



# How to succeed in a middle-tech Country?

version v1.2

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## 1 Lessons drawn from previous actions

This memo address technology areas, industrial domains, healthcare, IT partly, Knowledge intensive services and any highly innovative domains. It is not suitable for distribution, low tech and any traditional domains.

This memo starts with conclusions we draw after about 20 attempts to set up joint ventures, to settle enterprises abroad, to develop partnerships, to simply export. The best results are the signature of a MOU followed by “could we start with simpler things?” Most of French candidate enterprises are successful in France and Values well understood by customers or partners. Our approach fits too much with French industrial/economic ecosystem and not with local one we don’t know enough. It is not with Business France/CCI’s memo’s that the ecosystem will be understood and mostly the way to penetrate. CCEF are more pragmatic but too much playing with large business

The main targeted countries are Kazakhstan, few Uzbekistan and it is also true for Russia. We will see later that this could be applied to any other’s countries. We had a very good success in Brazil or India, but we took a long time to assess efficiency of the ecosystem.

Remark about title: if these countries are middle tech in global they dream to be high tech. This word “middle-tech” is only use here.

## 2 What is the main blocking factor?

We analyze that our foreign customers don’t understand what we speak about our products, business approach...even they understand technology but the industrial environment, the decision process, the business life which are supporting our approach are not understood and we don’t know how its work locally.

In summary, the main issues are:

“how your technology match with local ecosystem?  
And how you will penetrate the local ecosystem of Business?”

### 3 How successful players did ?

We have analyzed several success stories and several unsuccessful stories to draw lessons we would introduce.

The 1<sup>st</sup> lesson is that you must perform an interactive approach to reveal performances of the Ecosystem. This could be made by face to face meetings, workshops and internet marketplace with diverse types of players to withdraw information on each.

The 2<sup>nd</sup> lesson is that it is not necessary to create your branch office, it is required that you have the strong objective to open it on diverse ways that you are currently exploring.

The 3<sup>rd</sup> lesson is that you must explain, clarify, introduce your project to various stakeholders and to understand their comments. For this you should be at least 2 and the second is only there to collect comments, all comments without participating to the interaction.

The main people you must target are:

- **Regional government** because they are generally key trigger to enter a market, they need to be informed and many times they provide you a contact point to go further in your project. You will be also informed about support to investors they have, rules about foreign investments, bonuses and tax reduction. You will assess the efficiency of ecosystem: do they have high-level students? On your domain? Do they have venture funding? Do they have industrial areas and buildings;
- **Press** because they need new information to publish new fantastic adventures they are also the best to provide you the best positioning with current projects, players and initiatives;
- **Potential partners** because you cannot play alone, you must have your own network, your own supply chain... they are also interested to know how you will deal with them later when you will enter in customer place. You impact their business!
- **Potential strategic customer** to get their acceptance, to withdraw perceived values of your products and approach, to understand where your real place in their global value chain is, to know about your real competitors, to assess how they consider your key advantages and your level of innovation.

Don't forget, that in your speeches, you are **only evaluating the market to take your final decision**.

### 4 How long will be ?

To perform the previous approach takes 6 months but not full time because people have to mature your proposal and eventually to discuss about it.

After that, you have to take your GO/NO GO decision and immediately to start dealing with customers in order to inform them, to inform them about your final positioning and how you will deal with partners/suppliers they already have. You have also to set your company.

You are **now a local player** who take part of the game and not a foreigner!

## **5 What is our value proposal?**

To perform the envisaged tasks, you have to assign:

- A sales/marketing manager of your company part time with technical support
- A regional sales/marketing expert
- A regional expert of the business domain
- A communication/PR assistant
- An administrative assistant

We consider that it is possible to share this team for 5 SME's, because like it was said before it not full-time activity for 1 company.

Regional persons must speak English and if possible French languages.

## **6 French regional support and funding**

This approach is eligible to Assurance Prospection from BPI France and regional support thru ARII (Regional agency for Innovation and Internationalization of enterprises). We will take in charge these contacts and the writing of the proposal.

There is also similar support in targeted countries, we will manage like in France.

## **7 Budget for enterprises**

Salaries in Kazakhstan and Russia are low in comparison with France.

Next phase is to inform regional gov on each side about this initiative to know which funding we could have to finalize the budget for companies.

## **8 1st introductions of this approach with budget**

End September, we will participate to SPI Forum and exhibition in Istres (near Marseille) and organizer will schedule a session with potential exporters and we will introduce this approach.

The same will be schedule with Moscow City with whom we are in contacts.

## **9 Oil&Gas in Kazakhstan, specific business opportunity**

Among the various business domains, we could tackle, Oil & Gas in Kazakhstan is highly promising because it is the main industry of this country.

Our proposal is simple and more sophisticated than normal business:

- We can assist EU SME's to define their positioning in supply chains of large petrol companies, to be registered as official supplier and to specify their offering.
- We will take in charge registration of a daughter company in Kazakhstan and appointment of one of director in this daughter company with extension to all kazakhstan state institution
- We will manage the company under control of an attorney and charge to daughter management and success fees on a budget basis.
- We will cover all call for tenders in Kazakhstan