



**RESEARCH
CONSULTANTS**
INTERNATIONAL

FDI ATTRACTION STRATEGIES

International Lead Generation



FDI ATTRACTION STRATEGIES

Agenda

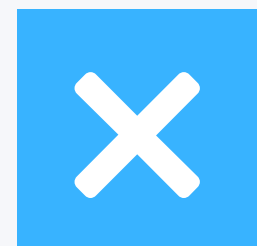
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Expansion Drivers



Market Entry Strategies



Quantitative Data



U.S. Investment Trends



Lead Generation Strategies



Database Tools



Other Methods



Case Studies

1

Resource Drivers

- Investment occurs due to natural resources such as minerals, raw materials, and agricultural products
- Seeking low-cost or specialized labor

2

Market Drivers

- Investment into markets previously served by exports, or into closed markets protected by high import or other barriers
- An investment made by supplier companies following their customers overseas
- The investor aims to adapt products to local requirements, and to use local resources

3

Efficiency Drivers

- Investments made into rationalized or integrated operations leading to cross-border product or process specialization

4

Asset Drivers

- Acquisitions and alliances to promote long-term corporate objectives



International FDI Attraction Market Entry Strategies

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Direct Exporting

Company sells its products directly to customers in another country without using another person or organization to make arrangements

Indirect Exporting

Selling to an intermediary, who in turn sells products either directly to customers or to importing wholesalers



Transfer-related

Combination of the entry strategies including licensing, franchising, subcontracting and loosely coupled strategic alliances

Investment-related

Investment projects organized in organic growth strategies and acquisitions such as branch office, joint venture, greenfield and brownfield investment and M&A



Competitors

Understanding competing regions and organizations will enable you to better respond to questions during investor meetings

Analysis

In an effort to gain a stronghold in the market, complete a SWOT analysis of your region and perform a similar analysis of your competition

Benchmarking

Using benchmarking tools to provide information on operating costs and SWOT models

Knowing who your competitors are can help you better promote your region and enable your marketing efforts to stand out.

U.S. FDI Trends

MOTIVES FOR EXPANDING TO THE U.S.

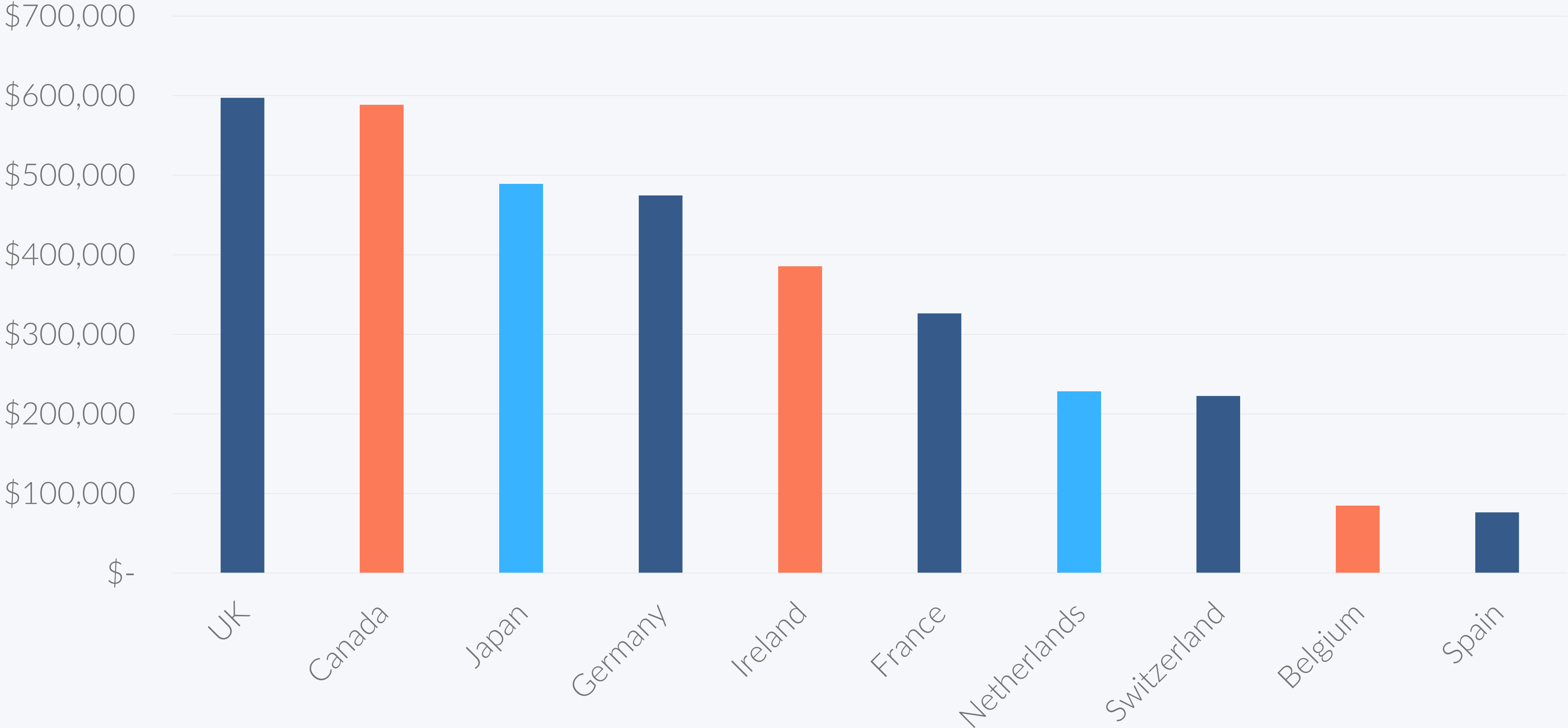
Motive	% of companies
Proximity to markets or customers	45.80%
Skilled workforce availability	30.70%
Domestic market growth	18.10%
Regulatory environment	14.30%
Transport infrastructure	12.20%
Industry cluster	11.40%
Technology & innovation	9.70%
Quality of life	8%
Government support	6.70%
Universities & Research hubs	6.20%
Suppliers & JV partners	4.30%
Lower costs	2.50%
Sites & property	2.10%
Taxes & incentives	1.50%
ICT infrastructure	0.80%
Natural resources	0.60%
Language Skills	0.20%

BUSINESS ACTIVITY IN THE U.S.

Business activity in the U.S.	Projects
Sales, Marketing & Support	2,192
Manufacturing	1,922
Business Services	1,436
Headquarters	888
Design, Development & Testing	507
Logistics, Distribution & Transportation	487
Research & Development	147
Construction	111
Electricity	110
ICT & Internet Infrastructure	92
Maintenance & Servicing	89
Customer Contact Centre	70
Education & Training	47
Recycling	33
Technical Support Centre	25
Shared Services Centre	14
Extraction	7

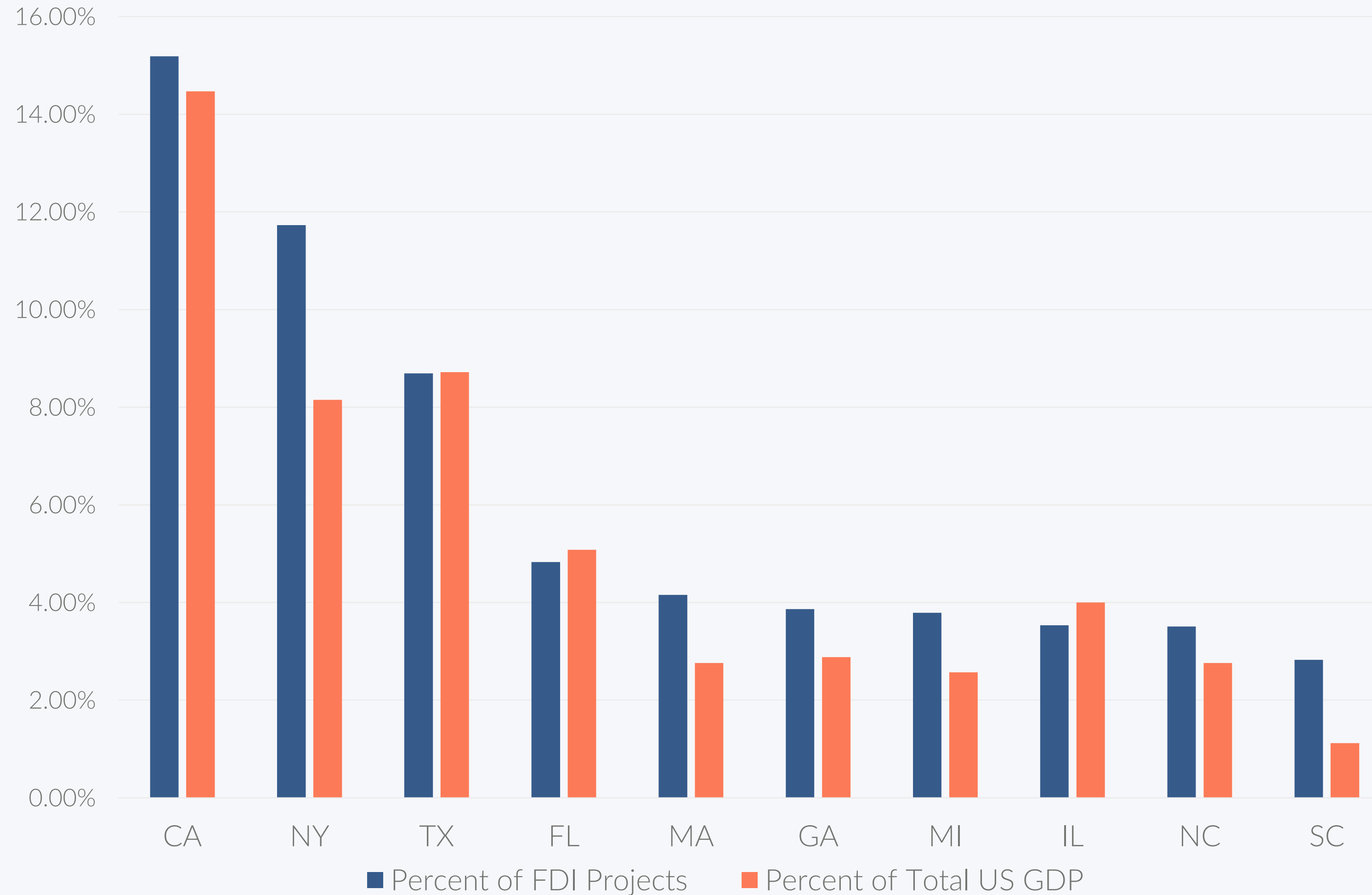
Source: fDi Markets

Top 10 Countries Investing in the U.S.



FDI into the U.S. in \$USD Millions
Source: Bureau of Economic Analysis

Top 10 Destination States for FDI



States that punch above their weight in attracting FDI include: California, New York, Massachusetts, Georgia, Michigan, North and South Carolina.

States in the top ten of GDP not in top ten for FDI include: Pennsylvania and New Jersey. Other states that lag slightly include, Florida and Illinois

Number of project by destination state
Source: fDi Markets: June 2014-June 2019
GDP Stats from Bureau of Economic Analysis

International Lead Generation Strategies

Regional Audit

Looking at international companies in your region, interview them to see what factors made them locate in your region. They can also help promote your region in their home market.

Research

Is there a state or regional group in your area that is conducting international missions? Find out which countries they are targeting and their results.

Trade

Lead a trade delegation to help open doors between local and international partners once a company is doing business in your region, they are more likely to locate there.

Trade Shows

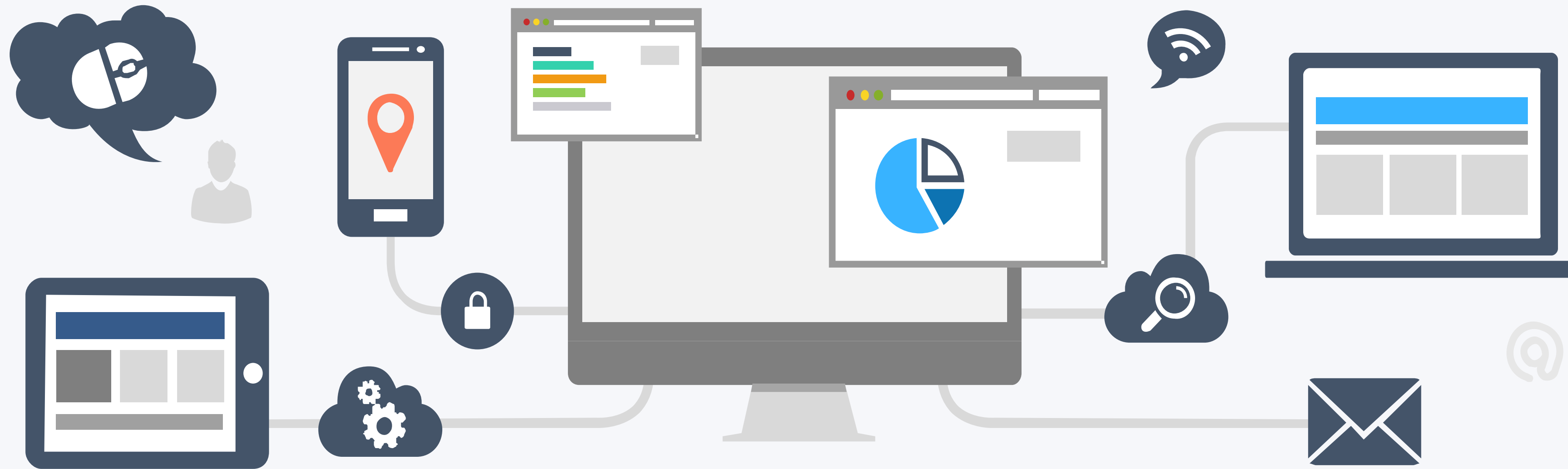
Attend international shows either domestically or internationally to meet with companies. Seek large industry events as well as niche shows for smaller target sectors.

Road Shows

Visit international markets setup one-on-one meetings with companies matching your region's target sectors.

Local Partner

Find a local companies or consultant in the market (especially important for Asian markets). Having a permanent presence in a market leads to even better results.



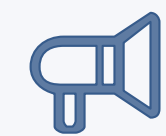
Having a marketing database in the form of a CRM system is essential for the success of economic development and investment promotion agencies

- The database needs to be dynamic including transactional details with target contacts, a precise breakdown of the company's activities and global footprint, and the ability to track overall database performance and potential investment activities
- Such a solution can be a great aid in the retention of important investment data that is valuable for future reference

FDI Intelligence Gathering and Market Research

Database Tools

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FDI365

Customized global online business intelligence platform



FDI Professionals

Unique global database of 20,000+ location advisors and influencers



fDi Markets

Database tracking real time companies announcing, opening and considering greenfield FDI worldwide



Dun and Bradstreet

World's largest database of companies designed for credit reporting purposes



Kompass

B2B company directory and business data solution covering 70 countries



Sales Navigator

LinkedIn product that suggests potential organizations that fit a similar profile



CrunchBase

Primary data source for venture capital and equity investment firms including funding rounds



Factiva

Global news database of nearly 33,000 premium sources



Pitchbook

Owned by Morningstar provides research on M&A, private equity and venture capital transactions

FDI Intelligence Gathering and Market Research

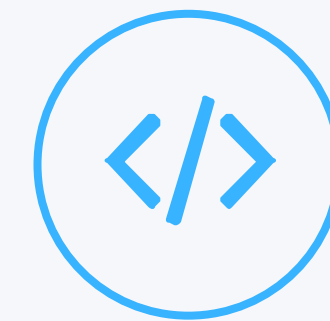
Efficiency Tools

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IncentivesMonitor

Unique global database which has tracked over \$1 trillion of incentivised investment projects since 2010



ContactOut, getEmail, Hunter

Data solutions designed for finding email addresses



FDI Accounting

Unique software and data tool to track and measure inward investment successes, qualify projects, measure the involvement of your region and the quality of FDI attracted



BulkURLOpener

Google Chrome extension that can open a list of up to websites from an Excel file



fDi Benchmark

Database that tracks cost and quality competitiveness of nearly 1,000 countries, states and cities in 65 sectors with nearly 1,000 data points



Datanyze

Technographics provider, helping organization apply unique technology insights to identify companies' growth patterns

Partnerships

Regional associations, site selectors, accountants, lawyers, trade boards, commercial real estate agents and private equity firms

Image, brand awareness, and perceptions are major factors influencing the location of direct investments. Companies make location decisions on the basis of their information pool and understanding of an area's location "offer".

Partnerships
may uncover potential opportunities



Speaking Engagements
provide regional name recognition and position it as a thought leader



Annual Meetings
provide an ongoing insight in market potential

Regardless of which agencies are brought to the table, a partnership should only be considered as an option if value can be added to the investment promotion process through its establishment.

Speaking Engagements

Engaging in speaking opportunities at leading investment-oriented conferences

Annual Meetings

Hosting an annual session with a regional chamber of commerce and industry leaders to discuss targeting and investment opportunities

International FDI Attraction Strategies

Summary

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Research

Your region's strengths and past success to identify target markets and industries.

Talk with local leaders and companies.

Plan

Identify events in your markets and target industries. Coordinate with partners to see if there are areas for cooperation.

Use BRE as a way to leverage your planning and research.

Execute

Maintain a consistent presence in the market. Find events that work well and continue to attend each year.

Increase your investment ie through sponsorship, speaking engagements if you find that events are successful year after year

Results

Measure your results over time. Use a CRM to track follow up and make sure you maintain a consistent outreach effort.

Measure site visits and ultimately success in terms of projects landing in your region.

International Trade Shows

Aerospace and Defense



Other Sectors



Technology



Healthcare



Renewables





SUCCESS STORY

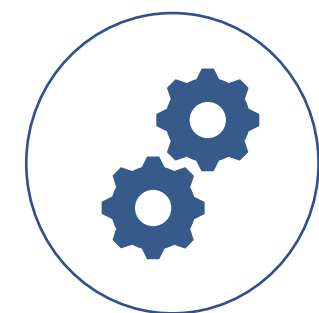
Spotlight on an One East Kentucky Win



Dajcor
Aluminum Ltd.



Chatham,
Ontario



Aluminum
Coating

Project Details



Manufacturing Facility
in Perry County, Kentucky



19.6 million
CapEx



265
New Jobs



Meeting Booked: 05/2017
Project Won: 05/2019

Press Release



SOUTH CAROLINA DEPARTMENT OF COMMERCE

CASE STUDY – Trade and FDI Activities





Keep in touch with us

RESEARCH CONSULTANTS INTERNATIONAL

RIGHT PLACE, RIGHT TIME

Research Consultants International is a specialized market research firm that works with economic development organizations and regional promotion agencies to identify and capture direct investment opportunities.



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