

Investment Marketing and Promotion Strategy – the Case of Bulgaria

Emerging Market Economics
OECD Investment Policy Seminar
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Overview

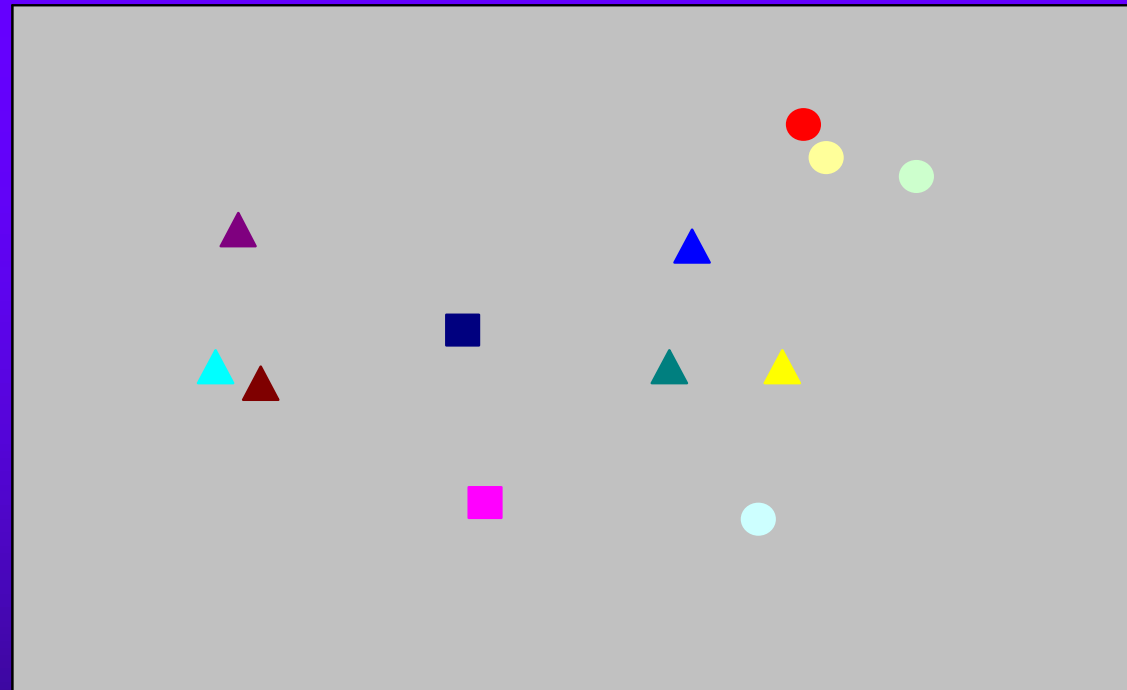
1. Determining target investors
2. Opinions and decision-making factors
3. Overcoming competitive disadvantages
4. Image building activities
5. Investment generation activities
6. Building an image
7. Building an image: industry communications
8. Investment generation: company communications



Determining Target Investors



Suitability for Bulgaria



Potential for Attracting FDI (regionally)

- | | |
|--------------------------------|---|
| ■ Mining | ■ Agriculture |
| ▲ Agro-processing | ▲ Chemicals |
| ▲ Metal-processing | ▲ Apparel |
| ▲ Furniture | ▲ Mechanical and Electrical Engineering/Machinery |
| ● ICT | ● Wholesale/distribution, transport and logistics |
| ● Business Process Outsourcing | ● Tourism |

Opinions & Decision-Making Factors

- ◆ Surveys: actual and potential investors
- ◆ Actual investors
 - Why Bulgaria?
 - Experiences in Bulgaria
- ◆ Potential investors
 - Has Bulgaria been considered for investment in past?
 - Perceived strengths and weaknesses
 - How location decisions are made



Overcoming Competitive Disadvantages


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- ◆ Having weaknesses is OK, but investors want to see:
 - Awareness of weaknesses
 - Plan for addressing weaknesses
 - Continual progress on plan
 - Assistance dealing with related problems
 - ◆ Plan for Bulgaria:
 - Education & training
 - Infrastructure
 - Governance reform
 - Incentives

Image Building Activities

- ◆ Objective: create perception that country is an attractive site for investment
- ◆ Methods:
 - Advertising
 - Investment and trade shows
 - Investment missions and general information seminars
 - Website, videos, CD-ROMs
 - Brochures, factsheets, newsletters
- ◆ Image building activities are unlikely to generate significant foreign investment on their own



Investment Generation Activities

- ◆ Objective: target specific sectors and companies with view to creating investment leads
- ◆ Methods:
 - Direct mail & telemarketing campaigns
 - Develop relationships with key personnel at targeted companies
 - Industry specific investment forums / seminars
 - Tailored analysis and presentations to targeted investors



Building an Image

- ◆ Survey results: Bulgaria suffers from low profile amongst international investors
- ◆ Bulgaria should focus on image building activities over near term
- ◆ Slogan / “USP” needed
 - Skilled labour force
 - Relatively low-cost environment
 - EU Candidacy
- ◆ Website: important initial source of information



Building an Image: Industry Communications

- ◆ Industry factsheets
- ◆ Advertising / articles in industry periodicals
 - Country
 - Industry
 - Sub-industry
- ◆ Industry tradeshows



Investment Generation: Company Communications

- ◆ Direct marketing best – target specific individuals
- ◆ Relationship building – not selling
- ◆ Long-term approach
- ◆ Alleviate concerns and satisfy needs
- ◆ Investor database
- ◆ Staff trained in relationship management

