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Module 5

Export Readiness Packaging Labelling

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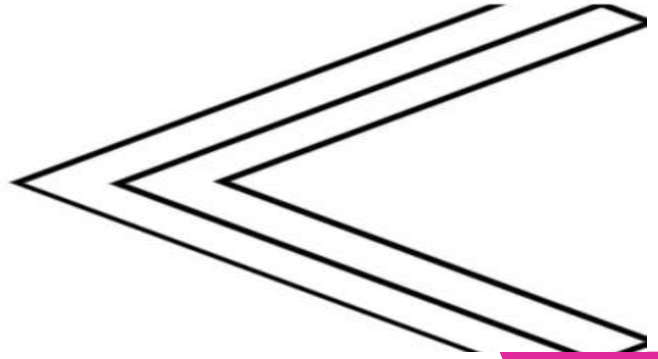
Assumptions about exporting

Old Assumption	New Thinking
Exporting is too risky.	Exporting to some markets foreign markets is no more risky than selling locally. Different international markets have different levels of risks. Do your research.
Getting paid is cumbersome, and I'll lose money.	Trade finance and global banking have evolved to the point where buying and selling things internationally can be routine, safe, and efficient.
Exporting is too complicated.	Do your research. Get help when needed.
My domestic market is secure. I don't need to export	No market is secure. Diversifying markets can ensure your success.
I'm too small to go global.	No company is too small to go global. 30% of US exporters have less than 19 employees.
I have no idea where to begin.	Let's start here.

- Grow your bottom line (companies that export are 17 percent more profitable than those that don’t).
- Smooth your business cycles, including seasonal differences.
- Add management and intercultural expertise.
- Use production capabilities fully.
- Increase your competitiveness in all markets.
- Increase the value of your business should you choose to sell it (and start another).
- Rise to the challenge and savour the satisfaction of being an exporter.



Reasons to Export

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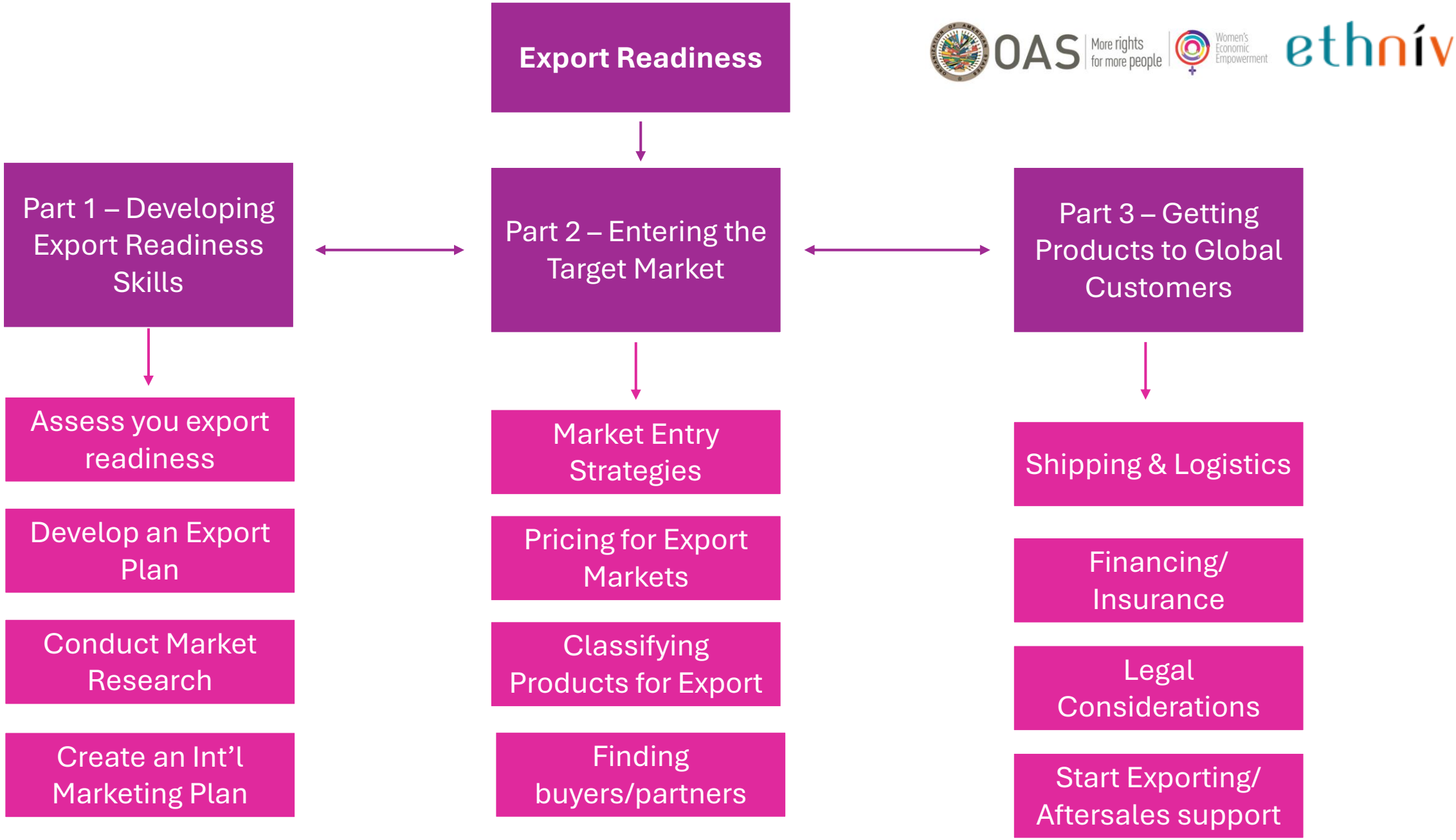
Export Readiness
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Assess you export readiness
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Legal Considerations
Start Exporting/ Aftersales support

Part 1 – Developing Export Readiness Skills

- Small and Medium-sized Companies can Export
- Today, selling globally is easier than ever.
- More help than ever is available.
- Your assumptions may not be accurate.

Conduct an Export Readiness Check

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Characteristics that are common, but not necessarily essential to being an export-ready and successful exporter.

- Successful domestic sellers
- Staff, time, and the resources to devote to international travel, marketing, and sales.
- Ability to sustain your company for a year or more until international sales grow and become profitable.

Export Readiness

- **Market Information Readiness**: gather market on market and trading conditions.
- **Management Readiness**: ensure you and your team are committed and knowledgeable
- **Product Management Readiness**: ensure your products and production process meet the requirements
- **Resource Readiness**: ensure your business has access to sufficient resources to support the export initiative
- **Transactional Readiness**: ensure your business is geared to embark on export sales transactions

Export Readiness Quiz

Scoring:
For each question, score as follows:
a) 3 points
b) 2 points
c) 1 point

1. Does your management team have experience in international business?
   a) Yes
   b) No
   c) Some experience

Scoring:
For each question, score as follows:
a) 3 points
b) 2 points
c) 1 point

2. Has your company conducted research on potential foreign markets?

a) Extensive research

b) Some research

c) No research

Scoring:

For each question, score as follows:

a) 3 points

b) 2 points

c) 1 point

3. Does your product or service have a distinct competitive advantage in your target market?
   a) Yes, a clear advantage
   b) Somewhat competitive
   c) Not sure

Scoring:
For each question, score as follows:
a) 3 points
b) 2 points
c) 1 point

4. Do you have the production capacity or available resources to meet increased demand?

a) Yes, significant capacity

b) Limited capacity

c) No extra capacity

Scoring:

For each question, score as follows:

a) 3 points

b) 2 points

c) 1 point

5. Have you adapted your product packaging or marketing materials for your target market?

a) Yes, fully adapted
b) Partially adapted
c) Not adapted

Scoring:
For each question, score as follows:
a) 3 points
b) 2 points
c) 1 point

6. Do you have the financial resources to support an export initiative?

a) Yes, dedicated export budget

b) Some resources available

c) No additional resources

Scoring:

For each question, score as follows:

a) 3 points

b) 2 points

c) 1 point

7. Is your company's website available in the language of your target market?

a) Yes

b) Partially translated

c) No

Scoring:

For each question, score as follows:

a) 3 points

b) 2 points

c) 1 point

8. Have you identified potential distributors or partners in your target market?

a) Yes, established contacts

b) Some potential leads

c) No contacts yet

Scoring:

For each question, score as follows:

a) 3 points

b) 2 points

c) 1 point

9. Are you familiar with export documentation and shipping procedures?
a) Very familiar
b) Somewhat familiar
c) Not familiar

Scoring:
For each question, score as follows:
a) 3 points
b) 2 points
c) 1 point

10. Has your company developed an export plan?

a) Yes, comprehensive plan

b) Basic plan in progress

c) No plan yet

Scoring:

For each question, score as follows:

a) 3 points

b) 2 points

c) 1 point

11. Are you aware of any intellectual property issues in your target market?

a) Yes, fully researched

b) Some awareness

c) Not sure

Scoring:

For each question, score as follows:

a) 3 points

b) 2 points

c) 1 point

12. Do you have access to export financing or credit insurance?

a) Yes, secured

b) Exploring options

c) No access

Scoring:

For each question, score as follows:

a) 3 points

b) 2 points

c) 1 point

13. Is your product compliant with standards and regulations in the target market?

a) Yes, fully compliant

b) Working on compliance

c) Not sure

Scoring:

For each question, score as follows:

a) 3 points

b) 2 points

c) 1 point

14. Have you participated in international trade shows or missions?
a) Yes, multiple times
b) Once or twice
c) Never

Scoring:
For each question, score as follows:
a) 3 points
b) 2 points
c) 1 point

15. Do you have a strategy for handling currency fluctuations?

a) Yes, clear strategy

b) Basic understanding

c) No strategy

Scoring:

For each question, score as follows:

a) 3 points

b) 2 points

c) 1 point

Total your score and interpret as follows:

36-45 points: High export readiness. You appear well-prepared to begin or expand export activities.

26-35 points: Moderate export readiness. You have a good foundation but may need to strengthen some areas before exporting.

15-25 points: Low export readiness. Consider focusing on building your export capabilities before pursuing international markets.

Elements of an Export Plan

- Your company
- Your Products and Services
- The target market
- The competition
- Your international marketing strategies including sales and distribution channels;
- Employment and training/ procurement of human resources
- Financial requirements and forecasts

Develop an Export Plan

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Conduct Market Research Step by Step Guide

- Obtain Export Statistics
- Identify Potential Markets
- Target the Most Promising Markets
- Examine Product Trends
- Research the Competition
- Analyze Marketing Factors
- Identify Barriers
- Identify Incentives
- Draw Conclusions

Conduct Market Research - Resources

Support websites

- Local Trade Promotion Agency website
- CARICOM Statistics: https://caricom.org/statistics/
- Caribbean Regional Organization for Standards and Quality: https://website.crosq.org/
- Caribbean Export Development Agency: https://carib-export.com/
- EU Trade Help Desk: https://trade.ec.europa.eu/access-to-markets/en/content/welcome-access2markets-trade-helpdesk-users
- International Trade Centre: https://intracen.org/
- Market Research: https://www.marketresearch.com/
- Centre for the Promotion of Imports (CBI): https://www.cbi.eu/
- TFO Canada: https://tfocanada.ca/
- Global Trade Helpdesk: https://globaltradehelpdesk.org/en

Create an International Marketing Plan

- The basic marketing formula – the four “P’s” of product, price, promotion and place
- Payment (international transactions and currency exchanges)
- Paperwork (increased documentation)
- Practices (different cultural, social and business styles)
- Partnerships (strategic alliances to strengthen your market presence)
- Protection (increased risks relating to payment, intellectual property or travel)

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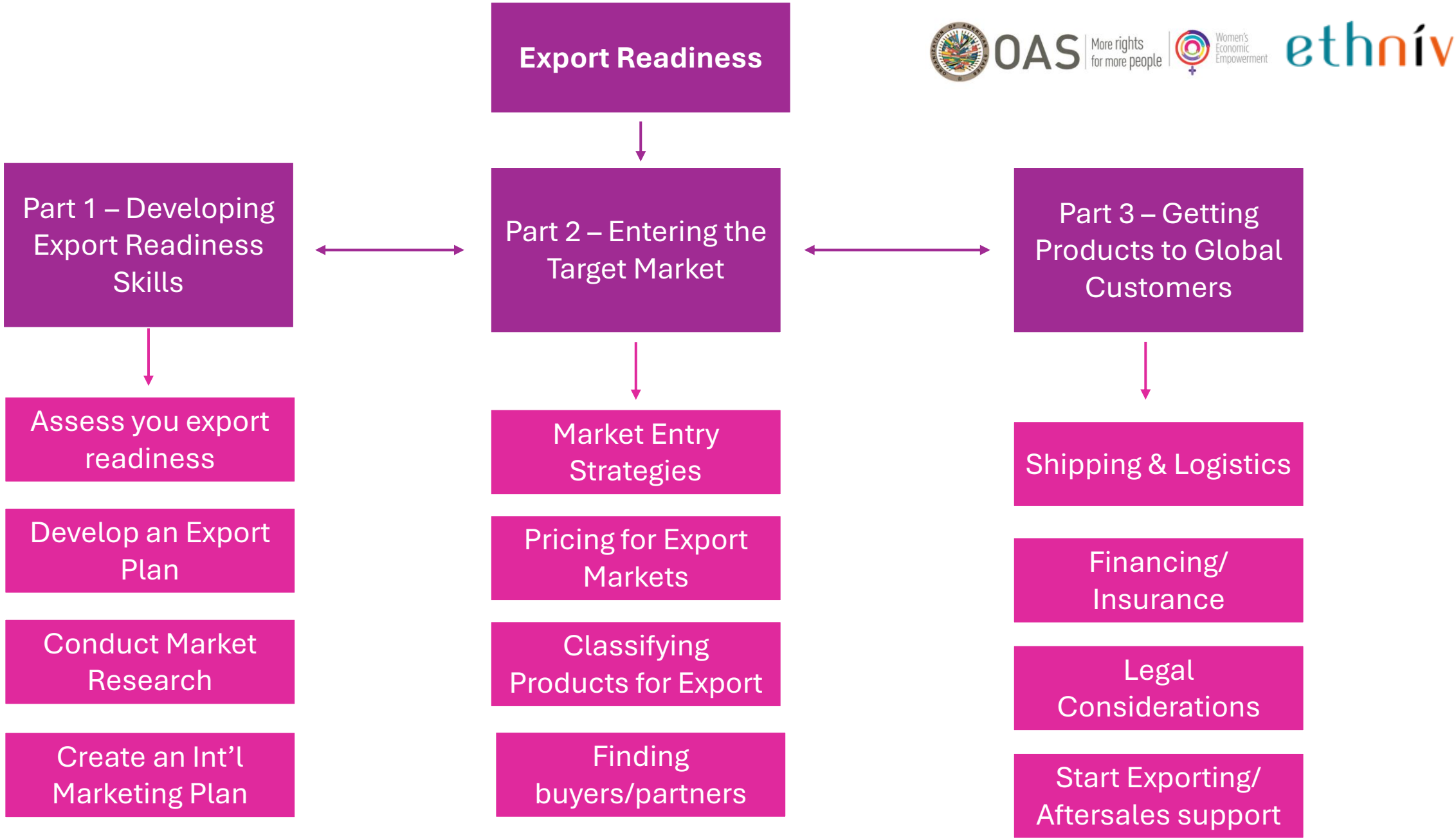
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Part 2 – Export Tools of Trade

These export tools spanning market entry strategies, financing, compliance, payments, logistics and more can help businesses overcome key challenges and streamline their international trade operations.

Market Entry Strategies

A market entry strategy outlines your business goals, an overview of the target market, precisely what you will sell there, expected sales and how you will achieve them.

Direct Exports: Direct marketing and selling to the end user or client.

Indirect Exporting: This is one of the most frequent methods used to enter a new market. Entering into an agreement with an agent, distributor or a trading house.

A Strategic alliance or partnership: Joining with other companies or individuals that have complementary skills and capabilities in the target market.

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Useful Resources

Distribution channels: https://www.trade.gov/export-solutions

US Agricultural Suppliers List: https://www.ams.usda.gov/services/local-regional/food-directories-listings

US Food Distribution Network: https://www.ams.usda.gov/services/local-regional/food-directories-listings

Agent distributor checklist: https://menterabusnes.cymru/totalfoodmarketing/en/resources/selecting-agents-and-distributors-checklist/

Market Entry Requirements

For the USA:

1.U.S. Customs and Border Protection (CBP) - for general import requirements
Website: https://www.cbp.gov/

2.Food and Drug Administration (FDA) - for food, drugs, cosmetics, medical devices
Website: https://www.fda.gov/

3.U.S. Department of Agriculture (USDA) - for agricultural products
Website: https://www.usda.gov/

4.Trade.gov - for information on entering the U.S. market
Website: https://www.trade.gov/

Market Entry Requirements

For the UK:

1.GOV.UK website - provides general guidance on importing goods into the UK
Website: https://www.gov.uk/import-goods-into-uk

2.UK Department for Business and Trade - for information on trade agreements and regulations
Website: https://www.gov.uk/government/organisations/department-for-business-and-trade

3.Food Standards Agency - for food and drink imports
Website: https://www.food.gov.uk/

Market Entry Requirements

For the Canada:

1.Canadian Food Inspection Agency (CFIA) - for food, plants, and animals
Website: https://www.inspection.gc.ca/

2.Health Canada - for consumer products, medical devices, pharmaceuticals
Website: https://www.canada.ca/en/health-canada.html

3.Canada Border Services Agency (CBSA) - for general import requirements
Website: https://www.cbsa-asfc.gc.ca/

4.U.S. Commercial Service - for U.S. companies entering the Canadian market
Website: https://www.trade.gov/canada

Pricing for Foreign Markets

Pricing affected by:

- Distribution channel
- Shipping
- Warehousing
- Exchange rates

- **Incoterms:**

Internationally agreed rules that set out who is responsible for the cost of transporting goods including any insurance, taxes or duties, where the goods should be picked up from and transported to, and who is responsible for the goods at each step during transportation.

Incoterms

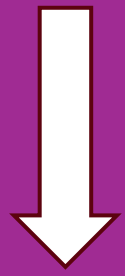
CFR-CIF (Cost and Freight - Cost, Insurance and Freight)
The seller is responsible for all costs related to exporting the shipment from the country of origin, but the risk for the cargo transfers to the buyer when the shipment is loaded on the vessel.

FOB (Free on Board)
The seller is responsible for delivering the goods to the port of departure, clearing it for export, and loading the goods on the vessel. On the vessel, the risk transfers from the seller to the buyer, who from that point is responsible for all costs thereafter.

Ex Works" (EXW)
This means that the Seller is making the goods available at their factory or warehouse. The buyer is then free to come and pick up the goods. Ex Works places full responsibility for cost and risk with the buyer, as the buyer has to arrange everything

- Intellectual property protection
- Compliance with relevant export rules, registrations, licenses and permits
- Tariffs, taxes and duties
- Increased production volumes to meet export orders
- Freight, logistics and export documentation (for goods and products)
- Employing the right people here and overseas
- Finance costs and loan repayments
- Registration and travel for trade events, exhibitions or tradeshows
- Travel to meet new buyers or visit markets and partners
- Insurance including credit insurance, product liability, freight insurance
- Market research and credit checks
- Marketing and promotion.

Export Costs can add up



Do your research

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Other considerations

- Export documentation – make sure you establish the types of document you'll need to provide to enter the market.
- Written quotation (includes)
  - Information about your product such as the size and packaging formats,
  - Additional cost for providing export labelling and packaging
  - The price and delivery terms (incoterms)
  - Estimated date of shipment on arrival
  - Payment terms and conditions
- Risk of late, or sometimes non-payment of bills is high – Insurance coverage
- Trade Credit – Due diligence and credit check
- Factoring - helps businesses better manage their cash flow by converting accounts receivable into immediate working capital. Businesses can obtain funds in advance by selling their invoices to a factor at a discounted rate instead of waiting for payment.

- The Harmonized System (HS) is a global product classification system used by customs authorities in more than 200 countries and economies.

- HS codes are six-digit codes that are assigned to different commodities and classifications.

- Countries can add additional digits to the first six digits for further classification

Classifying Products for Export

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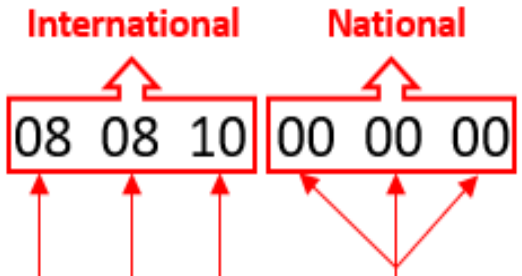
HS Code Example

Apple
HS Code: 08081000



Section 02: *Vegetable Products*

Chapter 08: Edible Fruit and nuts, peel of citrus/melons
Heading 08: Apples, Pears and Quinces, Fresh
Subheading 10: Apples
Country Specific Divisions

Useful Resource: https://www.findhs.codes/

HS Code Sources

- World Customs Organization (WCO)

https://www.wcotradetools.org/en/harmonized-system

- Freightos HS Code finder:

https://www.freightos.com/freight-resources/harmonized-system-code-finder-hs-code-lookup/

- DHL's HS Code Finder

https://www.dhl.com/discover/en-my/faq/customs/hs-code

- FindHS.Codes search engine

https://www.findhs.codes/

- Check with customs authorities

- Freight forwarder or customs broker

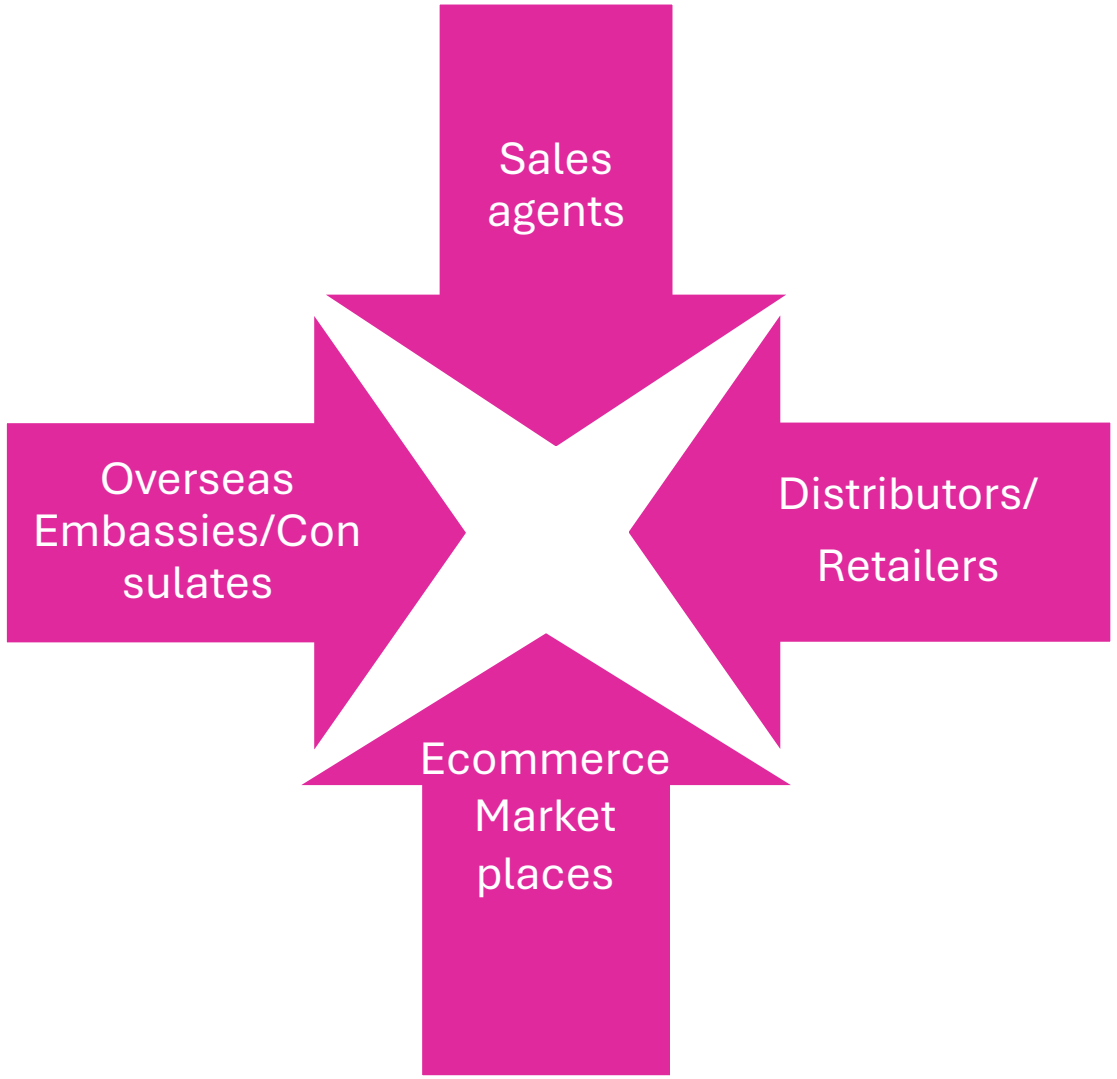
When searching for HS codes:

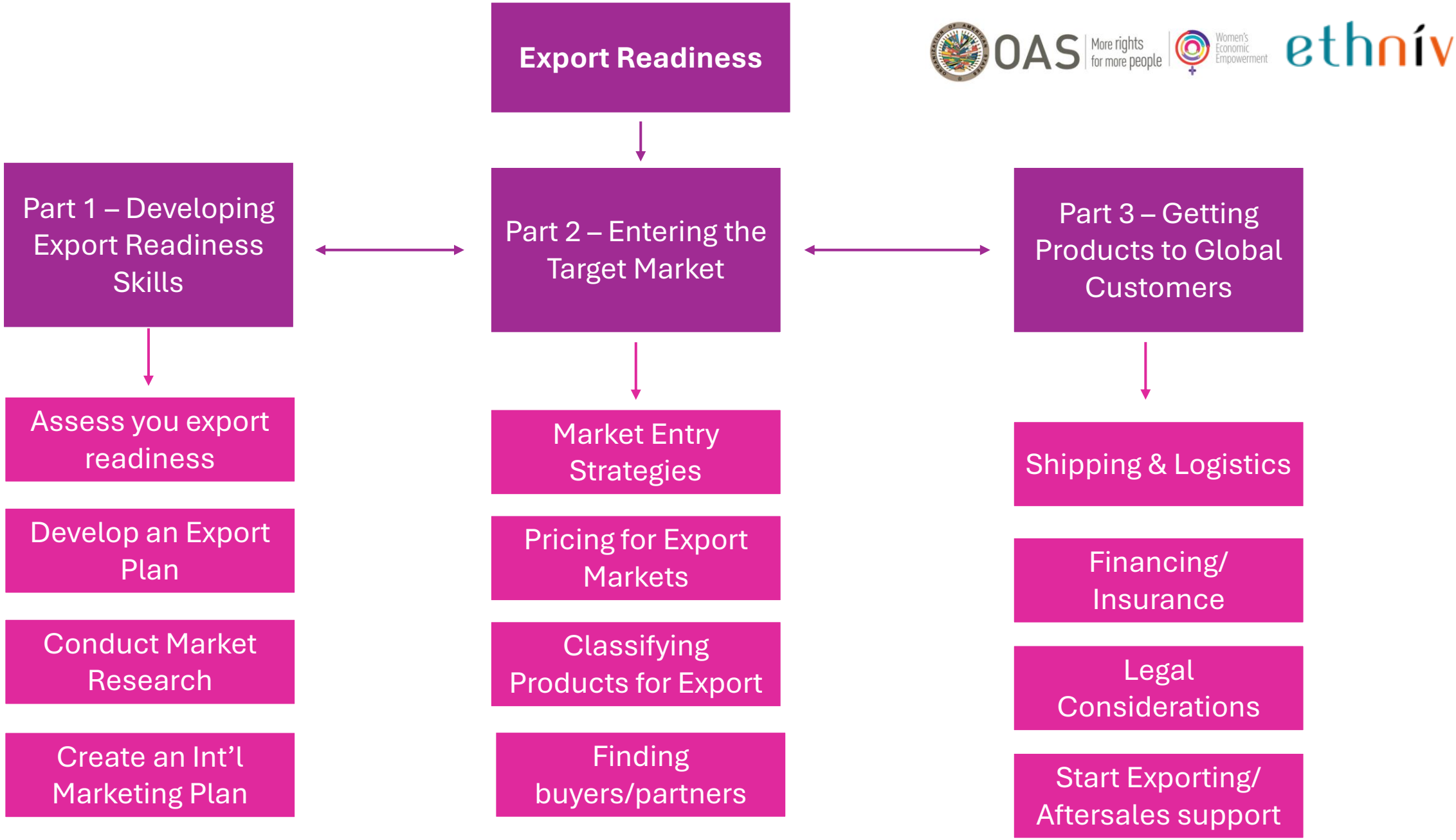
- ❑ Be as specific as possible about your product.
- ❑ The first 6 digits are standardized internationally.
- ❑ Additional digits may be added by individual countries for further classification.
- ❑ Verify the code with official sources, as incorrect classification can lead to delays or penalties.

Finding Buyers or Partners

- Local Trade Promotion Agencies
- World Trade Centers, International Trade Clubs, and Local Chambers of Commerce (wtca.org)
- Industry and Trade Associations
- American Chambers of Commerce Abroad
- International Trade Consultants and Other Advisers
- Freight Forwarders and Shipping Companies
- E-Commerce Providers
- Trade shows/missions
- Customized market research

Finding Buyers or Partners – Other Sources

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Part 3
Getting Products to Global Customers

- ❑ Shipping & Logistics
- ❑ Financing & Insurance
- ❑ Legal considerations
- ❑ Start Exporting/ Aftersales Support

- Mode of transportation - Factors like product type, destination, urgency, and cost sensitivities will guide this decision.

- Freight forwarder (reliable/experienced) - They handle booking carriers, consolidating shipments, preparing documentation, coordinating movement, and ensuring regulatory compliance.

Shipping and Logistics

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Shipping by sea

- **Consolidation:** Also known as buyer's consolidation, if we are going to consolidate cargo for you at our warehouse and then ship everything out together in an LCL (less than container load) or FCL (full container load) method.
- **LCL (less than container load):** This mode is when we are shipping your cargo in a consolidated container with other shipper's cargo.
- **FCL (full container load):** A shipment type where a cargo occupies the full size of a container.
- **RORO (roll-on roll-off):** This is a type of freight or ferry vessel that is specifically designed to transport vehicles, such as cars, trucks, trailers, and all-wheeled cargo.
- **Heavy-Lift, Break-bulk or Project Cargo** - Also known as Out-of-Gauge (OOG) is the broad term used to describe voluminous shipments. This can be shipments that do not fit a conventional container

Shipping by air

- **Speed and transit times**
- Product characteristics
- Cost considerations
- Customs and security

Export Financing

- Export Working Capital Loans - These loans provide exporters with the working capital needed to fulfill export orders and **bridge the gap between production and payment**. Lenders may accept purchase orders, accounts receivable, or inventory as collateral.

- Letters of Credit - Letters of credit are financial instruments issued by banks that **guarantee payment to exporters upon meeting specified conditions**. This secure payment method mitigates the risk of non-payment by buyers.

Financing and Insurance

How letters of credit work:

Basic process:

a. The buyer applies for a letter of credit from their bank.
b. The issuing bank creates the letter of credit and sends it to the seller's bank.
c. The seller ships the goods and submits the required documents to their bank.
d. The bank checks the documents against the letter of credit terms.
e. If everything matches, the payment is made to the seller.
f. The buyer's bank releases the payment to the seller's bank.

Export Credit Insurance

- Single-Buyer Policy - This policy provides credit protection for short-term credit sales made by an exporter to a single international buyer over a 12-month period. It covers 90% of commercial risks like buyer default.

- Multi-Buyer Policy - Exporters can insure all sales to eligible international buyers on open account credit terms under this policy. It typically covers 90-95% of commercial risks and 95-100% of political risks like currency inconvertibility.

- Medium-Term Insurance - This insurance protects longer-term financing (up to 5-7 years) provided to international buyers of capital equipment or services. It can cover up to 85% of the contract value.

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Ex-Im Bank (Export – Import Bank)

Legal Considerations

When exporting goods, there are several key legal considerations that exporters must address:

- Export Controls and Licensing: Certain products may require an export license or be subject to export controls.
- Customs Compliance: Exporters must use HS codes and follow all customs regulations.
- International Contracts: Well-drafted international sales contracts define the rights, obligations, and liabilities of both parties.
- Foreign Laws and Regulations: Understand and comply with the relevant laws and regulations in the destination countries.

Checklist

- ✓ Export Readiness assessment
- ✓ Your team has the skills and the resources to undertake the challenge.
- ✓ You have conducted research on the market - prepared your export plan
- ✓ You have prepared your international marketing plan
- ✓ You have a market entry strategy
- ✓ You have identified and buyer/ partner and conducted your due diligence
- ✓ You have your support system in place (i.e. freight forwarder, customs broker, financial lenders, legal advisors).

Start Exporting/ Aftersales Support

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Aftersales Support

Warranty and Service Policies - Clearly define their warranty policies, service terms, and support procedures for international customers to help build customer trust and satisfaction.

Local Service Capabilities - Providing efficient after-sales service can be challenging across borders. Consider local support options to minimize delays and costs compared to returning products internationally.

Inventory Management - Maintaining adequate inventory of spare parts and consumables in export markets is crucial for timely service and repairs.

Packaging V/S Labelling

Export Packaging

- The outermost layer of packaging that protects goods during international shipping.
- Designed to safeguard the contents from potential damage, such as impact, vibration, compression, or moisture that can occur during handling, loading, unloading, and various modes of transportation

Product Characteristics

- Nature of the product (fragile, perishable, hazardous, etc.)
- Size, weight, and shape of the items
- Product classification

Transportation Mode

- Air freight - lighter packaging
- Ocean freight - moisture-resistant and able to withstand stacking, vibrations, and humidity over longer transits.

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Export Packaging

Regulatory Compliance

- Packaging must comply with all applicable regulations in the destination countries regarding materials used, labeling, markings, etc.
- Certain products like food, pharmaceuticals, chemicals have specific packaging rules.
- Wood packaging may need to meet ISPM-15 standards for treatment against pests

Environmental Considerations

- Sustainable, recyclable or reusable packaging materials
- Avoid excessive packaging waste and materials restricted (e.g. some plastics).

Protection and Security

- Proper cushioning, blocking, and bracing
- Exterior containers robust enough to withstand shocks, stacking, moisture during handling and transit.
- Tamper-evident and anti-counterfeiting features

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Typical types of packaging

Boxes and Crates

- Corrugated cardboard boxes (single or double-walled for extra protection)
- Paperboard boxes
- Wooden crates and cases (provide excellent protection but more expensive)

Plastic Packaging

- Plastic boxes (airtight for perishable goods)
- Poly bags (flexible, customizable packaging)
- Bottles and Jars
- Glass, plastic, tin or ceramic bottles/jars (for liquids, oils, food items etc.)

Typical types of packaging

Specialized Packaging

- Steel drums (for hazardous liquids, chemicals)
- Sling packaging (for heavy, bulky machinery using flexible slings)
- Bagged cargo (for granular products like fertilizers, grains)
- Bales (compressed fibrous materials like cotton, wool bound together)

Palletized Packaging

- Using standard sized pallets with cardboard boxes or wooden cases secured on top
- Pallet collars that create a box structure around goods on a pallet base

Product Labelling

Product labeling is the process of **displaying information about a product on its packaging or the product itself**.

It can include the product's name, brand, ingredients, usage instructions, safety precautions, and more.

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Product Labelling

Regulatory Compliance

- Specific content to be included (ingredients, warnings, manufacturer details, etc.)
- Language requirements (need for translations)
- Measurement units (metric vs imperial)
- Formatting and placement of label elements
- Certain products like food, pharmaceuticals, chemicals, etc. have stringent labelling rules that must be followed.
- Failure to comply can lead to rejected shipments, fines or inability to sell in those markets.

Product Labelling

Labelling Durability - Select high-quality label materials and printing methods.

Anti-Counterfeiting Measures - Especially for products prone to counterfeiting.

Packaging Integration - Ensure sufficient label space is allocated on product packaging for all mandatory and additional information.

Cultural Sensitivities

- Does not contain colors, symbols, images or phrases are offensive or have unintended meanings in different cultures.
- Consider using recognizable local languages, personalities or design elements.

Product Information Accuracy

- Descriptions, ingredients, instructions must be accurately translated and clearly presented on labels.
- Implement rigorous quality control to validate labelling content, translations and measurements before export.

Typical Labels found on Products

- Brand Labels - Feature the brand name and logo, reinforcing brand identity and recognition
- Product Name/Description Labels - Identify and describe the product, such as the product name, SKU/serial numbers, and barcodes for inventory tracking.
- Ingredient/Nutrition Labels - Required for food products, they list out all ingredients in descending order by weight and provide detailed nutritional information.
- Warning/Safety Labels – Provide critical safety warnings, hazard information, and instructions to avoid risks associated with using the product. Legally mandated for many consumer products.

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Typical Labels found on Products

- Usage Instructions/Care Labels - Found on products like clothing, electronics, and appliances. Provide guidance on proper usage, care instructions, assembly etc.
- Certification/Compliance Labels - Indicate compliance with applicable standards, regulations or certify attributes like organic, cruelty-free, energy efficiency ratings etc.
- Anti-Counterfeit/Security Labels - Incorporate overt or covert anti-counterfeiting features like holograms, RFID tags, etc. to validate product authenticity and prevent tampering.
- Promotional Labels - Used for marketing purposes e.g. coupons/promotions to drive sales

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Pictograms and Symbols

SKU vs. UPC vs. EAN

- **A stock keeping unit (SKU)** is a code that is often printed on a product label as a scannable barcode.
- SKUs are unique identifiers that **retailers** assign to each item in their inventory to track stock levels, sales, and product details.
- They are usually made up of eight to 10 alphanumeric characters that can include information such as the product's brand, color, size, price, and manufacturer.
- A company that makes shirts could use this convention for their SKU:
  - [Shirt Style]-[Color]-[Size]-[Collection Month]-[Collection Year]
  - Under this rule, the SKU for this item would be V-GRE-06-11-09.

SKU vs. UPC vs. EAN

- A **Universal** Product Code (UPC), is a series of black lines or 12-digit number that help identify a product. This symbol is encoded with a series of numbers known as the GTIN, which makes up a complete barcode. The UPC is scanned at the point of sale.

- To apply for UPC barcodes, please visit
  - www.barcode-us.com
  - InternationalBarcodes.com / InternationalBarcodes.net.
  - License a unique Company Prefix from your local GS1 office
  - Use existing UPC barcodes already assigned to products

- A barcode serves as a visual representation of SKU's or UPC's numeric code.

SKU	UPC
ABCD 0123-4567	0 123456 789012
LENGTH Can be any length; often 8–12 characters	**LENGTH** 12 characters
Composition Alphanumeric; sometimes has a barcode	**Composition** Numbers only; always has a barcode
Source Created by retailers to fit unique business needs	**Source** Standardized GS-1 in conjunction with manufacturers
Price Free	**Price** 10 codes for $250
Use Internal	**Use** External

EAN stands for European Article Number

European Article Number (EAN)

A UPC is usually a 12-digit barcode used in North America to identify most products. **The rest of the world uses 13-digit EAN barcodes to identify products**. However, both types of numbers and barcodes are part of the GS1 System of international standards, so both are accepted globally.

GTIN code

The data that the UPC-A barcode uses is called the GTIN-12. It is called GTIN-12 because it is always made up of 12-digits and those 12-digits are unique to each of your products. Since the GTIN-12 is commonly encoded in a UPC-A barcode, the term UPC is sometimes used in place of GTIN-12.

EAN and GTIN codes

SKU, UPC, EAN,GTIN??

Which do I use?

Target Markets

Distribution Channels

- Geographic Markets
  - USA and Canada – UPC
  - Europe and Asia – EAN
- Global Distribution:
  - Distribute across multiple regions - GTIN (Global Trade Item Number), which encompasses both UPC and EAN
- Retailer Requirements:
  - Major retailers like Amazon may require you to have a GTIN
- Product Types:
  - For books, you need to obtain a separate ISBN (International Standard Book Number) and a GTIN/UPC/EAN for sales tracking.
- Cost Considerations:
  - Obtaining individual UPC codes is generally cheaper than EAN or GTIN if you only need barcodes for the US/Canadian market.
  - Global distribution, investing in GTINs from GS1 ensures worldwide validity but may be more expensive.

HS Code (Harmonized System Code):

- Used for international trade classification
- Standardized globally
- Assigned by customs authorities
- Typically 6-10 digits
- Used to determine tariffs, duties, and trade regulations

SKU (Stock Keeping Unit):

- Used for internal inventory management
- Unique to each retailer/company
- Created by the business itself
- Alphanumeric, usually 8-12 characters
- Used to track inventory, sales, and pricing

UPC (Universal Product Code):

- Used for product identification across retailers
- Standardized globally
- Assigned by GS1 (official issuing organization)
- Always 12 numeric digits
- Used for scanning at point of sale and inventory tracking across supply chains

Key differences:

- Purpose: HS codes are for customs/trade, SKUs for internal inventory, UPCs for universal product identification
- Creation: HS codes by customs authorities, SKUs by individual businesses, UPCs by GS1
- Format: HS codes are numeric, SKUs are alphanumeric, UPCs are strictly numeric
- Uniqueness: HS codes are standard globally, SKUs unique to a business, UPCs unique globally
- Usage: HS codes for international trade, SKUs for internal operations, UPCs for retail sales and supply chain management

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Services Exports

Exporting a service refers to providing a service **across international borders** to customers or clients located in other countries.

Growing Services Export Sectors

- Travel and Tourism
- Transportation and Logistics
- Banking, Financial, and Insurance Services
- Telecommunications and Information Services
- Education and Training Services
- Commercial, Professional, and Technical Services
- Entertainment
- E-business / Digital services

Services can be exported through different modes :

- Cross-border supply (e.g. consulting services provided remotely)
- Consumption abroad (e.g. tourism services consumed by foreigners visiting)
- Commercial presence (e.g. establishing a local office to provide services in another country)
- Movement of natural persons (e.g. professionals traveling to provide on-site services)

How do I export my services?

Tips for services exporters

Assess Export Readiness and Potential

- Evaluate if your services are **truly world-class** and can meet the needs of international customers.
- Determine if you have the **capacity and resources** to serve both domestic and foreign clients simultaneously.
- Assess if modifications are needed to **adapt your services** for language, cultural or business environment differences in target markets.

Delivery Mechanisms

- Decide **how you will deliver services internationally** - in-person, remotely via internet/technology, or through local partners.
- Consider obtaining **work permits, validating professional credentials** if services require travel to markets.

Tips for services exporters

Customer Service and After-Sales Support

- Have **multi-lingual support capabilities** and **cultural sensitivity** to serve a global customer base effectively.
- Provide easy access through **multiple communication channels** (phone, email, chat etc.) for prompt issue resolution.
- Explore using **local partners** or setting up **service centers** in major markets for timely on-ground support.

Overcoming Barriers to New Markets

- Partner with in-market experts
- How will you deliver services internationally - in-person, online?
- Understand cultural, language and regulatory differences
- Consider obtaining work permits and validating professional credentials for the target market.
- Consider joining online platforms that promote services

More Tips for Services Exporters

- Free Trade Agreements and Service Exports

Most free trade agreements include provisions that make it easier for participants to sell services on a nondiscriminatory basis.

- Marketing Services Abroad – Cooperate with Product Exports

For years, many large accounting and banking companies have exported by following their major international clients abroad and continuing to assist them in their international activities. Smaller service exporters who cooperate closely with manufacturing companies can also operate internationally and aim to provide service support for those manufacturers abroad.

Thank You!

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