



# Increasing International Sales to India

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For a limited time, a recorded version of this webinar is available at [www.amritt.com/India-Business-Webinar](http://www.amritt.com/India-Business-Webinar)



# Agenda

1 Overview

2 The 4Ps of Marketing Applied to India

3 Markers of Success



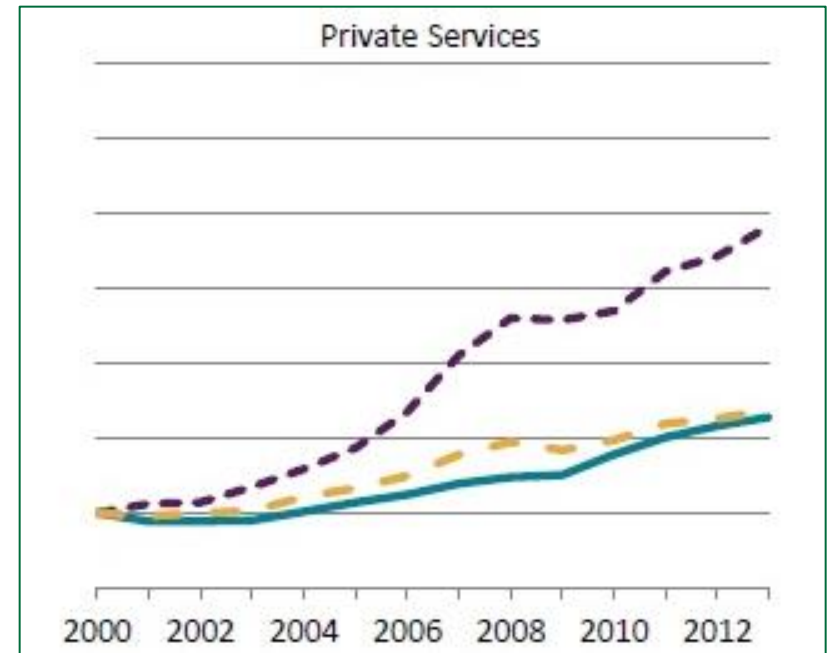
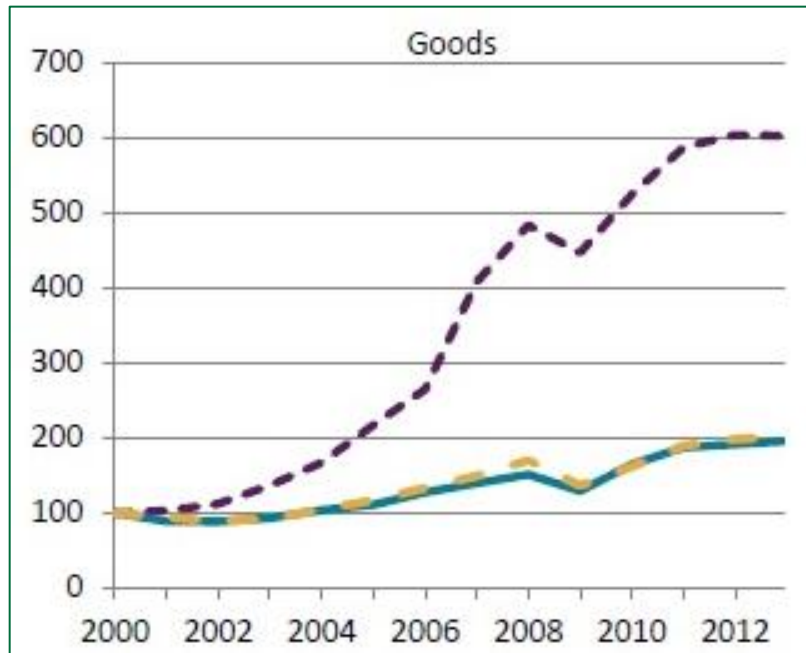
# President Obama heads to India (Again)

Commerce Secretary Penny Pritzker may accompany



# American Exports to India Skyrocket

Growth in total U.S. exports of goods and services to various partners, 2000 - 2013



--- India    — Other Asia-Pacific    - - - All other countries

Source: USDOC, BEA, Table 2.3, U.S. International Trade in Goods, by Area and Country, Not Seasonally Adjusted Detail, released September 17, 2014; and USDOC, BEA, Table 3.3, U.S. International Trade in Services, by Type of Service and by Country or Affiliation, released October 24, 2014.

# Top U.S. Exports to India in 2013

Aircraft, Civilian  
and Military

Petroleum,  
Chemical  
Products,  
Fertilizer, Plastics

Industrial  
Machines and  
Engines

Measuring, Test,  
Control  
Instruments,  
Electrical  
Apparatus

Medicinal  
Equipment,  
Pharmaceutical  
Preparations

Telecom  
Equipment

Wood-Pulp

Nuts

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**The field is wide open for almost any category or sector. What about yours?**

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Source: [www.census.gov/foreign-trade/statistics/product/enduse/exports/c5330.html](http://www.census.gov/foreign-trade/statistics/product/enduse/exports/c5330.html)



# Why India, Why Now ?



- CEOs of Boeing, Facebook, GE, Goldman Sachs are excited about India
- Allstate to invest \$1billion
  - Softbank to invest \$10 billion
- Dell, HP lead computer market
  - Whirlpool, ExxonMobil, Amway succeed
- Thousands of smaller American companies do well.

***We ain't seen nothing yet!***

- GDP Growth at 5-8%,
- Investment welcomed: India is the 3rd largest recipient of FDI, next to USA, China per UNCTAD
  - Recent liberalization: 49% in Defense, Insurance; 100% in Telecom, 51% in retail
- India is the most USA-friendly BRIC country
- Goldman: India will grow faster than China in 2016
- Business Travel to India to rise 9.2% in 2015

Your decision in 2014 are key:

- **Smart companies will build a winning lead**
- Smart executives will assure career success

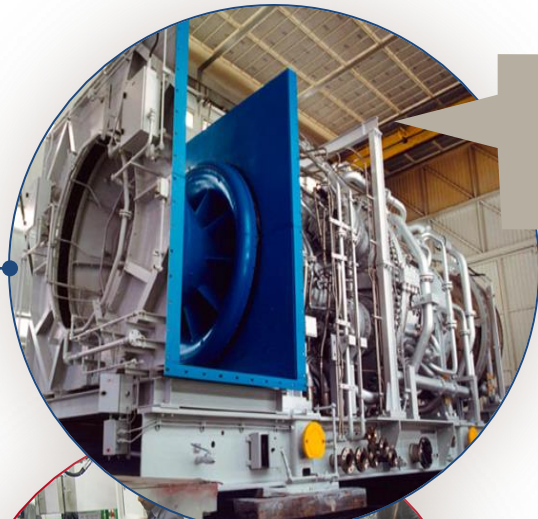
# India Imports the Most Weapons of any Country, USA Wins



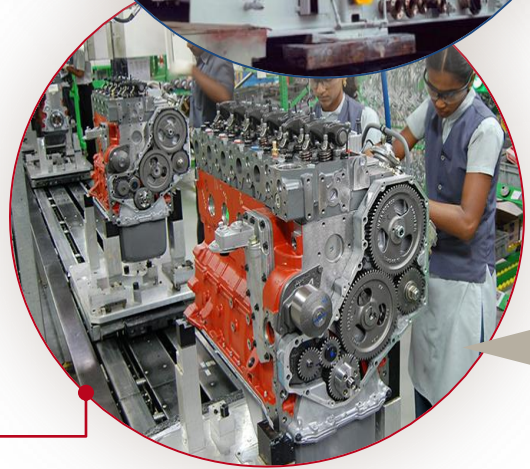


# Global Companies Rush to India

Multinational firms' India affiliates and their % of Total market cap contributed by India



GE turbine, made in USA



India workers at Cummins

As % of global market value

Source: Bloomberg, reported in Economist Jan 2013



# India will soon be a \$500 billion trading partner with U.S.A

American trade with India crossed \$100 billion in 2014

May exceed \$500 billion by 2020

- India is third largest economy in Purchasing Power Parity after USA and China;
  - GDP approaching \$2 trillion
  - The second most populous country with a population of 1.2 Billion people.
    - India has more than 50% of its population below the age of 25;
    - More than 65% below the age of 35 and only 5% above 65 years old
- The 6 top urban areas account for more than 60 Million people
- Free Press, World's largest Democracy, The oldest stock exchange in Asia



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# Select a Distributor

How many potential mistakes are embedded  
in this statement?

For some companies distributors are the right solution. But for many there are other options:

- Direct or Remote Sales
  - StepOut.com, Pratt & Whitney Engines
- Sales Person
  - Automotive client: 1 sales person
- Joint Venture or Subsidiary
  - Paramount's Wonderful Pistachios
- Licensing your technology, brand
  - Leverages your IP
- Others







## Problem

Renowned India distributor had been ineffective in generating sales in India for Western client.



## Process

After initial regulatory work, Amritt examined end-customer buying behavior including governments, quasi govt. organizations, large OEMS, and small integrators.



## Findings

Recommended a multi-channel approach:

- Direct team for train/metro segment
- Long sales cycle, customization, tenders
- 2 small niche distributors for OEMs, by vertical
- Trained by EU and USA offices
- 1 national-catalog-like co. for low-volume sales
- Order takers, not demand generators

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Currency acceptor maker, Company N – Case Study

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## #2: “A” implies one Entity for all of India

Most companies would not choose one distributor for all of Europe

- India's has 1.2 billion people compared to under 800 million in Europe
- With 23 languages and 29 states, India is truly a subcontinent
- Very few distributors are well capitalized or have national scale
- Unilever has over 4,000 distributors in India, is one enough for you?



# #3: “Select” or Find by Active Search?

Many companies try to choose from among those who have contacted them or met them at shows

- Quite a few get more inquiries from India than anywhere else
  - It's only because the country has 1.2 billion people!



In a booming economy, the most capable and competent partners are often too busy growing to pitch you.

- A determined, detailed search to map out the potential landscape for market entry is usually essential



Food client hired us to “fix” tepid sales, which were 72% below projections at end of Year 2

- Pricing and Promotion was fine
- Distribution was limited
  - But sales projections had factored this already
- Key inhibitor of repeat buys was the product
  - One feature created considerable consumer distaste in India
  - Amritt evaluation was validated by focus group study in multiple cities
- Removing feature saved 6% in cost, and spiked sales



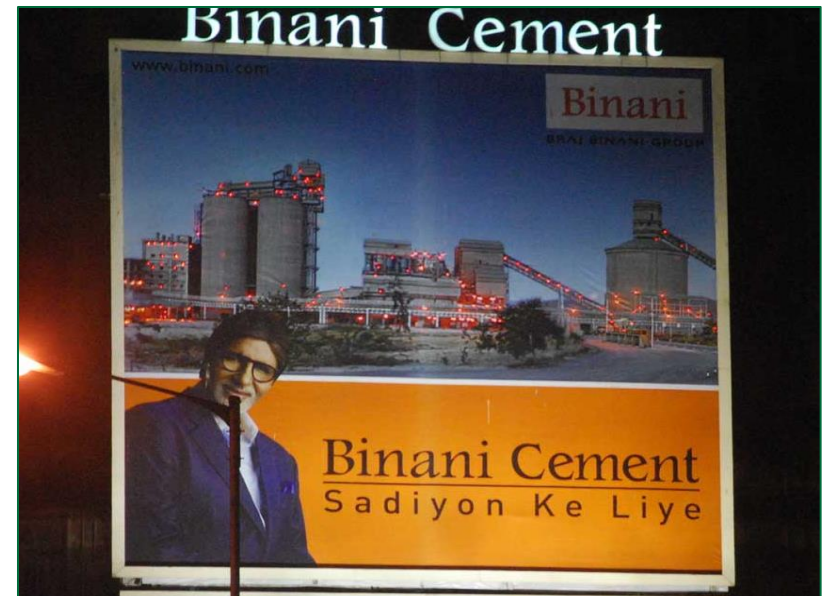
# Takeaway: Make your Products India-ready

- “Dunkin’ Donuts & More”
  - Special Name for India Stores, Special Menu
- Medtronics India
  - Offers stents, pacemakers, defibrillators on credit
- Modify to Indian preferences
  - Packaging in re-usable, re-purposeable containers
  - Pay per use, single use models



Veggie Sandwich at Dunkin’  
Donuts & More Delhi

## Business advertising campaign for Cement Featuring India's top movie star, Amitabh Bachchan aka "The Big B"



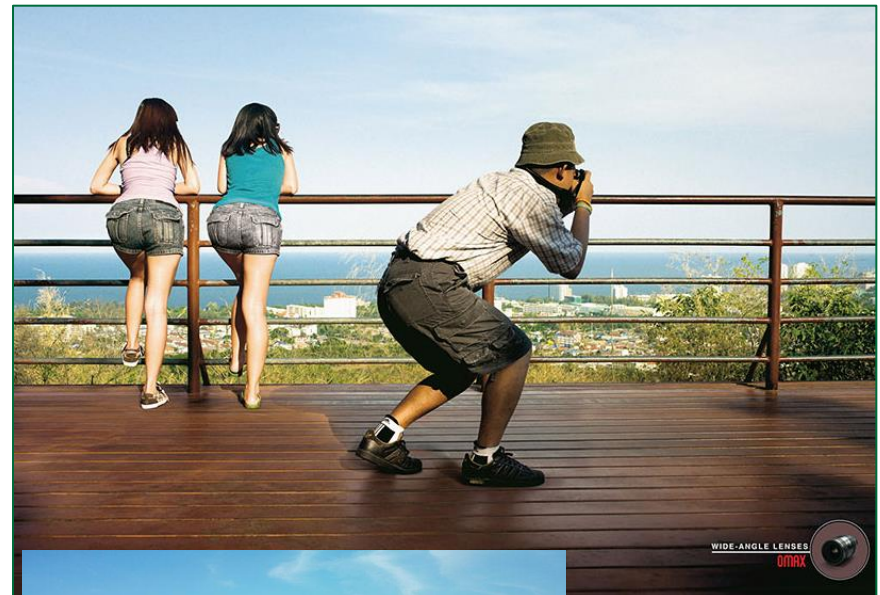
All media is growing in India!  
Newspapers, magazines, TV, radio, internet

Different advertising standards:

Politics, religion is ok;  
Quirky provocative ads



Global Award  
winning Print ads  
Twain, Wilde,  
Shakespeare  
whisper to sell  
Penguin books



Photographer  
would have  
appreciated an  
Omax wide-angle  
lens

Ford *Fig*o, subcompact car starting at \$7,000

- Designed for India, launched at Delhi Auto Show
- Made in Chennai, India; exported to 37 countries
  - Will invest \$1 billion to make India a mfg hub.
  - Ford employs 11,500 staff in India
- Ford also sells EcoSport compact SUV





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# Failure is Easy, Here's Three Ways:

In India, "They speak English"

Maybe, but they don't think American

Out of 1.2 billion, perhaps 100 million are fluent in English

"I have an Indian on Staff"  
But India has changed since  
they left!

"Let's wait until next year"  
But your competition  
is not waiting



# Three Markers of Success in India:

## Prepare, prepare and prepare

- 90% of the work is done before you visit

## Forget what you learned in China

- India is a complex, textured, pro-American democracy

## Patience is a requirement

- Marathons, not sprints.  
Persistence is rewarded



# Next Steps for Success in India

Send email to

Ask for our Harvard Business Review article on  
*“How U.S. Businesses Can Succeed in India in 2015”*

Register on [amritt.com](http://amritt.com)

Download white papers on  
Selling to India and more.

*Contact us for any advice or guidance on entering or  
expanding into India’s market,  
regardless of industry.*

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DOING BUSINESS  
IN 21<sup>ST</sup> CENTURY  
**INDIA**



HOW TO PROFIT TODAY  
IN TOMORROW'S  
MOST EXCITING MARKET

**GUNJAN BAGLA**



# Hollywood Marries Bollywood

Who has **9.62 million**  
followers on Twitter?

**Meyer Wolfsheim**  
in *The Great Gatsby* (2013)



**BOLLYWOOD**

# Top 10 sectors 2015 (in no particular order)



**Manufacturing**  
Booming due to  
domestic demand



**Infrastructure**  
\$1 trillion expansion in  
ten years



**Energy**  
Renewable, Fossil,  
Nuclear, Smart Grid



**Aerospace & Defense**  
India is top spender per  
SIPRI



**Telecommunications**  
the NEXT LEAP



**Healthcare**  
Medical devices,  
pharma



**Consumer**  
Products/Services  
Retail, franchise etc.



**Financial Services**  
Insurance



**Professional Services**  
Engg, Architecture, IT  
Software and  
Technology