



Australia's International Business Survey 2015

COUNTRY PROFILE REPORT: INDIA

Survey partners



THE UNIVERSITY OF
SYDNEY

ABOUT THIS REPORT

Australia's International Business Survey 2015 is the follow-up to the inaugural survey of Australia's international businesses published in 2014.

The findings of this report are distinctive and significant because they provide key insights into the nature, needs, concerns and future plans of the overall Australian international business community from the company perspective.

The report is based on a survey conducted in late 2014 which resulted in the collection of fully completed and validated responses from 1,237 companies involved in international business.

AIBS 2015 was commissioned by the Export Council of Australia (ECA), with the support of our partners, Austrade and EFIC (Export Finance and Insurance Corporation), and was conducted by the University of Sydney (USYD). Australia's International Business Survey 2015.

For more information on the survey methodology, see Appendix D.

AIBS 2016

The 2016 AIBS survey will be launched in October. Please register your interest in participating by subscribing to the ECA database at www.export.org.au

ACKNOWLEDGEMENTS

The Export Council of Australia and survey partners would like to thank the many export companies who took part in the survey and made it a success.

DISCLAIMER

The information presented in this report is based on information received from a survey which was conducted in late 2014.

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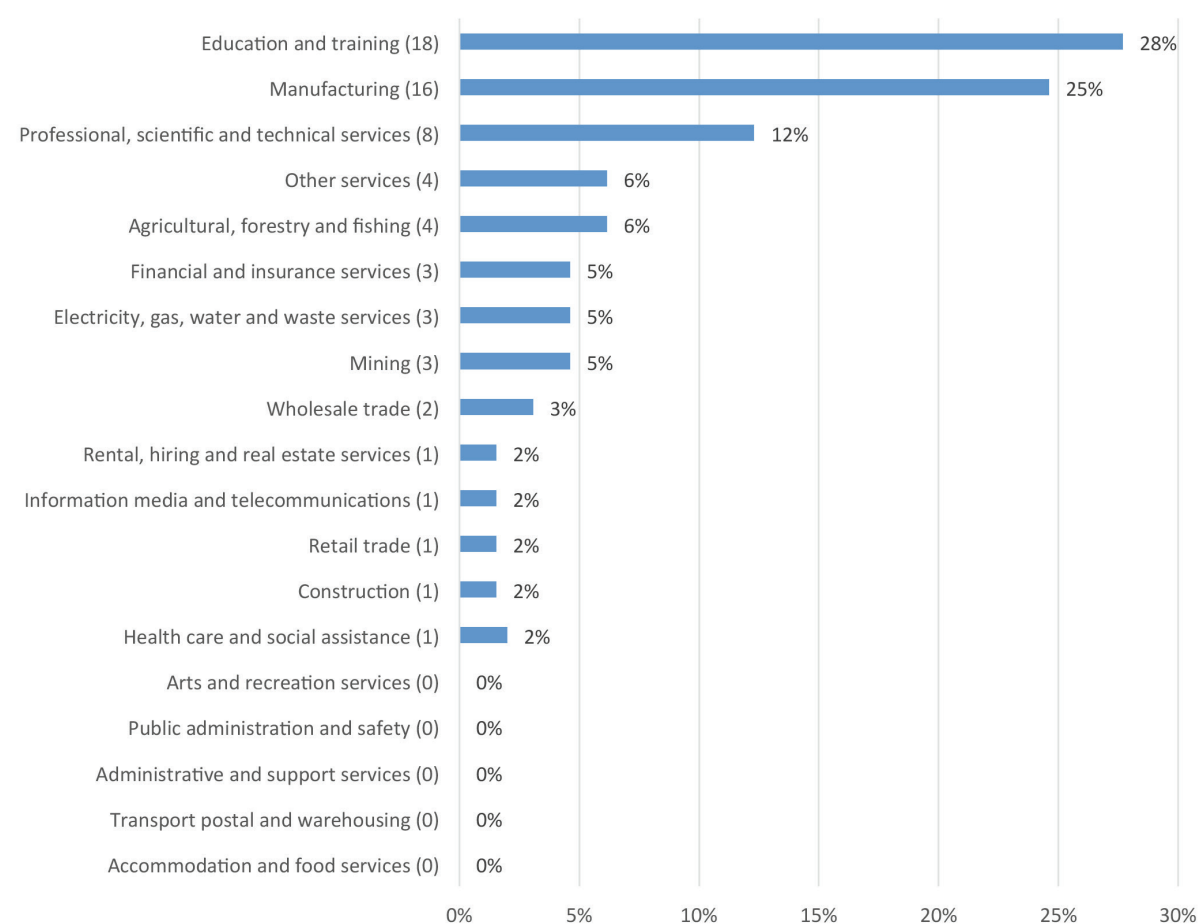
APPENDIX B: COUNTRY PROFILES

INDIA

Five per cent of all survey respondents identified India as one of their top 2 overseas markets (Figure B-7). The sector with the largest number of companies identifying India as a top market is education and training (28 per cent). Twenty-five per cent are manufacturing companies, and 12 per cent are providers of professional, scientific and technical services.

Figure B-7 Main business of the company – India

Survey question: What is the main business of your company?



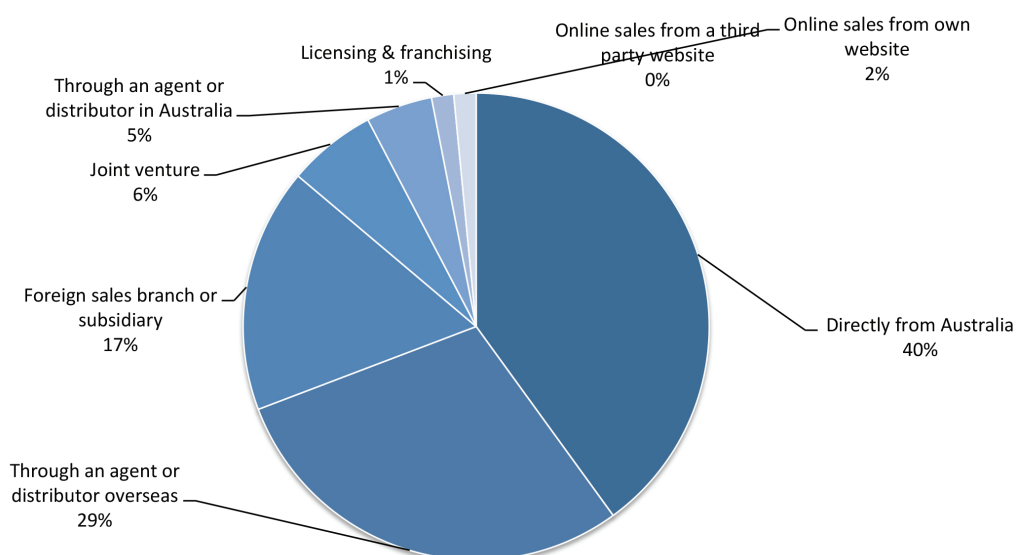
Number of responses = 66

Note: the sample consists of companies that identify India as either top 1 or top 2 country from which they have earned international revenue in the past year.

Respondents prefer to service their India market directly from Australia (40 per cent of respondents) as shown in Figure B-8. Twenty-nine per cent prefer to work through an agent or distributor based in India, while 17 per cent of respondents set up a foreign sales branch or subsidiary in the country.

Figure B-8 Main mode of servicing exports to India

Survey question: What is the main mode of servicing for the top two countries from which you have earned international revenue in the past year?



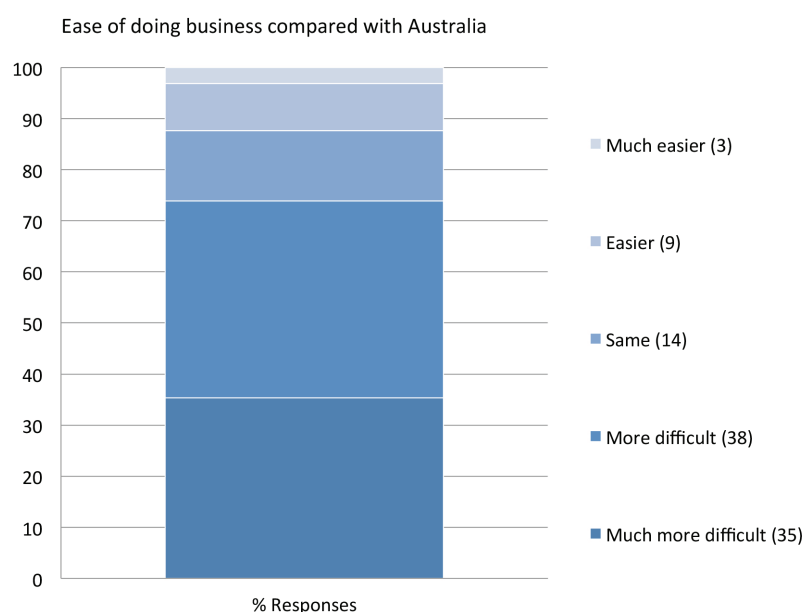
Number of responses = 65

Note: the sample consists of companies that identify India as either top 1 or top 2 country from which they have earned international revenue in the past year.

More than 70 per cent of respondents have generally found doing business in India to be more difficult or much more difficult than doing business in Australia (Figure B-9).

Figure B-9 Ease of doing business in India

Survey question: What is the ease of doing business for the top two countries from which you have earned international revenue in the past year?



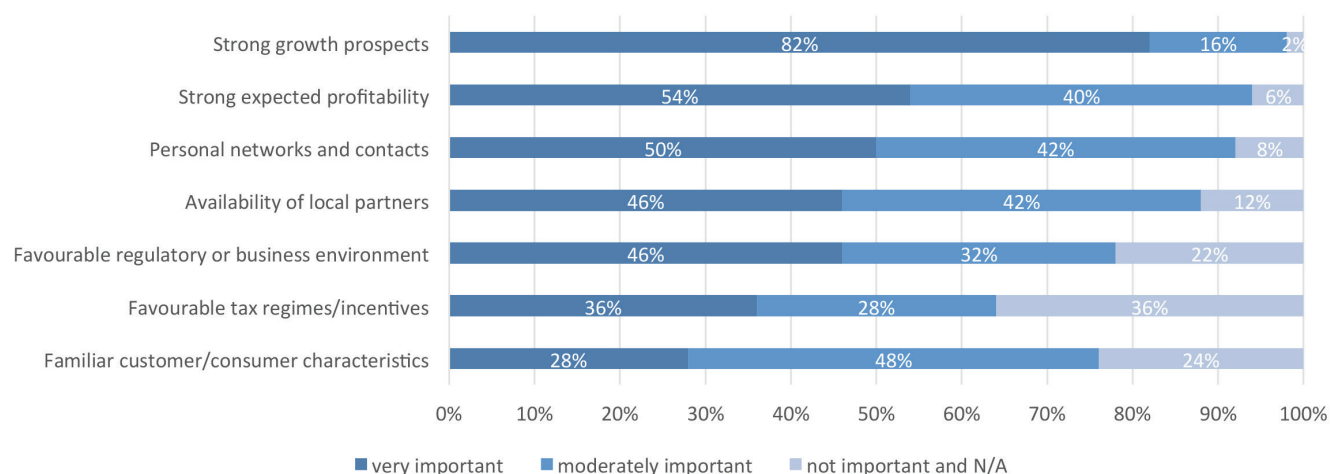
Number of responses = 66

Note: the sample consists of companies that identify India as either top 1 or top 2 country from which they have earned international revenue in the past year.

The main driver for businesses to expand their operations to India (Figure B-10) is the prospect of strong growth in the country (cited by 82 per cent of respondents). Other important factors were the strong expectation of profitability (cited by 54 per cent), and having personal networks and contacts in the country (cited by 50 per cent).

Figure B-10 Key factors in targeting new country – India

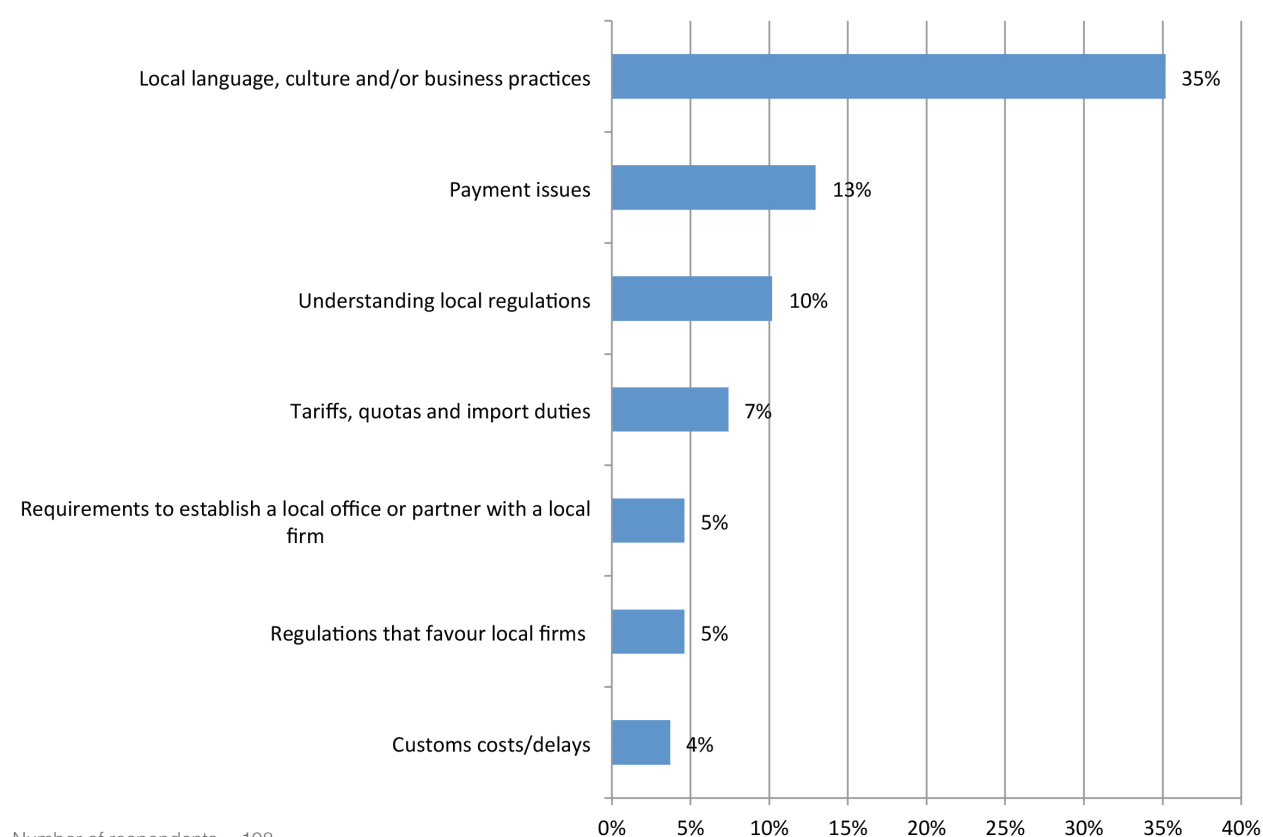
Survey question: How important are the following factors in targeting your most important new country?



Number of respondents = 50

The local language, culture and/or business practices emerged as the main barrier to doing business in India, with 35 per cent of respondents citing this as their major difficulty (Figure B-11). Thirteen per cent identified payment issues as a barrier, while 10 per cent identified difficulties in understanding local regulations as a major stumbling block to doing business in the country.

Figure B-11 Barriers to doing business – India



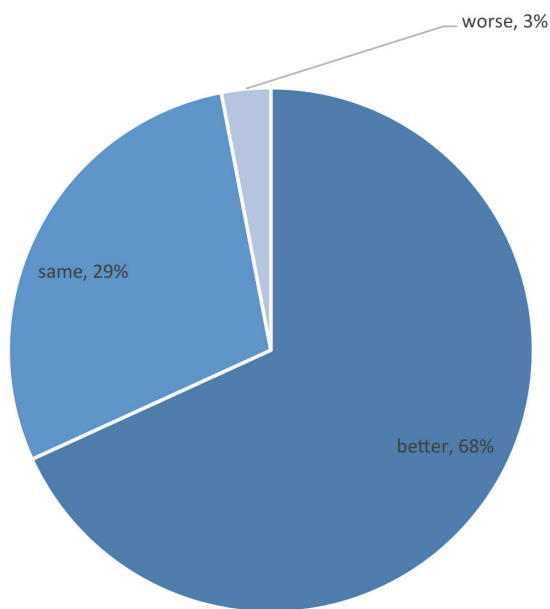
Number of respondents = 108

Respondents had a positive outlook on India, with 68 per cent expecting business to get better in the country (Figure B-12). Twenty-nine per cent expected business to remain the same, while 3 per cent expected things to get worse.

OUTLOOK

Figure B-12 Overall outlook – India

Survey question: What is the overall outlook for your company's international operations in 2015 compared to 2014?



Number of responses = 66

Note: the sample consists of companies that identify India as either top 1 or top 2 country from which they have earned international revenue in the past year.