



# Data Driven Lead Generation

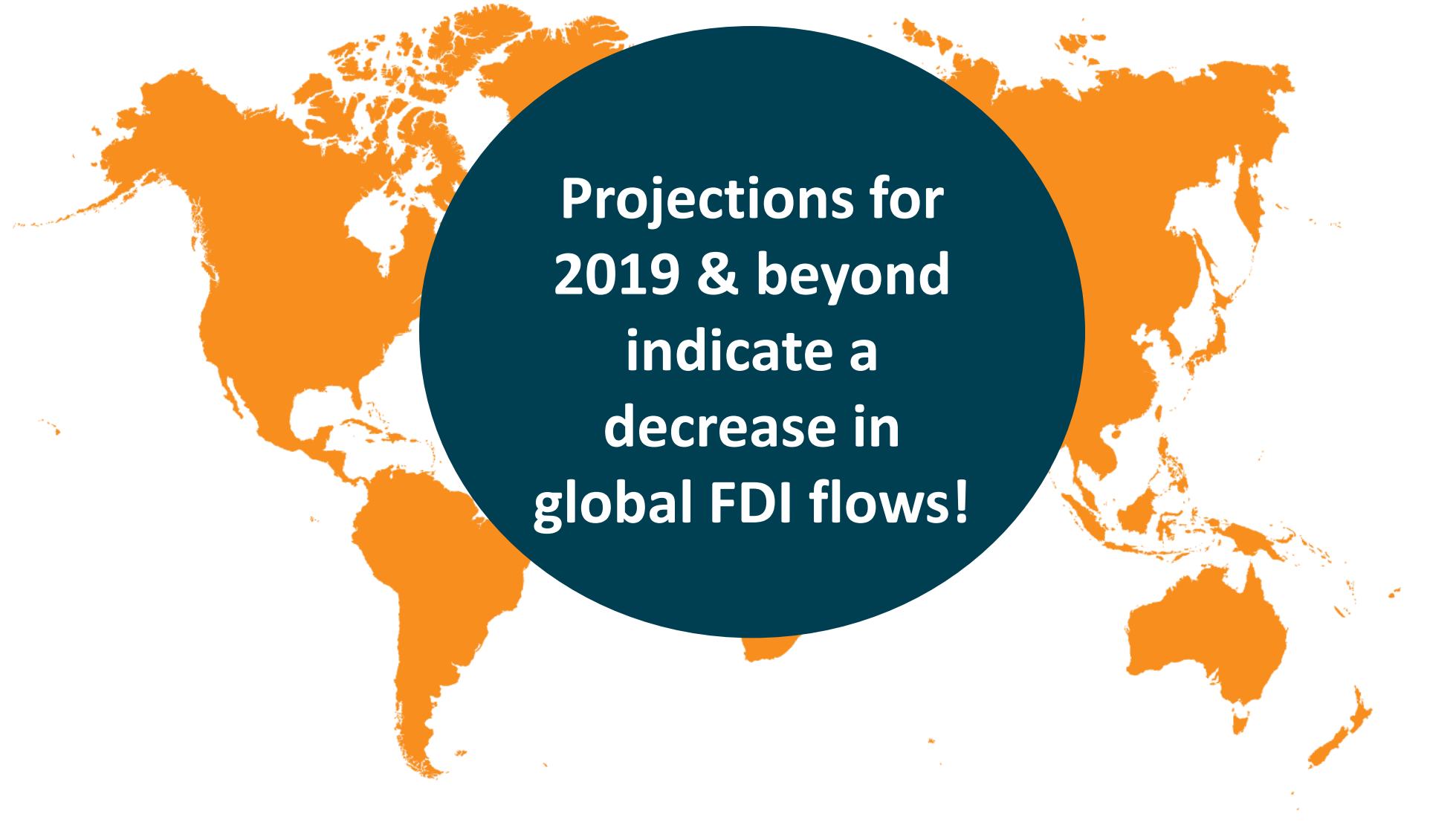
Frankfurt - November 19<sup>th</sup>, 2018

# What did we already learn?

A stylized world map in orange and white, serving as a background for the central text circles.

**More than  
15,000  
IPAs in the  
world**

**Have been  
fighting for  
no more than  
14,000  
projects in  
2017**



**Projections for  
2019 & beyond  
indicate a  
decrease in  
global FDI flows!**

How can you beat that?



**DATA!**

Use data to  
determine, find,  
support & convert  
leads into  
investment!



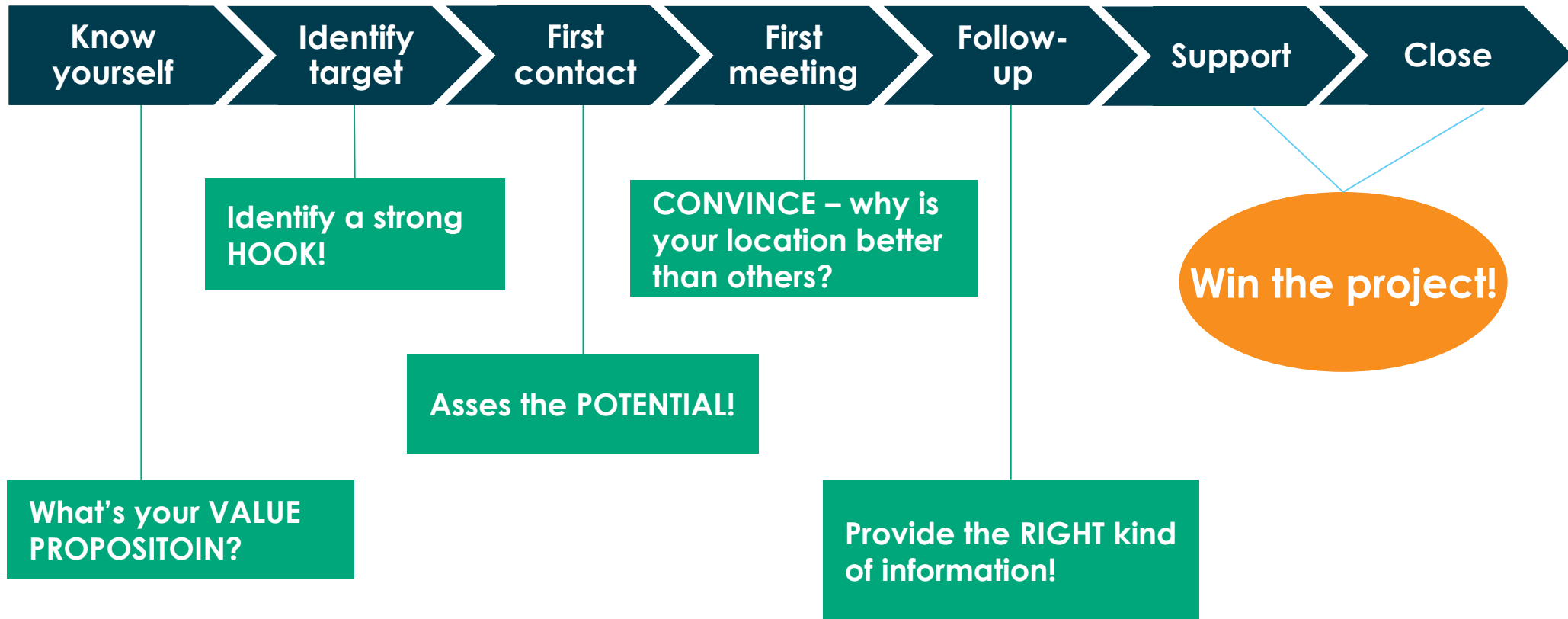


# 1 | The Lead Generation Process

# Lead Generation Process



6 months - 3 years



## What is a target?

- **A target is a company with the greatest assumed potential for investing in my region**
- This potential is based on an understanding of the company's situation and characteristics
- **A target is not necessarily a "lead" (i.e. a company with a defined and active location project)**
- Initial contact with the company is necessary to determine whether it is a lead

## Why is targeting important?

1. **Provides FOCUS.**
2. Effective use of limited **resources**
3. **Get to interesting companies before the competition**
4. **Provides HOOK for contacting a company** and facilitates the initial contact through increased **credibility**
5. Allows **MATCHING between company needs and your location strengths**
6. **Increased probability of SUCCESS**

1. **Industry**
2. **News**
3. **Events**
4. **Regional**

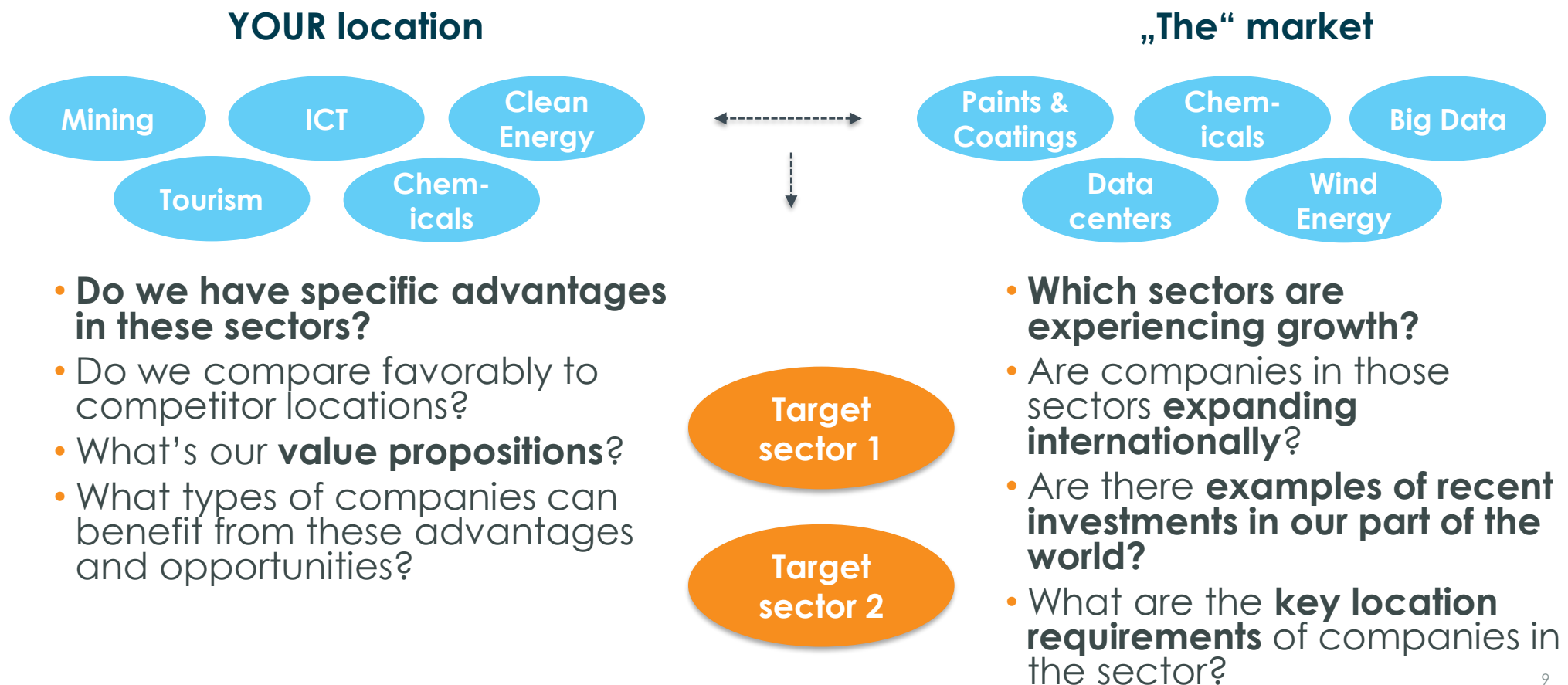




## 2 | Industry-based targeting



## Determine the sectors & target groups that seem most promising for FDI into your region

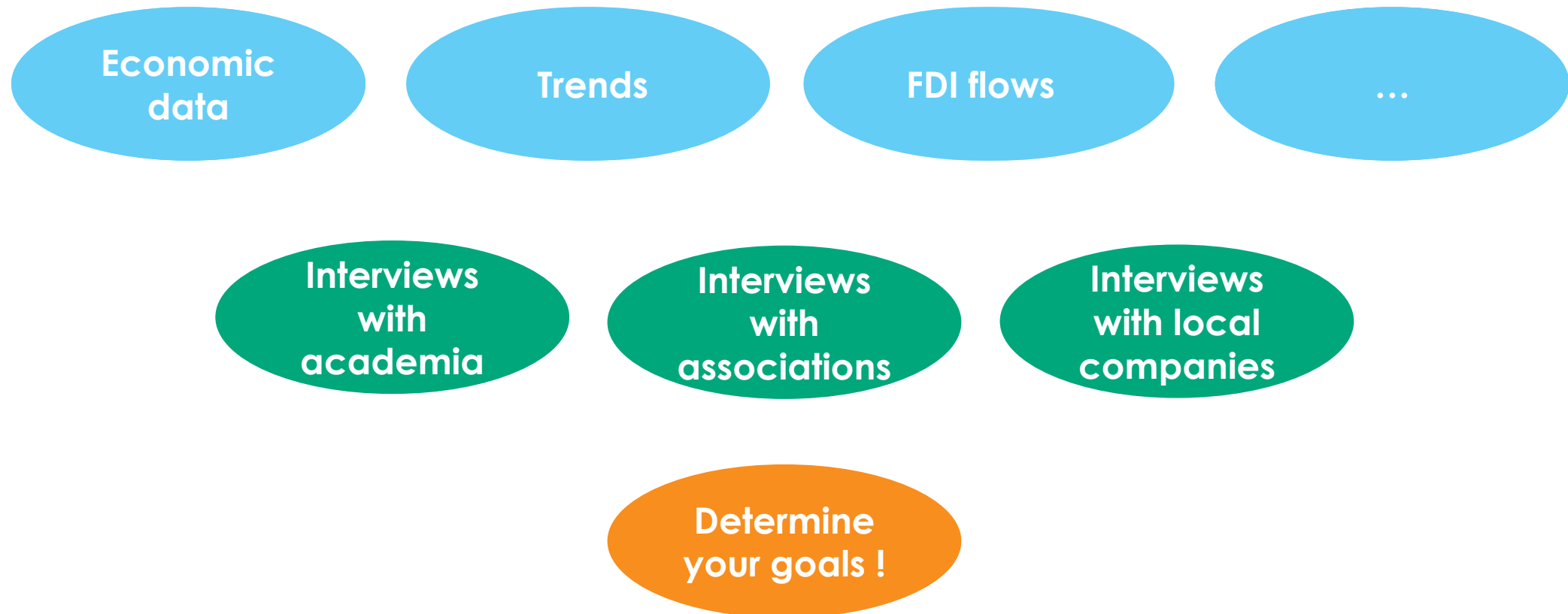


## Step 1: Location research (what you need to know about yourself - location factors)

Data categories	Sub-categories
Cost Factors	Labor Costs
	Energy Prices
	Real Estate Prices
	Transportation or Logistics Costs
	Price of Resources
Availability of Resources	Natural Resources
	Skilled Labor
	R&D Expertise
Quality of Infrastructure	Road Infrastructure
	Access to Ports
	Airport Infrastructure
	Multi-Modal Transport Infrastructure
Regulatory	Product Approval Process
	Regulatory Changes

## Step 2: Develop your value proposition

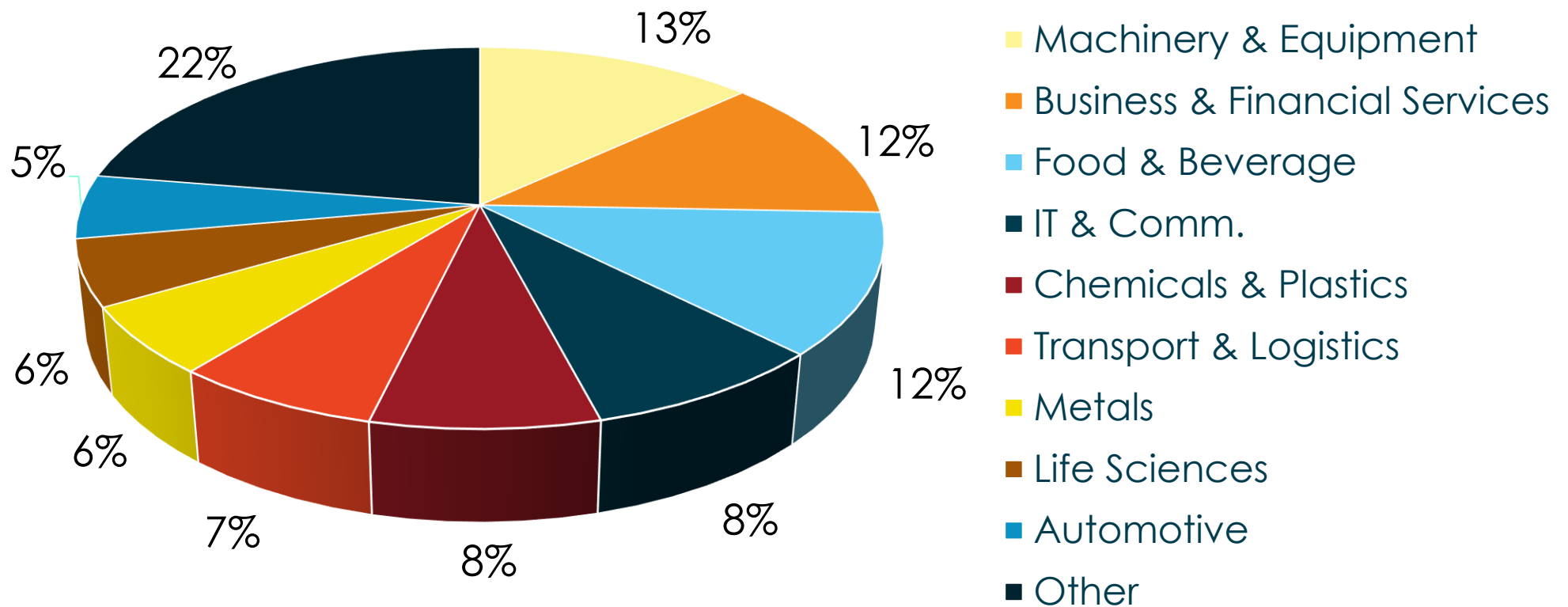
Determine which are the strongest sectors in your region and discover new emerging sectors at and around your location





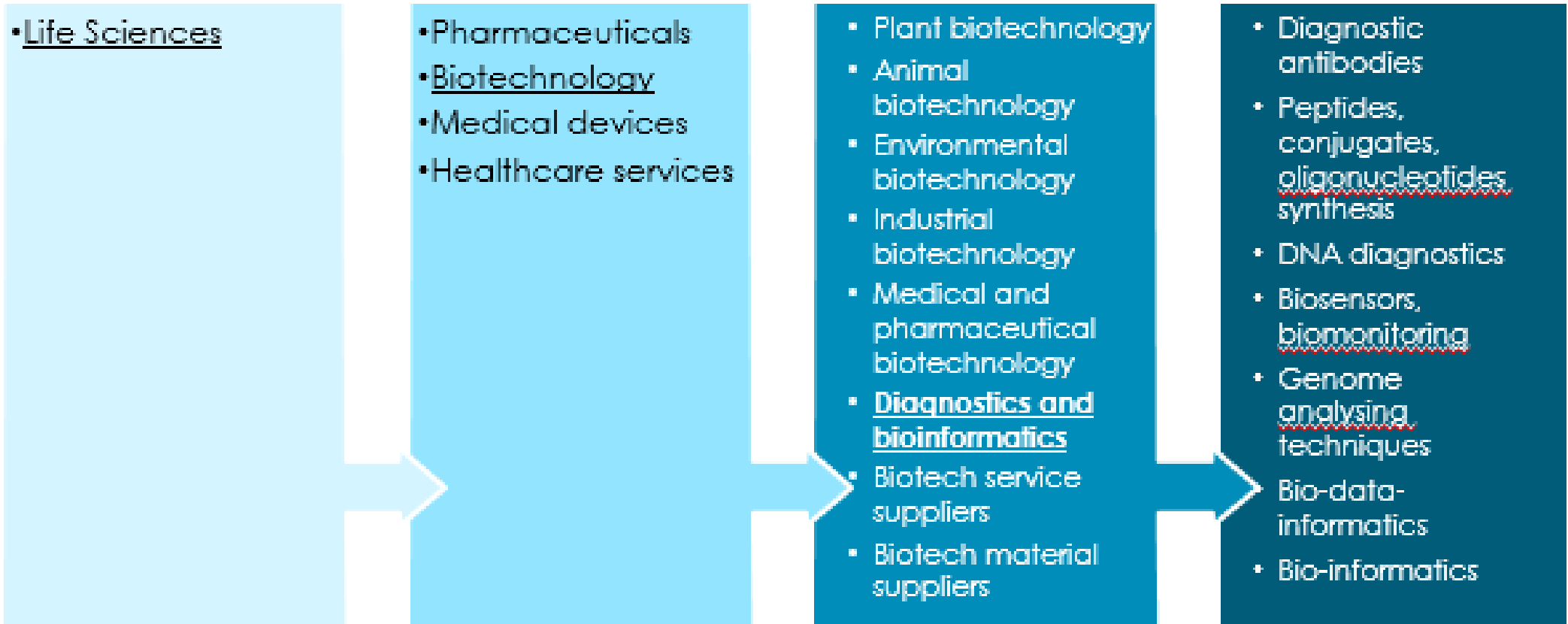
## Market research (top sectors)

Top Sectors for FDI into the US 2016 - 2017

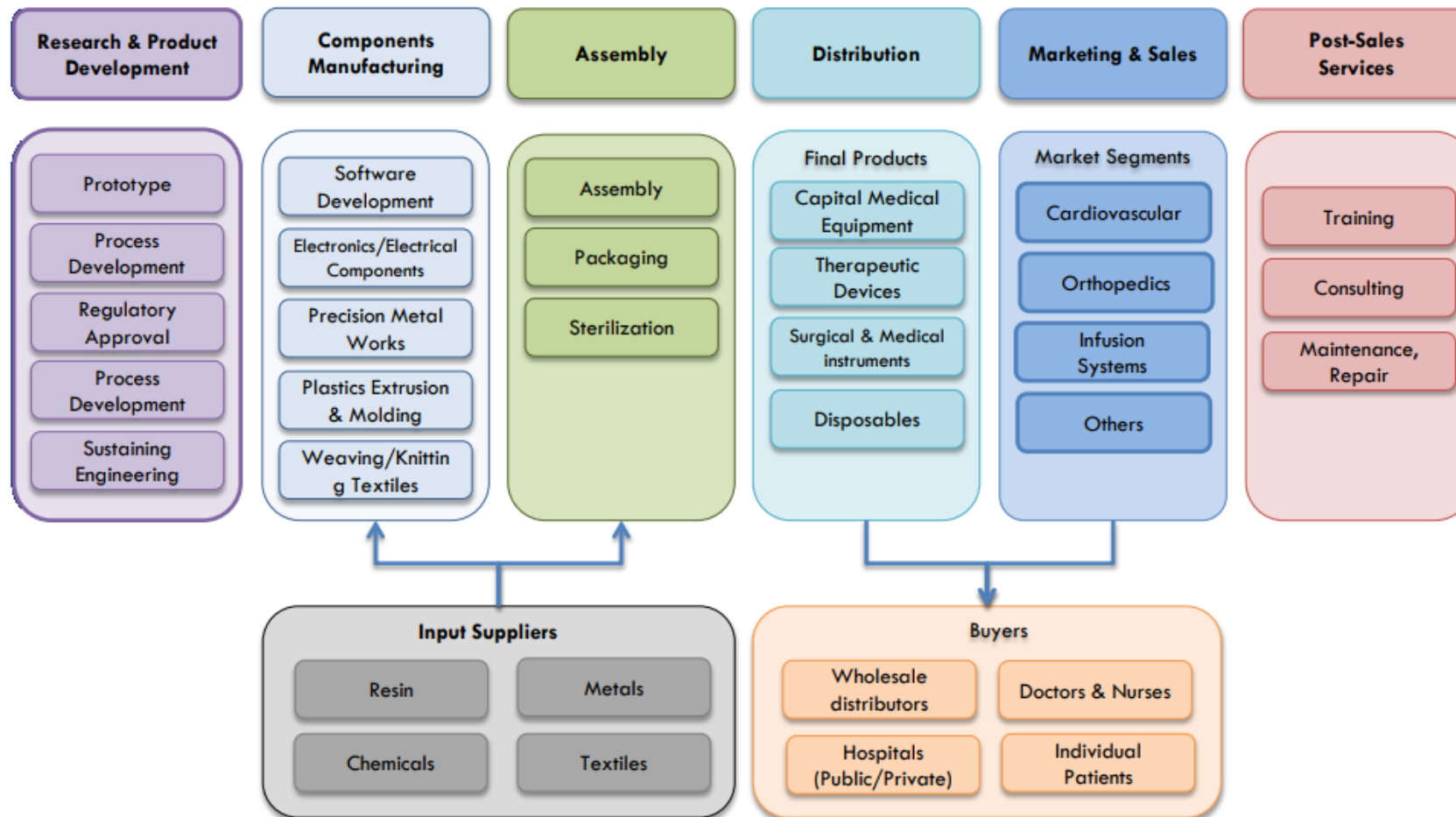


Source: Conway Analytics

## Market research (sector segmentation)



## Market research (value chain → what's your target ?)



Source: Bamber, Penny and Gary Gereffi. (2013). *Costa Rica in the Medical Devices Global Value Chain*



**IN SUM: Based on your research – these are a few questions you should be able to answer positively**

## ***Sector growth***

A key driver of FDI – refers to growth both globally and in my region

## ***Distinctive target group***

Some sectors are highly diversified/fragmented in terms of products or services, making it hard to define a clear group of target companies.

## ***Sufficiently large pool of potential investors***

Some sectors are dominated by few large players, others consist mainly of small companies that do not have the resources for international expansion.

## ***Recent greenfield investments in my or a competitor region***

A growing market may not necessarily be an indicator of foreign investment activity (e.g. companies expanding existing operations or via M&A).

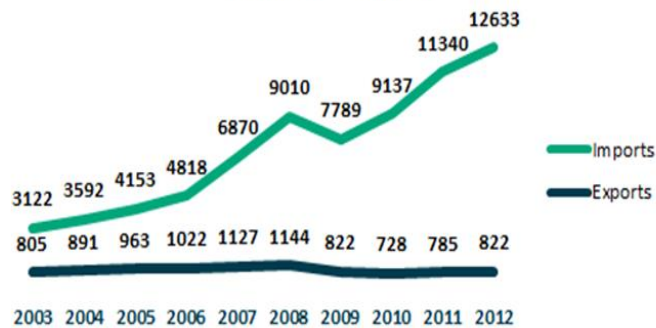
## ***Am I meeting potential investors' requirements***

My region needs to meet sector-specific investment motives (e.g. market growth, regulations) and location factors (e.g. specific skills, infrastructure).

## Step 3: Understand your competition's value proposition

### 3. Panama: Economic & trade profile

Trade flows in Panama  
(Millions of US dollars)

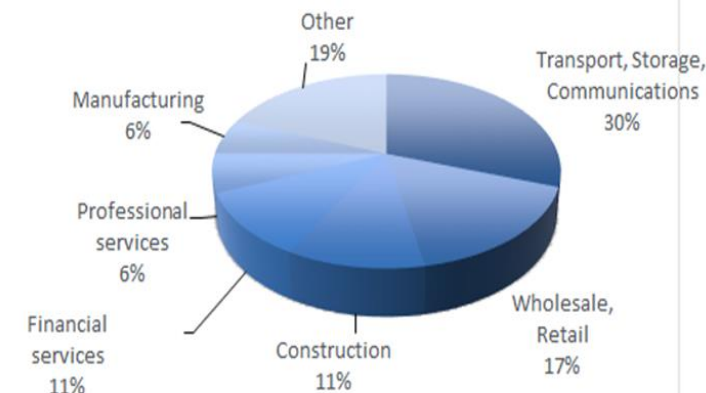


#### Key observations

- Total trade volumes in Panama reached record highs both in 2011 and 2012. However, the country runs an enormous trade deficit which has been increasing since the global downturn of 2008-09.
- Exports consist mainly of unprocessed food and raw materials, while imports are mostly intermediate or finished goods.
- Panama has free trade agreements (FTAs) with many countries in the Americas, Europe, Taiwan, and Singapore and is currently negotiating FTAs with countries such as Mexico or South Korea.
- The FTA with the USA, which came into effect in 2011, is expected to have the strongest impact on Panama's future trade flows.

#### Key sectors

GDP composition 2013








- Panama's economy is dominated by the logistics sector, which is seen as the main growth driver for the country's economy.
- This prevalence may further increase in the medium term, due to the expansion of the Panama Canal and continued investment into transport infrastructure, also benefitting the construction sector.
- Trade, financial, and professional services (e.g. real estate) are other key sectors of Panama's service-dominated economy, of which manufacturing activities represent only a 5% share.

Top imports	Share
Fuels & oils	20%
Medicines	2%
Vehicles	2%
Bars & rods	1%
Telephones	1%
Corn	1%
Other	73%
CIF value 2012: \$12.6 billion	

 USA (23%)
 China (6%)
 Costa Rica (5%)
 Mexico (5%)
 Colombia (4%)

Top exports	Share
Fresh foods	20%
Raw gold	14%
Iron scrap	4%
Sugar cane	4%
Fish	3%
Palm oil	3%
Frozen meat	3%
Medicines	3%
Other	46%
FOB value 2012: \$822 million	

 USA (20%)
 Canada (15%)
 Costa Rica (7%)
 Netherlands (6%)
 Sweden (5%)

Top re-exports <sup>1</sup>	Share
Medicaments	32%
Perfumes	4%
Whisky	1%
Air conditioning	0.7%
Tires	0.6%
Jewelry	0.5%
Cigarettes	0.4%
Other	61%
FOB value 2012: \$16.1 billion	

 Puerto Rico (22%)
 Venezuela (20%)
 Colombia (11%)
 Costa Rica <sup>2</sup> (4%)
 Ecuador (3%)

Source: ProInVex

Notes: <sup>1</sup> from Colón Free Zone; <sup>2</sup> Panama: 8%

## Step 4: Document your findings

Screened sectors	Growing sector?	Greenfied FDI examples?	Sufficient companies?	Definable target group?	Region a good fit?
Recycling (plastics, aluminum, electronics)	✓	✓	✓	✓	✓
E-Commerce logistics	✓	✓	✓	✓	✓
IT Outsourcing	➤	✓	✓	✓	✓
Automotive suppliers of lightweight materials and parts	✓	✓	✓	✓	✓
3D printing	✓	➤	➤	✓	✓
Data Centers	✓	✓	➤	✓	✗
Big data software and analytics	✓	✓	➤	✓	✗
Cloud computing	✓	✓	➤	✗	✗
eHealth	✓	✗	✗	➤	➤
Call centers	➤	✓	✓	✓	✓
Bioplastics	➤	➤	➤	✓	➤
Organic & gluten free food processing	✓	✗	✗	✓	✓
Contract Manufacturing & Biosimilars	✓	✗	➤	✓	✓
Bioanalytics & CRO	✓	✗	✗	✓	✓
Medical devices	➤	✗	➤	✓	✓
Food packaging	➤	✗	✓	✓	✓
Machine engineering	✗	✗	✓	✓	✓
Material handling equipment	➤	➤	➤	✓	✓
Agricultural machinery	✗	✗	➤	✓	✓
Automotive electronics & IT	✓	✗	➤	➤	✓





### 3 | News-based targeting

## Target identification (Investment motives)

A target has a clear business reason for establishing a new facility and investing in a certain geographic area. This is the “**motive**” for the investment


- New products, markets, clients or contracts
- Growth
- Market access
- Customer proximity
- Cost reduction (e.g. energy, transportation costs)
- Restructuring/Reorganization
- Constraints in existing location
- Access to specific knowledge, skills or resources
- Supply chain considerations

 **Investment drivers can differ between sectors, companies and even divisions of the same company.**

 **Understanding investment drivers is key to all aspects of FDI attraction – from identifying targets to approaching companies and winning investments.**

## What is news-based targeting ?

### Germany announces \$1 billion investment in local battery cell production to support EV growth

Fred Lambert - Nov. 13th 2018 4:30 pm ET  @FredericLambert

For example, BMW signed a \$1 billion battery supply contract with CATL, China's biggest battery cell manufacturer who in return is expected to establish production in Germany.

Like Tesla's deal with Panasonic for Gigafactory 1 in Nevada, where they produce cells and also use cells imported from Asia, CATL is expected to start by exporting its Chinese batteries to Germany for local EV production and gradually ramp up local cell production.

The German government wants to encourage more local production of the critical component for electric vehicle production.

Reuters reported:

*"Altmaier said that the sites for battery cell output would be decided on with the consortiums and that there would be more than one. The first production lines could be available from 2021 and each consortium is likely to provide 1,000 to 2,000 jobs at first, he said."*

He expects the first project to be announced during the first quarter of 2019.

Some other projects are currently underway in the country.

For example, Terra E Holding GmbH announced plans for a massive new battery factory with a planned capacity of 34 GWh at full production.

Tesla is also planning to soon announce a Gigafactory for both electric vehicle and battery production in Europe. The California-based automaker has been looking at Germany for a new Gigafactory.



## Target identification (Keywords)

The “**motive**” and future intentions for investments are often indirectly or directly communicated by companies in news through keywords OR keyword combinations

### Primary Keywords

- **New Location:** plans to build a plant; plans to establish a subsidiary; new plant in Europe; further facilities planned;
- **Expansion:** plans to expand in Europe; announces Europe expansion
- **Increase Presence: expand its footprint in Europe; strengthen its presence in Europe**
- **Market Entry:** to enter the market in Europe; eyes new markets in Europe
- **Production capacities:** plans to double production; increase production capacity
- **New Funding or IPO:** raises financing; receives funding; files for IPO

### Secondary Keywords

- **Growth:** plans further growth in Europe; eyes growth in Europe
- **New Executive Appointment:** appoints Managing Director EMEA
- **New product or product approval:** receives CE mark; receives product approval in Europe
- **New order, contract or client:** receives new order in Europe; wins contract in Europe
- **Growing demand:** growing demand in Europe; sees strong demand in Europe

## Target identification (Information Sources)

Web search engines

The multi-colored Google logo.The blue bing logo.The Google Alerts logo, with 'Google' in its multi-colored font and 'Alerts' in red below it.

Sector specific portals

Automotive News Europe

The MDD+DI logo, with 'MDD+DI' in blue and 'MEDICAL DEVICE AND DIAGNOSTIC INDUSTRY' in smaller blue text below it.The EPR logo, with 'EPR' in large blue letters and 'EUROPEAN PHARMACEUTICAL REVIEW' in smaller blue text below it.

Business press

The Forbes.com logo, with 'Forbes' in blue and '.com' in smaller blue text to the right.The BUSINESS INSIDER logo, with the words 'BUSINESS INSIDER' in white capital letters on a dark blue background.The SITE SELECTION MAGAZINE logo, with 'SITE SELECTION' in white capital letters on a dark blue background and 'MAGAZINE' in smaller white capital letters below it.

# News-based Targeting



WISE

Worldwide Investment Search Engine  
**WISE**

SEARCHES CREATE SEARCH TERMS MANAGEMENT SOURCES MANAGEMENT USERS MANAGEMENT

RESULTS FROM: New Location Europe/Benelux

Date Specificity

**Title:** [Wacker Expands to Support Silicone Growth and Demand](#)

**Queries:** "to open \* plant" "in Europe" "looking at" "products" "company"  
"plans \* expansion" "in Europe" "looking at" "products" "company"

**Publish Date:** 10/01/2018 **Viewed:**

**Link:** <http://www.qcimagazine.com/business/suppliers/announcements/Wacker-Expands-to-S>

**Resume:** Wacker Chemical Corporation is working on a number of concurrent expansion projects to support regional growth and demand for silicones and HDK pyrogenic silica. The plans on an expansion strategy to add capacity in Europe and in Asia to

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**Title:** [Brew York is set for big expansion](#) Add to Bookmarks

**Queries:** "plans \* expansion" "to Europe" "looking to" "produces" "company"  
"plans \* expansion" "into Europe" "looking to" "produces" "company"  
"plans \* expansion" "to Europe" "plans to" "produces" "company"

**Publish Date:** 09/01/2018 **Viewed:**

**Link:** [http://www.yorkpress.co.uk/news/15814613.Brew\\_York\\_is\\_set\\_for\\_big\\_expansion/](http://www.yorkpress.co.uk/news/15814613.Brew_York_is_set_for_big_expansion/)

**Resume:** A CRAFT brewery and tap room triple its production, create an open-plan street kitchen and 11 new jobs by hopping into the building next door. Brew York, located in a warehouse off Walmgate, has recently put a planning permission application into

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**Title:** [KKR to sell a 49.8 percent stake in Valinge Group to owners of LEGO](#) Add to Bookmarks

**Queries:** "to build \* factories" "in Europe" "plans to" "products" "company"  
"plans \* expansion" "in Europe" "plans to" "products" "company"  
"plans \* expansion" "in Europe" "plans to" "producer" "company"

**Publish Date:** 08/01/2018 **Viewed:**

**Link:** <https://www.woodworkingnetwork.com/news/woodworking-industry-news/kkr-sell-498-p>

**Filter by**

Include keyword:

Exclude keyword:

Publish Date From  To

Sectors: Aerospace, Automotive, BPO & Call Center, Chemicals, Construction & Building

Viewed: All

Filter Clear



## Target qualification

How can you determine if the target is a good target?

### 1. Company's business

- Get a basic understanding of the industry and the company business model

### 2. Company's locations and patterns of expansion

### 3. Recent developments

- Investments in new locations (last 2-3 years)?
- Financing for expansion?
- Growth in my region?
- New order or a new customer in my region?

### 4. Potential needs and key requirements

- (e.g. workforce needs, proximity to customers)

- Company's website
- annual/quarterly reports
- investor presentations
- press releases
- interviews with company executives
- News articles



## Do you think you have a shot with Terra Holding?

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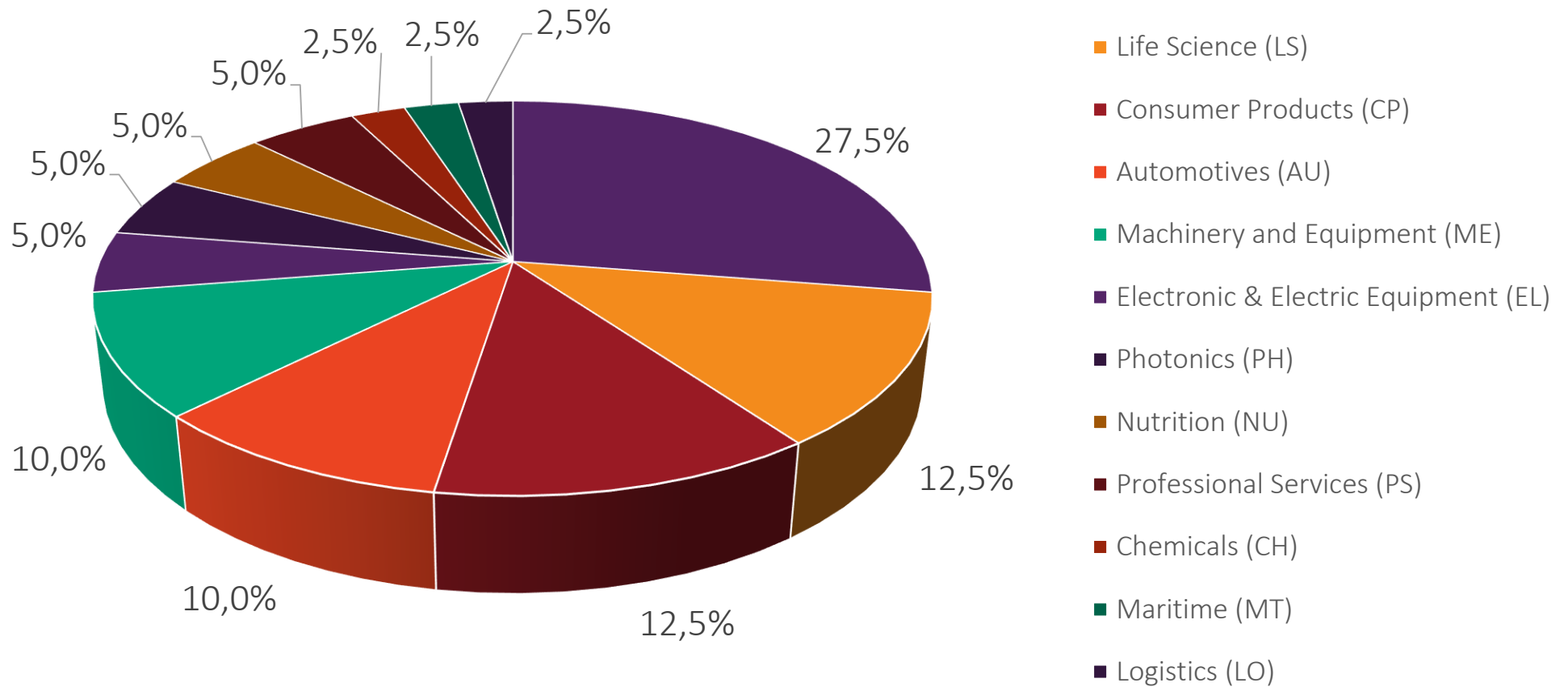
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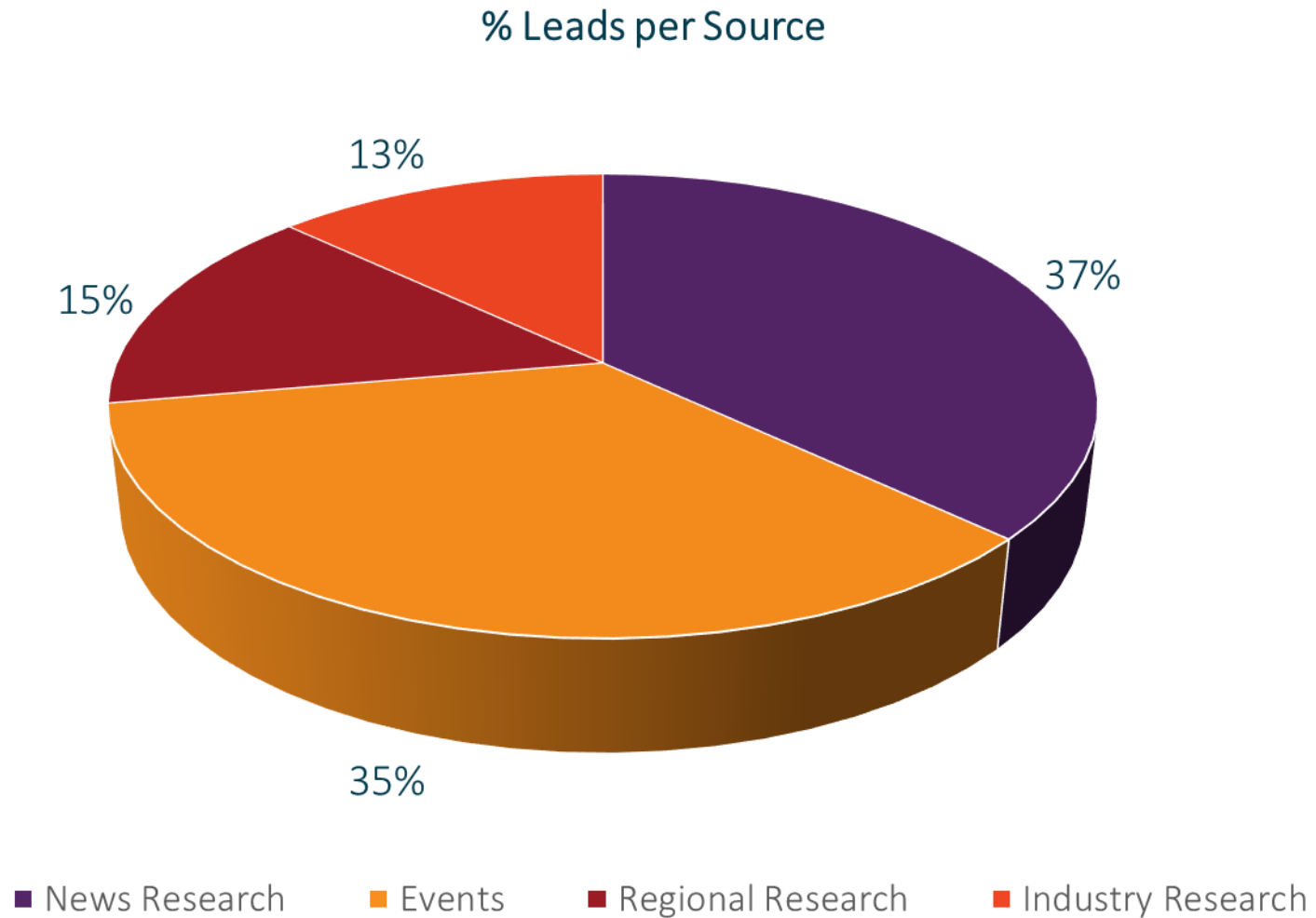
**4 | Learning through experience**

## What sectors do our leads come from

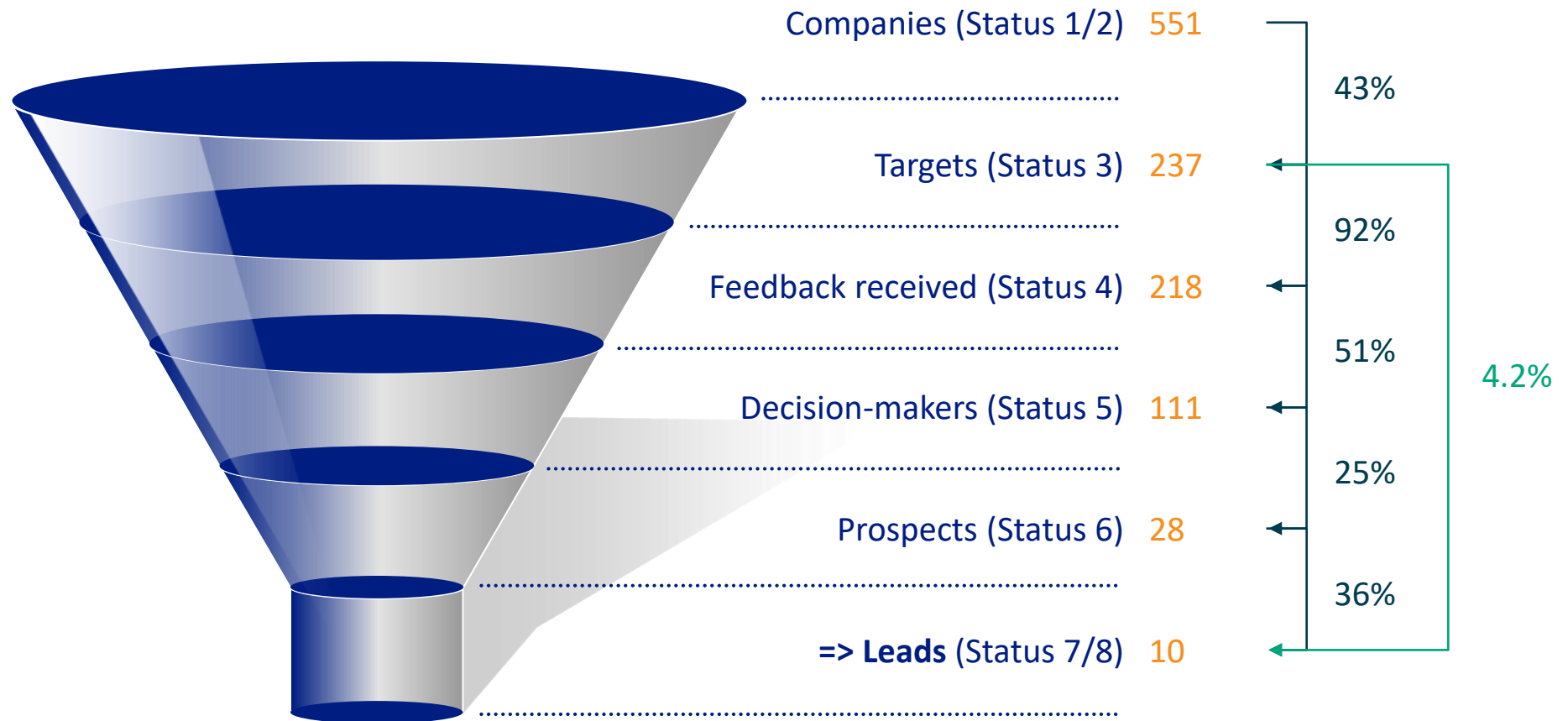
Leads per Industry %



## What are the main sources of our leads



## Converting contacts into leads





# Key Take-Aways



Use multiple approaches of targeting to increase your chances of success

Data gathering and analysis are crucial to the targeting process and can help you distribute your resources more efficiently

Do not underestimate the importance of building your own database of contacts and information and learn from it to improve & be successful

Thank you for your attention!



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