



So, You Have a Great Product. What's Next?

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The removal of trade barriers has been a mixed blessing for Australian and Swiss, small and medium enterprises (SMEs). In principle, they now have access to far larger markets providing opportunities to increase their market shares and accelerate their returns on investment. In practice, it has meant increased competition in their traditional domestic markets, plus unfamiliar competition in their new, international markets.

Australian and Swiss SMEs can meet this challenge by precisely positioning their products worldwide with clear, credible, and convincing messages. Product positioning comes before the marketing and sales stages; simply put: positioning generates messages, marketing generates awareness, and sales generate revenues.

By far the most efficient, effective, and economical marketing tool for a SME is its network. For Australian and Swiss SMEs planning to expand into new international markets, the various bilateral chambers of commerce are excellent network generators. The SACCI and ASCCI have a long track record of encouraging and enabling Swiss and Australian entrepreneurs to set up businesses in the other country. Positioning enables SMEs to leverage these networks to the maximum because the clear, credible, and convincing messages make it easier for their network contacts to "sell on" their products through other networks.

These demanding positioning requirements are fulfilled by key messages based on the products' unique selling points (USPs). Fundamentally, the USPs must live up to their name. First, they must be unique to credibly differentiate the product from the competition. Customers need to see that they are not buying just a replacement but, instead, a new, innovative product. Otherwise, market shares are likely to stagnate, at best and decline, at worst.



Second, the USPs must sell the product to the customers. Telling them only about the product's unique features is not convincing; instead, the USPs should link these with the target customers' requirements. If not, the unique features are likely to be viewed as unnecessary and frivolous "bells and whistles". Third, the USPs must be clear points to capture the customers' interest. Broad, general propositions are unfocused and, consequently, less likely to generate interest and sales.

Precise, USP-based product positioning enables SMEs to focus and prioritise their marketing activities because they can clearly identify/confirm the target customers for each product. This is especially beneficial for SMEs where international marketing costs have to be controlled and their limited resources focused on sales. Positioning can reduce a SME's required marketing tools to only what is appropriate for the target customers. For example, often a website is sufficient for international marketing thereby avoiding the considerable cost of designing, printing, storing, distributing, and updating brochures. Further costs could be saved by eliminating marketing expenses, entertainment, and events involving non-target customers.

Consequently, it is important that SMEs position their products before creating marketing tools and initiating international marketing activities. With timely positioning, SMEs can get the maximum sales impact for the minimum marketing investment. Above all, positioning builds positive perceptions for long term, sustainable success. A well positioned product generates market confidence that can be leveraged to generate real value; i.e. cash from

customers, commitment from suppliers, capital from investors, coverage from media, and cooperation from the authorities. Generating this wide range of benefits from five very different key stakeholders with just one set of integrated key messages is why positioning before marketing is crucial for a SME's success.

So, you have a great product; what's next? Position your products, join ASCCI / SACCI, and work your networks.

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Exporter numbers headed in right direction

Trade Minister, Mark Vaile, welcomed data released by the Australian Bureau of Statistics (ABS) which shows the number of Australian exporters is increasing.

"These new figures are very encouraging in light of our goal to double the number of Australian exporters by 2006," Mr Vaile said.

"In 2000-01, the base year of the target, the ABS estimated there was approximately 25,000 exporting firms in Australia.

"According to the new figures released today, the number of exporters grew in 2001-02 to 31,450 - an increase of around 6,450 on the previous year.

"While it's still early days, this positive growth shows we're moving in the right direction to achieving our target which will ultimately reap huge benefits for the Australian economy and communities right across the nation."

Mr Vaile said achieving the aim of doubling the number of exporters by 2006 had the potential to create additional export revenue in excess of \$40 billion.

"In addition to the economic benefits, it's also important to recognise the broader impact exporters have on Australia as a whole," Mr Vaile said.

"Exports support one-in-five jobs in Australia, and Austrade research shows exporters on average pay higher wages and provide better work environments, better conditions, more training and higher levels of job security."

For daily export opportunities see
www.austrade.gov.au/home/

New Partner Announcements

Toomey Pegg Drevikovsky LAWYERS

Toomey Pegg Drevikovsky recently appointed two new partners, Edward Haggerty and Peter Wilson, to its highly regarded industrial relations and employment practice.

Edward and Peter, who have been with the firm for some years, will join the firm's Managing Partner Richard Pegg in the leadership of the IR&E team, and will bring additional strength to the practice particularly in the areas of executive employment contracts and industrial relations and compliance.

"We are delighted to welcome Edward Haggerty and Peter Wilson into the Partnership" said Richard Pegg, Managing Partner and head of the IR&E team at Toomey Pegg Drevikovsky. "Edward and Peter have been essential elements in building

the firm's industrial relations and employment reputation over recent years."

"Our primary areas of focus are employers and senior executives. Advising at that level demands specialist expertise, generally only found in senior practitioners. Having Edward and Peter as Partners will ensure we can continue to provide the high-level advice and quality of service demanded by our clients. I am confident they will strengthen the firm's reputation as Partners." continued Mr Pegg.

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