERMS you will use (if not familiar with INCOTERMS, learn them now and decide which one is listed in your standard Terms & Conditions; Tip: start with EXW and adjust from there depending on the market needs).

The Export-Import Bank of the United States (EXIM) can be excellent resource; if nothing else, their inexpensive credit insurance can be a valuable tool for US exporters. Investigate if EXIM is relevant to your business and, if so, provide the contact information for your nearest EXIM advisor.

SBA International: <https://www.sba.gov/business-guide/grow-your-business/export-products>

INCOTERMS: <https://www.trade.gov/know-your-incoterms>

EXIM: <https://www.exim.gov/>

Scaling Up Manufacturing

It is possible that your export efforts will yield a significant increase in business. This section should provide some information about how you plan to increase your production capacity while bearing in mind labeling, recipe formulation, etc. that the foreign market requires.

Required: Discuss your plans for rapidly increasing production capacity should a large export order occur. Note that one reasonable option is to turn it down if it will negatively impact your business.

Other Resources

American Chambers of Commerce

Colloquially called AmCham, these organizations can be very helpful to be members of. Investigate if it is right for your company and, if you join, list your memberships here and who is the primary contact in your company and at the AmCham.

The local Chamber of Commerce in your US home geography may have an International or Export Committee. Investigate that and provide any details of your engagement here. Example: see <https://www.accj.or.jp/>

Home Market Chambers of Commerce

The local Chamber of Commerce may prove useful in your exporting activities. There may be an export committee or other relevant subgroup within the Chamber that can provide some assistance and networking opportunity.

Home Market Ethnic Chambers of Commerce

Depending on your home location, there may be ethnic chambers that can be extremely helpful and provide excellent networking opportunities. For example, the Filipino Chamber of Commerce.

US Embassies and Consulates

Every country in the world where the exporter does business will have a US Embassy in or near the national capital and—depending on the size of the country—there may be one or more Consulates in other cities in the country. Usually, there is a US Commercial Service (USCS) officer and maybe a team of them with expertise in various industries. The US Department of Agriculture (called the Foreign Agriculture Service, or FAS) may have similar staff stationed in the market. List below the key contacts at these facilities. These officers tend to change every three years, so revisit this contact information often.

State, County, and Municipal

Depending on where your company is based, there are likely exporting resources available from the State, County, and Municipal levels of government. List any of those contact here.

District Export Councils

DECs are local non-profits sanctioned by the US Department of Commerce and established with sole mission of helping companies in their area export to foreign markets. Learn about the DEC nearest to you and provide details below. See <https://www.usaexporter.org/>

Sister Cities

Nearly every US city has sister city relationships with similar-sized cities in various countries throughout the world. Find out if your city has such a sister city relationship in the target

market and provide any details and contact information here. Reach out to the sister city counterparts and see if there is any way the relationship can help further your marketing mission. Provide any details here.

Foreign Embassies and Consulates

Your target market certainly has a US embassy in Washington, DC and a mission at the UN in New York City. Depending on the size of the export target country, there may also be consulates that are closer to your physical location. The consulates often have staff dedicated to helping US companies do business in their country; an example is Japan's JETRO (see <https://www.jetro.go.jp/en/>)