

~THE CULTURALLY SMART ENTREPRENEUR~

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Introduction

Exporting is important to the Australian economy as it pays for our imports, provides employment and increases living standards. It also plays a role in encouraging cultural understanding. Through this investigation you will learn what it takes to become a culturally smart entrepreneur and develop awareness of cultural understanding required to sell goods and services to people overseas.

The question

The main questions you will be asked to find an answer for are:

- **Why is it important to understand the cultural values of overseas people who are going to buy Australian products and services?**
- **How can exporters become more aware of overseas business and social customs so that they can compete successfully in the global marketplace?**

Part 1: Background information

Before developing an expert knowledge about one particular country as an export market it is important to understand a bit more about the economic and non-economic advantages of exporting. Use the links below to answer the six general questions about the exporting side of the trade equation:

- Who are Australia's exporters?
- What are Australia's major exports?
- Where does Australia export its goods and services?
- Why should Australian businesses export?
- When is a business ready to export?
- How does a business begin to export?

Make sure everyone on your team can draft a written response to these questions before moving onto Part 2: initial export market selection and Part 3: detailed market research.

[Australian Suppliers Database](http://www.austrade.gov.au/) (www.austrade.gov.au/)

Select New Exporters Information from the menu and follow the links.

[Trade Statistics Card](http://www.dfat.gov.au/publications/stats-pubs/economics_trade_card.html) (www.dfat.gov.au/publications/stats-

pubs/economics_trade_card.html) A summary of commodities trade information, including imports and exports, but not services.

[Fact sheets on overseas markets](http://www.dfat.gov.au/geo/fs/) (www.dfat.gov.au/geo/fs/)

Print single page information sheets about your possible trading countries.

Young business movers (http://smartmoves.questacon.edu.au/index_flash.asp)

A site highlighting young business entrepreneurs.

Winning enterprises. (www.austrade.gov.au/economistscorner)

A range of articles and speeches written by Austrade's Chief Economist.

Australian made products. (www.australianmade.com.au)

A useful site that will give you a few ideas about what is being produced in Australia.

The importance of trade for Australia. (www.dfat.gov.au/media/speeches/)

Read a number of speeches and to see what politicians have said about the importance of trade for Australia. Pick any year.

Prepare to export (www.austrade.gov.au/newexporter)

Click on the New Exporters Information button and look at the main steps businesses follow to become exporters.

Now that you have some background knowledge, it is time to take on the role of a business entrepreneur and devise an export plan for your imaginary product or service to enter the country of your choice. Perhaps you could also convince Austrade that you are a worthy recipient of an export development grant.

The class will need to divide into groups of three students with each group deciding on one country to be their target export country. Go to the Austrade website (www.austrade.gov.au/industrycountry/) and choose one of these countries.

Each group must answer all of the questions listed below and complete the group task.

Part 2: Initial export market selection

Use the links below to learn more about exporting to your chosen market. Specifically, look for answers to the following questions:

- 1) What product or service are you planning to export? Describe in detail.
- 2) How will this product or service be exported? (Directly to clients over the Internet or freighted, through a distributor, under licence, etc.)
- 3) What is your advantage over competing businesses providing products or services in the market? Name some competing businesses.
- 4) What are the advantages of exporting this product or service rather than simply supplying the Australian market?
- 5) Which country have you chosen as your first export market and why?
- 6) Could this product or service be exported to other countries in the future? Which ones and why?
- 7) Do you need to change any part of the product or service to meet local tastes in order to successfully enter the chosen market?
- 8) What are the social and business customs in this market?
- 9) What contact will you make with likely customers in your chosen country?
- 10) What other market research will you need to do to be ready for export?

Remember that these questions provide a guideline only and you will need to go into more depth to complete your export plan.

Business ideas

[Starting up a small business.](http://www.smallbiz.nsw.gov.au) (www.smallbiz.nsw.gov.au)

This has sections on exporting, small business advisory centres and starting a business.

[The Asian Development Bank site.](http://www.adb.org/Statistics/ki.asp) (http://www.adb.org/Statistics/ki.asp)

This site describes projects that have been carried out in Asia. Use the information to get ideas for an export business.

Export planning

[Preparing an export plan.](http://www.austrade.gov.au/studentcentre/) (www.austrade.gov.au/studentcentre/)

In the student centre section of the Austrade site click on the teachers' resources. Also go to the SEARCH option and type in 'Are you ready to export'.

[Cultural awareness](http://www.austrade.gov.au/industrycountry/) (www.austrade.gov.au/industrycountry/)

Select the country which could be a possible market and follow the links on the left for social and business customs in the possible market.

[Successful exporters](http://www.austrade.gov.au/mediacentre/) (www.austrade.gov.au/mediacentre/)

In the Media Centre section of the Austrade site click on the link for Success stories

[Australian Export Awards](http://www.austrade.gov.au/) (www.austrade.gov.au/)

Go to the SEARCH option on the Austrade homepage and type in Export Awards.

Part 3: Detailed market research

Use the links below to learn more about exporting to your chosen market. Specifically, look for answers to the following questions:

- 1) Why is it important to understand the customs and people's purchasing habits in your export country
- 2) What do you need to do to become more aware of the business etiquette and culture of your overseas customers? How can an Austrade export development grant help you learn more?
- 3) What is Australia's trade with this country at the moment? Consider both exports and imports.
- 4) What trade barriers exist in this country for Australian goods and services?
- 5) What assistance is available to Australian businesses through Austrade and other agencies and how can they help you to export?

Remember, these questions provide a guideline only and you will need to go into more depth to present an application to Austrade for an export market development grant.

[Economic outlook for potential markets](http://tradewatch.dfat.gov.au/) (http://tradewatch.dfat.gov.au/)

Use this site for economic outlook and trade information about possible export markets.

[Export markets](http://www.bizapec.com/search.htm) (www.bizapec.com/search.htm)

This is a useful site that gives detailed information about export markets, including their trade barriers.

[Lonely Planet Travel Guide](http://search.lonelyplanet.com/) (http://search.lonelyplanet.com/) Countries' cultural information.

[General search.](http://www.google.com/) (www.google.com/) Type in 'business etiquette', then your trading country.

[Export Assistance](http://www.austrade.gov.au) (www.austrade.gov.au)

Export grants available through Austrade. Explore link at the top of the Austrade homepage titled 'Export grants'. You will need to take time to look at this site.

Group synthesis

With your team members all gathered together, carefully rework answers for the questions asked in Parts 1 to 3.

Group task

Your business is to prepare a presentation for the Austrade committee that awards export market development grants. This committee is particularly looking for innovative but culturally aware enterprises with a sound business plan. It is your job to convince the committee that your business is ready to enter the export market and has completed a detailed study of the culture of your export country. You will need to devise a creative presentation as there will be a lot of competition for these grants. Consider using technology (videos, films, computers etc.) to enhance your presentation. You will also need to provide a written business and export plan.

Individual task

After listening to all the presentations you are ready to draft an individual response to the **main question** of this WebQuest:

- **Why is it important to understand the cultural values of overseas people who are going to buy Australian products and services?**
- **How can exporters become more aware of overseas business and social customs so that they can compete successfully in the global marketplace?**

Conclusion

To complete this quest you had to complete some detailed research, co-operate with other members in your team to come up with an innovative export plan and presentation to prove to the Austrade committee that you deserved sponsorship. You should be now be more aware of the need for cultural awareness in export success.

How will you use these ideas and strategies as you continue to grow and learn? Perhaps you may be an Australian exporter of the future! It's all up to you. Good luck.

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