Export Plan for Fall 2023

Keep this document handy and refer to it often as you complete the project.
You must follow items 4-7 below as closely as you can.

1. **During the first two weeks of class students should form groups of 3-4 people (preferably 4). From years of experience with this project I want to discourage you from forming groups smaller or larger than this. TRUST ME. Please let me know who is in your group as soon as possible via e-mail: bergenst@muhlenberg.edu.**

2. **The first group decision should be which country to focus on. Our focus in this class is on Sub-Saharan Africa Lesser Developed Countries (LDC's) also known as Emerging Countries. These lower-middle income countries are not as wealthy as the Industrialized Nations (USA, European Union countries, Canada, Japan) but are not as desperately poor as the least developed countries (Ethiopia, Burundi, Somalia, etc.) You may choose from the following:**

Country	Gross National Income per capita, 2022 (US $)*	PPP Gross National Income per capita, 2022 (US $)*
Benin	1,400	4,020
Cameroon	1,660	4,350
Djibouti	3,180	5,780
Guinea	1,180	2,840
Lesotho	1,260	3,160
Senegal	1,640	4,100
Sudan	1,040	4,150
Tanzania	1,200	3,040

*** World Development indicators database, Atlas method. The World Bank Group, 2022.**
https://data.worldbank.org/indicator/NY.GNP.PCAP.CD PPP in current international dollars.

***Some GNI per capita comparisons*:**
USA: $76,370 Norway: $95,510 Bermuda: $125,240 Burundi: $240

***PPP adjusted GNI*:**
USA: $77,530 Norway: $118,440 Bermuda: $98,610 Burundi: $840

Gross National Income (GNI) per capita is the dollar value of a country's final income in a year divided by its population using *Atlas methodology*. In calculating GNI in U.S. dollars for certain operational and analytical purposes, the World Bank uses the *Atlas conversion factor* instead of simple exchange rates. The purpose of the Atlas conversion factor is to reduce the impact of exchange rate fluctuations in the cross-country comparison of national incomes.

GNI per capita is a strong indicator of the standard of living of an average citizen in the country, and higher GNI per capita numbers are correlated with things like:
Higher literacy rates. Lower infant mortality. Better access to safe water.
GNI is NOT each person's yearly income that they earn from working or investments. Is a proxy for this because it's nearly impossible to accurately gather information on actual incomes from most of the poor countries.

PPP (Purchasing Power Parity) Gross National Income measures the total earnings of the residents of an economy adjusted for the cost of living in each country. Purchasing power parity (PPP) is an economic term that calculates the relative value of different currencies.

When calculating GNI per capita, purchasing power parity gives a more accurate picture about a country's overall standard of living. Imagine country A has a GNI per capita of $40,000, while that of country B is just $10,000. Does that mean country A's people are 4 times as rich? It depends. What if a basket of goods, plus housing, utilities, transport and health costs are four times as expensive in country A compared to B? The two countries' standards of living would be pretty similar.

You can see that the PPP GNI per capita for the selected Sub-Saharan African countries is greater than their GNI per capita. This means that the standard of living in these countries is very low and their little bit of income per year goes much further than we would expect. When Benin's GNI of $1,400 is adjusted for their standard of living it's as if they have an income of $4,020 to spend.

Notice that the GNI per capita and the PPP GNI per capita for the United States is nearly identical. This is because the US $ is the currency that is used as a reference when making the PPP adjustments. You'll also notice that it is extremely expensive to live in Bermuda whereas Norway is much more affordable.

****<u>The sooner your group chooses a country the better</u>. There can be no duplicate countries; therefore the policy regarding choice of country is "first come, first served". You also want to be sure that information exists on your country of choice within the many databases our library subscribes to.**

You may opt to choose your country after the Research Presentation by librarian Kelly Cannon the 2nd week of classes. He will show you the many sources of information available for this project in Trexler Library. FYI: All countries except Djibouti have U.S. Dept. of Commerce *Country Commercial Guides* available AND all 8 are included in the resource *Countries and Their Cultures*.

NOTE: Wikipedia may be used as a starting point, but should not be the only source of information for any given topic. I expect you to use <u>at least 10 reference sources per major section</u> of the Export Plan.

To help you get started: Sub-Saharan Africa explained
https://www.youtube.com/watch?v=ggLp5_97B4I

3. **After choosing the country, you next will focus on completing the assigned sections of the Marketing Export Plan as outlined in *"The Country Notebook – A Guide for Developing a Marketing Plan."* You will follow the due dates provided with your syllabus. Note that the first section due is *Section II. Economic Analysis*. You should include as much information as possible per the Country Notebook, understanding that for some countries information available may be scarce or incomplete. DO YOUR BEST. However, so I know your information was not available (and so I don't assume you just didn't bother to complete certain sections) please insert a brief message stating *"information not available"* after the appropriate heading or sub-heading.**

4. **As you are gathering information on your country's economic and cultural conditions you should be thinking about a non-technology TANGIBLE PRODUCT you would like to EXPORT to your country. (Example: Pampers' to Senegal). This could be a product common to citizens living in Western countries but not to people in Lesser Developed countries or it could be a totally new product that is not yet widely available in the West. Compiling and reporting information on the country's economic situation and culture will help you see what type of product(s) are needed or desired by the citizens. You must also be aware of any trade barriers erected by your country because barriers will limit your choices.**

   You may not provide a service, although you may export a product that is accompanied by a service (Example: many food and beauty items have 1-800 numbers printed on their packages for usage help or other customer service support.) You may not export a luxury product that can be purchased by a small number of wealthy people living in your country or by tourists. Your product should be something that ordinary, middle-class (for your country, of course) people need and can afford. You may not export technology products such as smart phones, iPad's, TV's, etc. Even people with scarce financial resources manage to purchase technology products such as these.

5. ***Section IV. Preliminary Marketing Plan* requires that you do a thorough, creative marketing mix plan. Completely discuss your product. How will you alter your product for your market, if necessary? Will the package, label, flavor, consistency, etc. need changing? How and why?**

   Thoroughly consider your distribution - will you use planes, trains or trucks to move your product to its final destination? How will you transport from the US or Europe, what port(s) will you use, and which modes of transportation will be involved? Will you need storage or warehousing in your country? Where and for how long? How will your choices affect your costs and the price you will eventually charge?

   What introductory price will you use and how will it change over time? Why did you pick this price? Of the many factors influencing price discussed in class, which one(s) are relevant to you and why?

   Finally, how will you promote your product? What media are available, when and how can you use the media for promotional purposes? Will you do print, broadcast, both, neither? Direct mail? Telephone solicitations? Demonstrations? Event or sports sponsorships? Will you use celebrity spokespersons? Please be creative and original AND INCLUDE EXAMPLES OF ALL YOUR PROMOTIONAL MATERIALS IN BOTH YOUR WRITTEN PLAN AND IN YOUR PRESENTATION.

6. **Your group will present your Export Plan to the rest of the class during finals week …dates TBA. Using Power Point, Prezi, or Google slides, enlighten your audience as to the specific characteristics and needs of the people in your country and WHY and HOW the product you chose will make their lives better or more enjoyable. Who is the parent organization behind your product? What alterations will you make to the product for your country? Etc. Be prepared to creatively promote this product to the audience. The presentation should include advertising samples (print and/or broadcast), promotional displays or samples, samples of your product (if appropriate). Make your presentation unique and enjoyable for the audience. More information on presentations for this project is posted on Canvas.**

7. **The written Export Plan should be approximately 40-50 pages, double-spaced. It should not be submitted in outline form, rather, you should make it look professional with major headings [Economic Analysis, Cultural Analysis, Competitive Analysis, Preliminary Marketing Plan], and sub-headings [Population, GNP, Communication Systems, Principal Industries, etc.] The very first thing I read will be the Executive Summary. Don't forget your cover page (with all group member names) and a Table of Contents. This is a Marketing Class - packaging and presentation are important!**

Remember: the purpose of this project is to convince me that your chosen product will be successful in your country. Part of the challenge is making the product a success with skillful marketing.

Please refer to the course policy on the use of AI (Artificial Intelligence like Chat GPT) on Canvas.