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Position business for growth in India

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President Barack Obama recently implored American business to pursue business opportunities in India in his speech before the U.S. Chamber of Commerce.

The president said, "As countries like India . . . grow and develop larger middle classes, it's profitable for global companies to aggressively pursue these markets."

Is now the right time for U.S. companies to sell into the Indian market? Can small and medium enterprise businesses also successfully enter India? Must a U.S. company alter its business model before entering the Indian market? The answer to all of these questions is "Yes."

With the Indian economy predicted to double in the next 10 years, India presents a unique opportunity for Atlanta companies for several reasons:

**Common language:** Unlike the other members of the so-called BRIC countries (Brazil, Russia and China), India shares English as a common language with the U.S. Technology, business processes and education all have a common English heritage in the U.S. and India. Companies can easily enter the Indian market with little language transformation.

**Growing consumer market:** The Indian consumer market is exploding. More than 20 million new cell phone accounts are opened each month. The country has more than 700 million cell phones, and 200 million of them are smart phones. These telecom devices serve as the primary point of contact for the 1.2 billion Indian consumers to conduct business, purchase products, communicate and perform financial transactions with U.S. businesses.

**Young population:** The average age in India is approximately 26 years old. These young people are acclimated to using their smart phones for all forms of business and consumer transactions. Unlike other countries like China where the population is aging, the Indian population is young (and getting younger), with a keen aptitude for using technology in daily life. Innovations developed in the U.S. will be increasingly attractive to this youthful Indian market.

**Pricing is key:** In most cases, products must be priced more competitively in India than in the U.S. Several product price points may need to be established to allow the Indian consumer to purchase a "light" version and upgrades based on additional features and

functions. While the Indian market is huge, products must be affordable to address the mass market in a country of over a billion consumers.

Product repositioning: U.S. companies may have to reposition their products to address a broad-based Indian consumer and business market. For example, BlackBerry entered the Indian market from both a commercial angle --- appealing to their traditional business customers --- and from a consumer/family perspective. The result has been a resounding success for BlackBerry across a broad spectrum of the user community in India. Similarly, U.S. companies may need to rethink their product marketing and positioning to tap the Indian consumer.

Finding talented teams: The ecosystem in Indian for a U.S. company to expand there has evolved rapidly. India's major cities --- Mumbai, Delhi, Bangalore, Chennai and Pune --- have an organized network of executives, professionals and service providers to assist U.S. companies in entering the market. These strategic partners are pivotal for locating the right managing director for a U.S. company wanting to enter India. The talent pool of quality executives continues to grow with the increasing number of graduates from the Indian Institute of Management, the equivalent of our leading U.S. business schools.

Acceptance of U.S. products: In addition to being attracted to our common language, Indians are rapid adopters of economically priced technology, whether or not produced in the U.S. or their domestic market. Unlike some countries, Indian consumers do not focus on the origin of a product as much as the price point, functionality and utility. There does not appear to be a bias against U.S. products that may be found in other countries.

The time is right for businesses in the U.S. to adopt a strategy which includes India, one of the most rapidly growing countries in the world. By carefully following a project plan for entering the Indian market, companies can increase the likelihood of success in India and achieve the multiplier effect of selling to a consumer base of over 1 billion customers.

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