

# Exporting to asia country essay

[Business](#), [Marketing](#)



Exporting to Asia Country: Indonesia As a marketing manager of a firm that desires to export a line of products or materials, it is only a natural way to promote these lines of exportable materials to a foreign country. One of his activities would be searching for local suppliers of the chosen products for export. When a specific supplier is located, the next thing a marketing manager would do is to look for prospective buyers of his products or some locally-produced materials for export.

Choosing an Export Country Before getting his feet wet, it is vital that he conducts a background checking of the country he wishes to export the products. This is important so as to increase the chance of success in marketing while he gains some invaluable experience in exporting. In our case, the chosen country is Indonesia, the fifth heavily populated nation on earth (245.

5 million according to the Bureau of East Asian and Pacific report). For business customs, visit to this country during the months of July and August must be observed carefully since some national holidays fall on the said months. Some business visitors are very reluctant to conduct meetings some days before and after the Idul Fitri holiday. For a good business climate, it is important that a business representative or Exporting to Asia Country: 3 Indonesia manager should develop a rapport with the prospective business contact in this country. "Patience is the key," advises the U. S.

Commercial Service in Indonesia. The most likely winning factor here depends much on personal interaction rather than on the physical sides of the products. Additionally, learning some of Indonesia's business customs

like considering what gestures are giving offense and what are unethical will surely help much in breeding business success in this part of the world. Some minor factors, which the manager or export representative will learn later by experience, however, should not be taken lightly when doing business in Indonesia.

For moving around, taxis are always available but become scarce during the morning and evening rush hours. The increasing rates of theft and violent attacks in taxis have led some expatriates to opt for more reliable taxi companies. For business travelers, trains, ferry service, domestic air services are readily available.

Be watchful though as theft and assaults may also occur while using such services. Exporting to Asia Country: 4 Business Language Business people in Indonesia speak their own Bahasa language besides other existing languages and dialects. English is used in shops centers, hotels, and elsewhere, though different shades of English vary in tones and meanings. Credit cards are accepted in many business establishments. For telecommunication facilities, phone, and cellular services are good and readily available though the quality of service varies.

Basically, Indonesia is an agricultural country, a major producer of agriculture-based products ranging from palm oil to coffee. In the 1980s, the Indonesian government saw the necessity of re-aligning its economy on wider scale by imposing some restrictions on international trading and then accepting foreign trade investment. In 1985, foreign investments showed a success favoring much manufacturers and the like but lessened the role of

agricultural production in the nation's economy. Tariff and Subsidy The drastic devaluation of rupiah had also a negative effect on farm produce that the Indonesian government has planned remedies for stabilizing farm income.

Indonesia got its share of economic crisis as reflected in the rising percentage of population Exporting to Asia Country 5 experiencing some risk living in poverty. One reform that has been enforced is the removal of license barriers that affects agricultural commodities. The reduction of tariffs on some prime commodities like rice and sugar also surfaced as the government aims at improving sugar processing in the country. With the opening of markets for rice, including milk products, these products now are shipped to Indonesia at tariffs. Concerning export subsidies, the Indonesian government has a few schemes for these, which are governed by ceiling boundaries. With Indonesia's huge debt, which runs to over US\$73 billion, supports are needed in paying the high interest rate to fill in the nation's budget.

Basic Export Process In a nutshell, here is a basic process for exporting food items according to the U. S. Commercial Center in Jakarta, Indonesia.

Exporting companies need local agents or distributor in the importing country since foreign entity cannot do the distribution process. The importing company has an import license. In case of food importers, they have their own food storage facilities. The subject food is registered at the Department of Health Food Registration.

When the subject food meets the quality standards of the Minister of Health, this is then approved and consequently, a registration number is issued. This number is also entered on the food label. The subject food is then labeled in Exporting to Asia Country 6 English or Indonesian language. This label gives information on lot identification, expiry date, storage requirement, food values, etc. Labels also contain specific statements to further clarify information about the subject food, e. g.

“ Halal” food or not; “ irradiated” or not, and so on. The food for shipment must conform to the expiry date restriction such as arriving in Indonesia port before the expiry date of the subject food, “ 1. 5 years before the expiry date for food with a shelf life of 2 or more years. ” Shipments documents are included such as L/C, invoice, etc. For all shipments entering the Indonesian territory having \$5, 000 value or more, these are inspected in the originating country prior to shipment.