

MEXICO

COUNTRY PERCEPTION RESEARCH



HIGHLIGHTS WHITEPAPER

INTRODUCTION

Mexico is ranked as the easiest place for doing business in Latin America, and the country's large and strong domestic market offers great opportunities to New Zealand businesses. Mexico is New Zealand's 22nd largest export market, with exports of goods and services valued at NZ\$402 million. Dairy leads the way with 84 percent of all exports, with the top exports being dairy, followed by meat, tourism, commercial services, and machinery. And, under the recently signed CPTPP free trade agreement, tariffs on New Zealand exports into Mexico will soon be eliminated, with the exception of some dairy products where duty free access will still be achieved under quotas.

So, to help Kiwi businesses get ahead, New Zealand Story and the Latin America CAPE, have commissioned a comprehensive country perception research study to unlock the opportunities and navigate the market.

'Mexico Perception Research' is part of a larger, in-market research programme that seeks to better understand how New Zealand is seen by a number of our key trading partners, and just as importantly, identify how to shift perceptions to trigger better outcomes in those markets. China, Japan, Australia and the United States have each been

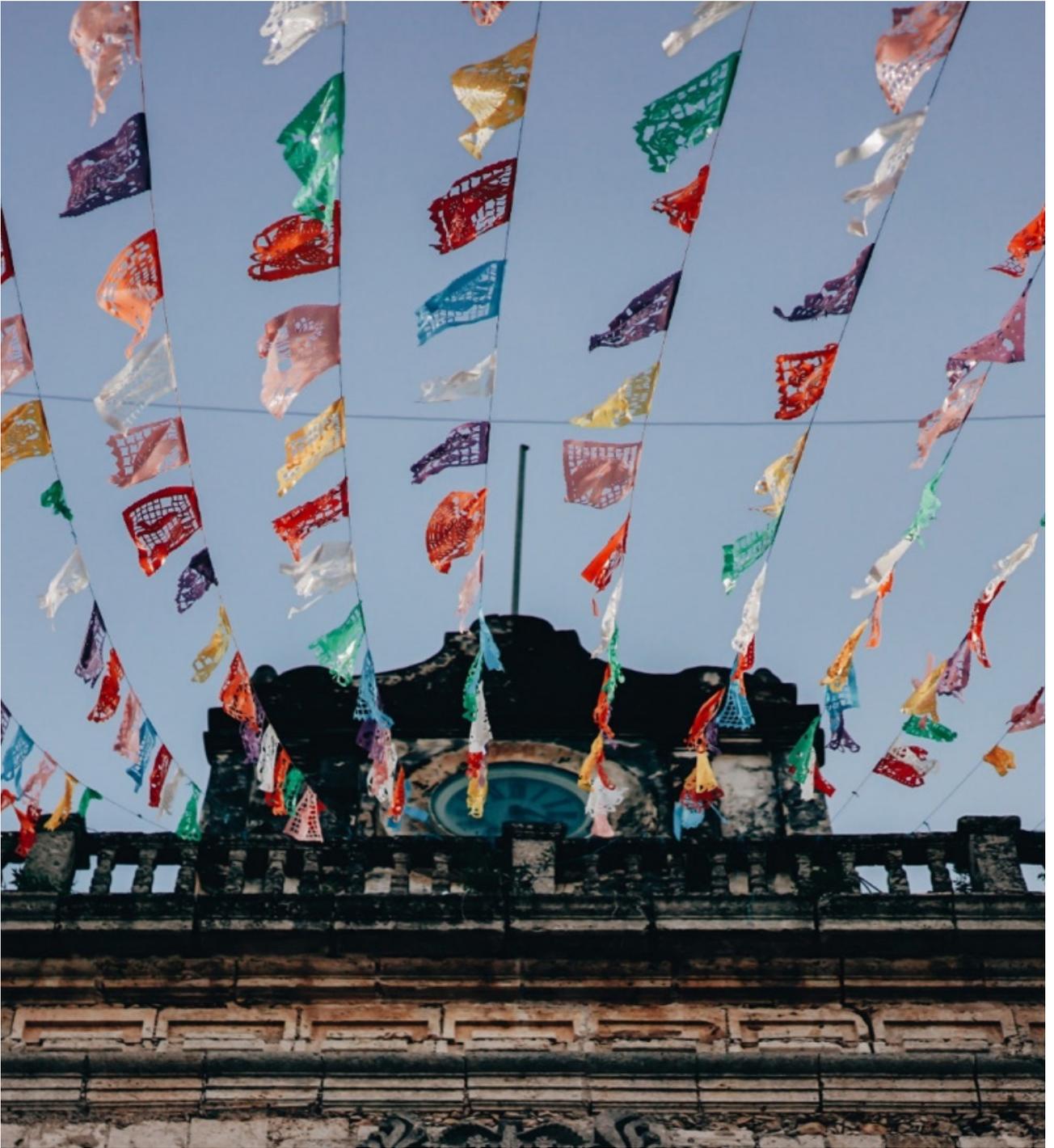
explored over the past few years.

A qualitative approach has been employed across the regions, with both Business to Business (B2B) and Business to Consumer (B2C) participants sharing their views and ideas about New Zealand. In Mexico, four consumer focus groups were conducted with those who were aware of New Zealand and/or who had bought New Zealand goods and services in the past. The research team was careful to include a mix of younger and older consumers, and focused on Mexico City. Additionally, eight in-depth interviews were carried out with business leaders across a variety of industries.

In this presentation we take you through what we have learned about Mexico: how Mexicans perceive New Zealand, key points to remember when doing business there, and how to create persuasive messaging.

Disclaimers

This research was formed using an in-depth qualitative approach – a deep rather than wide view. Views are representative of those interviewed and not representative of all of Mexico. The study is designed to provide high level insights to guide New Zealand businesses entering Mexico, not to replace their own specific company/brand research.



WHAT DO WE KNOW ABOUT MEXICO?

The research identified a number of unique characteristics, through expert interviews and validated with consumer focus groups and business interviews, that begin to define the key cultural differences that impact on business and buying decisions in Mexico.

Exporters and their advisors should remember these aspects of Mexico when they work in this market.

CENTRAL

A geographical positioning that's at the centre of the Americas. But a positioning that is also a double edged sword - on the one hand opening up trade opportunities and on the other hand resulting in them being taken advantage of by others in past. This geographical advantage coupled with cheap labour has made them the factory for the US... and much of the world.

COLOURFUL

Organic shapes and colours layered upon colours... A 'maximalist' and 'exuberant' exterior that they present to the world which for them represents progression from poorer

times of simplicity & poverty.

INDULGENT

A culture where they are happy to treat and indulge themselves. Built on a spiritual belief that 'god will take care of us' Mexicans tend to live for today rather than plan for tomorrow. This view manifests in the Mexican lifestyle and consumption behaviour particularly in cuisine e.g. tacos can be enjoyed anytime and anywhere.

SPIRITUAL

Religion defines what's right and what's wrong - it is the rule determined by the gods. They believe that they don't really die. This metaphysical certainty provides an inherent boldness and bravery. For example, the biggest competition for the insurance industry is not another company but a belief that God, family or fate would take care of them.

HIERARCHICAL AND PATRIARCHAL

Decisions are made at the top and commanded down, with those at



the top looked up to and revered. Everyone has their place, with limited upward social mobility despite an aspiration to do so.

COLLECTIVE AND PROUD

Mexicans are an incredibly collective society. There is a deep pride in their culture. Despite the hierarchy they see themselves as one and take offence easily for any assumptions that are made of their fellow Mexicans. This also fuels a highly nationalistic outlook, and collective pride over national icons, flags and history.

INEQUALITY

An unfair and unequal society where there is high disparity between the rich and the poor. Described as

bilateral, with no in-between.

MALINCHISMO

Derived from La Malinche - a Nahuatl woman who played a vital role in the overthrowing of the Aztec Empire as an interpreter and advisor to Cortés. And it refers to the historical resentment for those who prefer foreign products and view them as superior. But in tension with a continued appreciation for foreign, which traditionally cues premium and quality.

HOW MEXICANS DESCRIBE THEMSELVES

We asked them to describe Mexico (country, people and culture) in their own words, to get an understanding of the different characteristics they used to describe themselves. It is interesting to see the traditional view and the modern view. There's an equal blend of positive and negative sentiment that resides in their collective conscience. In the traditional view, there are a lot more negatives, versus the modern view where they see a lot more positives. This makes it hard to point to 'one Mexico'.

We then took all their words and defined what they think and feel about Mexican culture and society.

Mexico's most defining characteristics as defined by interviewees included:

What they think:

- Cuisine (food being a legacy),
- location (popular way into the US),
- history (Mexico City has the most museums per capita, and
- climate (warm).

What they feel:

- solidarity (focus on family and loyalty),
- ingenuity (a word we use to describe ourselves as a nation),
- accepting (welcoming), and

- politeness ('yes' doesn't always mean 'yes').

In the Business context, they talked more about the ability to look North and South to establish and grow trading partnerships, along with a large and cheap labour force at their disposal.

EVERY COUNTRY HAS A SHADOW

These shadows created conflicts for our Mexican interviewees which turn up as:

What they think:

- unsafe (high crime rate),
- inequality and
- lack of transparency.

What they feel:

- insecurity (the sensitivity they have as a culture limits their confidence),
- retrospective (they tend to look back rather than forward), and
- sceptical (they sometimes struggle to work in a team).

In a Business context, it means Mexico can be difficult to navigate and highly competitive.

“WE DON’T LIKE THE PERCEPTIONS THAT OTHERS HAVE OF US, WHICH IS USUALLY ‘TEQUILA AND SOMBREROS’. WE’VE COME A LONG WAY AND WE SHOULD HAVE MORE PRIDE, BUT INSTEAD WE LACK CONFIDENCE AND SELF-ESTEEM. WE MAKE OURSELVES SMALL.”

MEXICAN CONSUMER



MEXICO IS DEFINED BY ITS RELATIONSHIP WITH ITS NEIGHBOURS

Mexico is often defined by its relationships with other countries, particularly its neighbour the USA (described to as 'the uncomfortable big brother') but also countries like Brazil and Spain.

This constant comparison against others can create a feeling of insecurity due to having to unfairly defend themselves. However, they are determined to not let it define them and a growing confidence in themselves and what they manufacture for the USA is helping create a new narrative for Mexico.

- Less talk about the USA than expected

- Mexico's relationship with the USA is driven by the fact most people have family/friends living there
 - Mexico is a key manufacturer of USA products
 - Mexican consumers aspire to USA brands e.g. clothing, music
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"THEY'VE CREATED AN IMAGE OF US THAT HOLDS US BACK. COMPARED TO AMERICA WE LOOK MEDIOCRE AND OLD FASHIONED, SLOWER, INFERIOR, BUT WE HAVE A MUCH RICHER CULTURE."

MEXICAN CONSUMER



CULTURAL CONFLICT

Mexico is a culture of contradictions, but also of change.

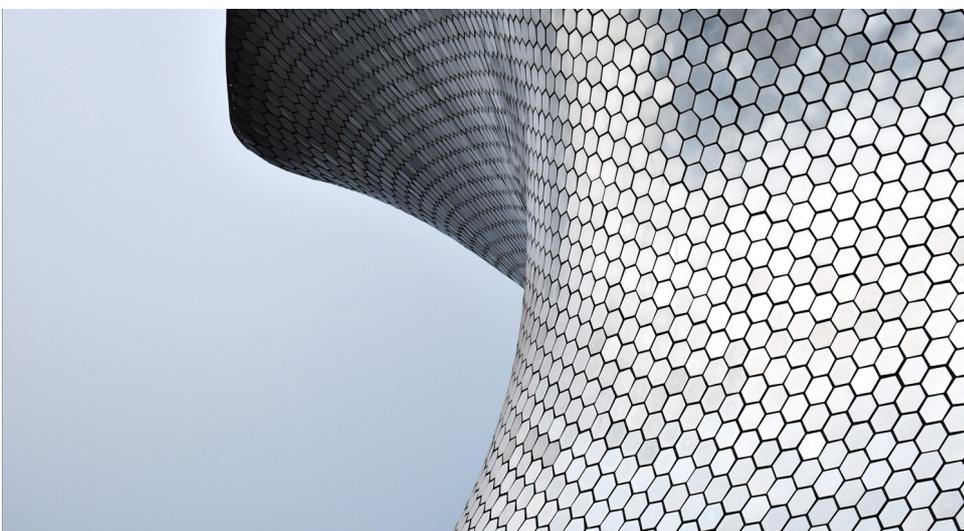
The way interviewees talked about themselves revealed some inconsistencies. Mexicans often described a culture of contradiction between the divided and collective, poor and rich, inefficient and hardworking, informal and formal, inward and outward.

Mexicans describe themselves as a deeply connected and collective society, yet they are challenged by inequality and hierarchy. On one hand

they see themselves as a rich nation in terms of wealth and resources but also challenged by poverty.

As a people they see themselves as extremely hardworking but inefficient at times.

Mexico is also a country that is increasingly looking inwards to solve problems at home but is also looking out to the world for inspiration and unique experiences.



THE MEXICO OPPORTUNITY

Differences in views tended to show up more overtly between younger and older Mexicans. The country is going through a shift from the older and southern traditional mindset to a younger and northern emergent mindset.

Mexico's thriving and expanding middle class will continue to create more opportunities. As disposable income rises, it is projected that demand from the 'emergent consumers' (aged between 15-30 years old) will continue to grow.

Emergent consumers believe in a global and connected society. These consumers see themselves as worldly, educated, sophisticated and can often speak English.

They're interested in what's new and trending. Feel like they can look out

to what the rest of the world offers whilst retaining national pride. Eager to change the Mexican stereotype, push the boundaries and challenge the status quo. Value innovation, change, progress.

OPPORTUNITY:

Appeal to the increasingly outward and emergent Mexican consumer mindset who are looking for the new and unique. Premium and niche products and experiences are appealing to these consumers. Whether that be clean energy, new educational horizons, premium brands, or less familiar travel destinations.

But remember, niche is not niche as we know it in New Zealand - Mexico is home to 130 million people!



POLITICAL SHIFT

There's a deliberate movement towards a new acclaimed world view that is looking inward for growth and opportunity more than it used to, through trying to address socio-economic inequality, the rights of the Mexican indigenous peoples, inclusive trade agreements and climate change.

So there is a story here that New Zealand can help them tell and develop, especially as it relates to Māori in agriculture and tourism.

As one of the world's largest producers of honey, Mexico is looking to create more value from this sector. Mānuka honey offers a model they could look to for inspiration.



MADE IN MEXICO

We have three factors that are coming together, and we can't just turn up and expect them to be interested in us, or expect that what we are producing is going to have any inherent competitive advantage.

A GROWING DESIRE TO SUPPORT LOCALLY MADE

There is a growing pride for 'Made in Mexico', especially for categories they are world famous for. THINK: beer, tequila, jewellery and arts and crafts.

BECOMING MORE SOPHISTICATED MANUFACTURERS

They are increasingly open to locally made, therefore looking inward to what Mexico is producing more and more. THINK: cars, textiles, art, food.

HISTORICAL FAMILIARITY WITH FOREIGN PRODUCTS

Mexicans are highly discerning when it comes to country of origin (COO).

OPPORTUNITY

But, with a global outlook, Mexicans are open to new and unique imported products.

Think about how to craft a story that complements Mexico, rather than competes. We need to be 'of New Zealand' but turn up in a way that is relevant and complimentary to the Mexican lifestyle.



HOW DOES MEXICO PERCEIVE NEW ZEALAND?

We're starting from a low base of awareness. Mexicans know less about New Zealand than other countries where we've carried out perception research.

In terms of our unique characteristics, Mexicans make a number of common associations. We are viewed as a young country that produces quality food with an unspoilt nature. In terms of people, New Zealanders are generally seen as open, welcoming, relaxed, and trustworthy. The perceived value placed on Māori culture resonates well with the Mexican's sensibility of collectivism and the Māori values of manaakitanga.

However, like other countries we have studied, their understanding of us often starts with what they know about Australia. Mexican's see Australia as geographically more like Mexico – big and hot, while New Zealand is small and cold.

Just as we've heard in other countries, they think of us as geographically and historically connected, due to 'similar flags', as well as being known for having friendly and personable people. In the business context, again like Australia, we were seen as reliable and trustworthy, good to do business with. But we are seen as a lot smaller.

Consideration and awareness for New Zealand products and services started with a few industries, particularly tourism and education. Consumers were able to recall only a few specific product sectors that we are known for. We are seen as an agricultural country that is natural and clean – and some could recall premium brand names.

BUT WHAT THEY DO KNOW IS A GREAT START.

NEW ZEALAND'S DEFINING ATTRIBUTES

The most defining attributes and values are nature, safety, diversity and a young country.

It's no surprise that these start with 'nature'. Being seen as a 'young country' not only refers to being young geographically and culturally, but it also means young in terms of mindset.

Safety, this is such a strong word especially given it comes through

consistently in all the countries we have done research in. As does diverse.

Ingenuity – even though they describe New Zealand as resourceful, and they describe themselves as Ingenious, their description of both words is similar. Both countries see themselves as having the ability to solve problems with limited resources. While in other countries where we have conducted this research, we have moved perceptions beyond resourceful to being seen as more ingenious. This reinforces the low base of awareness Mexicans have of New Zealand.

However, there's a gap when it comes to the more emotive side of our story, we need to start thinking about what additional attributes we can add to our story to engage Mexican consumers more deeply and

emotionally.

POSITIVE COMMONALITIES:

- **Geography:** nature, island nation, green, adventure
- **People:** friendly, safe, young, diverse, trustworthy, honest

They struggle to see what we have to offer beyond nature and primary industry.

Despite the low base of awareness, what they do know represents a compelling start point to grow and build our story from.

- No negative shadow
- General perception is very positive
- Low awareness



CHALLENGING CHARACTERISTICS

There are three perceived New Zealand characteristics which, while not negative in themselves, can represent barriers to trade with Mexico. Although these look like physical barriers, they are as much about our people as they are about our environment.

Being perceived as cold, remote and rural, fuels a perception that New Zealand can be difficult to do business with.

REMOTE

New Zealand is seen as a remote and far away place. This view stems largely from New Zealand's location on the world map and relative distance to other super power countries. Mexican maps are Atlantic centred, whereas ours are Pacific Centred, so of course they think we are a million miles away. This perception is reinforced by imagery they have been exposed to in movies like Lord of the Rings. In their eyes, our country is "a beautiful far away land at the bottom of the world". While a remote image is also linked to associations with having a clean, natural, and untouched environment it also means we're at a disadvantage when it comes to commerce and doing business.

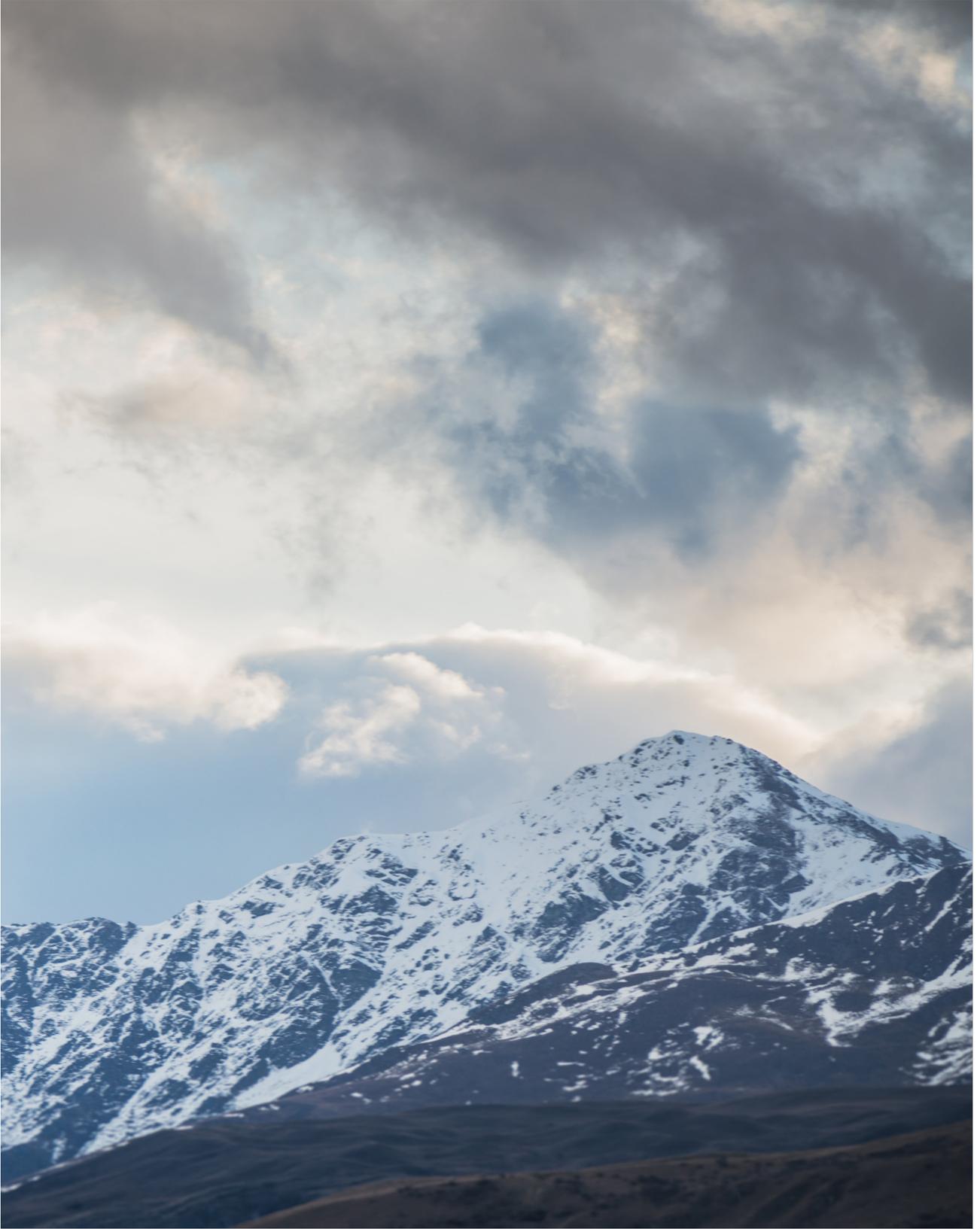
RURAL

For some, New Zealand's ruralness means we lack stimulation and excitement, and this applies to the cities as much as the countryside. In comparison to the brightness and vibrancy of Mexico City, they see our cities as lacking excitement and nightlife. However, in contrast, they struggle with the heaving, busy traffic that is Mexico City and see this as a real disadvantage.

COLD

Coldness is as much about our people as it is about our environment. Mexicans often referred to New Zealanders as cold people because of the perceived linkages to European/ British colonisation. This is reinforced through imagery of our unspoiled, green environment and snow-capped mountains. The Mexican holiday season is New Zealand's winter season, a stark contrast to the dry and hot Mexican summer holiday, providing a further challenge for us to attract them to visit.

OVERCOMING THESE CHALLENGES TO DOING BUSINESS WITH NEW ZEALAND REQUIRES A CONCERTED EFFORT TO DIAL UP WHAT MAKES US FEEL EASIER. THINK FLEXIBLE. IN SHORT BE A PARTNER NOT A SUPPLIER.



TOURISM

SHOW OUR UNIQUE EXPERIENCES

NOT ONLY ARE WE FAR AWAY, BUT THE LACK OF FLIGHT OPTIONS AMPLIFIES THIS DISTANCE. WE NEED TO SHOW HOW WE OFFER A DIFFERENT EXPERIENCE TO OTHER MORE WELL WORN TRAVEL DESTINATIONS.

Mexican consumers have limited leave and holidays, which makes them think twice about travel to distant countries. Distances and flight times are definitely factored into decisions around where to travel and New Zealand needs to develop better flight routes, so Mexicans feel like we are an easy country to get to.

We are also seen as expensive and are competing with European countries like France and Spain for the luxury traveller market. There are key occasions like honeymoons and graduations, when Mexicans are prepared to spend money on travel. We need to position ourselves around these key occasions.

There is a growing need for 'travel experiences', which plays to New Zealand's strengths. Mexicans already see the friendliness of our people as a key differentiator, so heroing our unique experiences like Māori culture, food and adventure sports will work well. Mexicans also look for warmth, brightness and vibrancy in their travel destinations and in contrast, New Zealand is perceived to be a 'cold destination'. We need to sell ourselves as a 'year round' destination and avoid images that confirm assumptions that we are cold.

ACTION POINTS

- Ensure better flight routes, so we are easier to get to
- Tap into key occasions like honeymoons and graduations
- Hero 'nature' but build on other unique New Zealand experiences like Māori culture
- Sell ourselves as a 'year round' destination

LESS OF THIS



MORE OF THIS



EDUCATION

AN ATTRACTIVE PLACE TO STUDY

WE ARE SEEN AS SIMILAR TO AUSTRALIA, BUT OUR COMPARATIVE SIZE LIMITS PERCEPTIONS OF PRESTIGE AND OPPORTUNITY. WE NEED TO POSITION NEW ZEALAND AS FEELING LIKE HOME WHEN THEY ARRIVE.

New Zealand offers attractive differences to being educated in Mexico, with things like women's rights and new ways of thinking being seen as major drawcards. The New Zealand lifestyle is also seen as attractive, and Mexicans believe that studying in New Zealand will help students develop 'general life skills'.

Mexican parents don't like to be geographically far away from their children, which puts New Zealand at a disadvantage as we are seen as being a long way from home - both geographically and culturally. We need to communicate that we are a 'home away from home' - a safe country with welcoming people.

Offering short-term study options and options where parents can travel are also useful ways to overcome these potential barriers.

There are many other countries like the US, Europe, Canada and Australia who are seen as offering aspirational education opportunities. Internal Mexican education institutions are also becoming more attractive. So we need to position ourselves as 'affordable prestige' and showcase our urban life and global cities.

ACTION POINTS

- Highlight the diversity of the New Zealand educational experience
- Communicate we are 'a place to call home'
- Offer short-stay education products and options for parents to also travel
- Position ourselves as 'affordable prestige' on a global scale

LESS OF THIS



MORE OF THIS



TECHNOLOGY

BE SEEN AS RESPONSIVE AND ADAPTABLE

OUR CHALLENGE IS THAT WE ARE SEEN AS SMALL, FAR AWAY AND AGRICULTURAL. WE NEED TO BE SEEN AS RESPONSIVE AND ADAPTABLE, AND PREPARED TO PARTNER AND WORK TOGETHER TO SOLVE PROBLEMS AND MEET THEIR NEEDS.

New Zealand has some unique attributes that Mexicans value when looking for technology companies. They value companies that are open to change and flexible, as opposed to technology solutions from multinational companies that are usually 'one size fits all'. The opportunity for New Zealand is to build a reputation for being flexible and collaborative - offering customisable solutions.

Mexico is challenged by a lack of transparency, so companies seen as honest and transparent are highly valuable business partners. New Zealand is one of the least corrupt

countries in the world, so we need to leverage this strength and build mutually beneficial partnerships.

Mexicans are not expecting New Zealand to develop and build world-leading software, as they see us as small, far away and agricultural. The opportunity is to think differently and be resourceful - showing examples of our world class successes e.g. sustainable energy.

ACTION POINTS

- Build a reputation for being flexible and collaborative
- Develop trusted and mutually beneficial partnerships
- Think differently and be resourceful - show examples of our world-class successes

LESS OF THIS



MORE OF THIS



MANUFACTURING

COLLABORATION AND MUTUAL BENEFITS

MEXICANS ARE SOPHISTICATED MANUFACTURERS THEMSELVES, SO THEY NEED TO KNOW HOW WHAT WE DO IS BETTER THAN WHAT THEY CAN DO. WE NEED TO FOCUS ON COLLABORATION AND MUTUAL BENEFITS.

Mexico already produces high quality products, so they look for a combination of quality and innovative manufacturing when partnering with other countries. New Zealand needs to showcase our expertise and sophisticated high-end manufacturing. Highlighting leading examples definitely helps.

Mexicans aren't sure if we can 'scale' and we need to overcome perceptions around being small and far away. Building partnerships is key - we need to show them our size doesn't get in the way of our ability to deliver.

They don't know what New Zealand does when it comes to manufacturing, but they see us as a clean, green country. Our offering needs to be

different to what they produce themselves. We need to use things like 'sustainability' and 'clean energy' as credible conversation starters, as they assume we are good at these things.

ACTION POINTS

- Show our expertise and sophistication through high-end manufacturing examples
- Build partnerships and show them our size is not a barrier
- Use things we are known for (like sustainability) as a credible conversation starter

LESS OF THIS



MORE OF THIS



FOOD & BEVERAGE

NOT JUST A PRODUCT, BUT AN EXPERIENCE

WE AREN'T SOLVING A PROBLEM FOR THEIR WORLD AND WE ARE SEEN AS EXPENSIVE AND FAR AWAY. WE NEED TO TELL THE STORY OF OUR PLACE AND THE BENEFIT THIS HAS FOR WHAT WE PRODUCE AND WHY THIS MATTERS FOR THEM. WE NEED TO CATER AND APPEAL TO THEIR NEED FOR ORGANIC, HORMONE FREE AND GRASS FED.

Mexicans have a growing focus on what nourishes you, not just what feeds you. New Zealand's environment provides a tangible foothold into natural and organic, so we need to be overt in talking about how our products are unique e.g. manuka honey.

Shelf life makes it harder to do business with New Zealand, as some question whether freshness is compromised when choosing a New Zealand product. We need to show care and integrity in the supply chain to reassure and overcome this perception.

Cuisine is a key aspect of life in Mexico and it plays to their need for indulgence. Mexicans actively seek out products made in Mexico, but are also increasingly open to imported products. There is an opportunity for New Zealand to educate Mexicans on our 'gourmet food story'; positioning our products as complimentary to Mexican ones. We can also create 'cultural friction' and educate them on new categories. A good example of this is educating them on New Zealand wine, even though Mexico is a beer drinking country.

Country of origin is also important and New Zealand is often grouped in with Australia. Other countries like Uruguay, Poland and Canada are all seen as offering grass fed at a cheaper price to New Zealand. So we need to tell the story of New Zealand, make it personal and show how our farming is different to the rest of the world.

ACTION POINTS

- Be more overt in talking about how New Zealand products are unique
- Show care and integrity in the supply chain
- Position New Zealand products as complementary to Mexican ones, or create 'cultural friction'
- Show how our farming is different to the rest of the world

LESS OF THIS



MORE OF THIS



WHAT ARE KEY POINTS TO REMEMBER WHEN DOING BUSINESS IN MEXICO?

Develop a niche market strategy, know who you're targeting by focusing on the drivers of Mexican culture and understand how your product appeals to these consumers. Highlight commonalities; Māori culture, welcoming people, diversity and openness. Train yourself and your employees in Mexican ways of thinking and acting; this is especially important in B2B interactions. Show them why the perceived 'negative characteristics' like distance and size aren't issues – show examples of leading logistics.

ESTABLISHING AND BUILDING BUSINESS RELATIONSHIPS

Mexican businesses prefer to build relationships first. While other countries start by sending 100-page contracts, New Zealand businesses will have the edge by beginning relationships with face to face meetings and committing to a handshake. The big opportunity is to have people on the ground – get on a plane.

Play a long game

Remember it takes time to get established in this market and requires a significant investment in both people and funds.

“THE LEGISLATIVE AND BUSINESS ENVIRONMENT IS QUITE DIFFERENT TO NEW ZEALAND SO HAVING SOME GOOD LOCAL PARTNERS IS CRITICAL TO MAKING GOOD HEADWAY.”

CEO, VISTA MEXICO

Show what's in it for Mexico

Focus on two questions: what's in it for you and what's in it for me – try to create a win-win.

Leverage relationships

Embassy relationships are seen as very important in helping make deals happen as well as helping products clear customs once they are on the ground.

Business is hierarchical

Try to get as high up as possible and send the right level person into meetings.

“PERSONAL RELATIONSHIPS ARE KEY TO DEVELOPING LONG STANDING BUSINESS RELATIONSHIPS, ESPECIALLY IN FAMILY-OWNED BUSINESSES. I’VE SEEN THIS ACROSS LATIN AMERICA MORE THAN OTHER REGIONS, BUT EVEN MORE HERE IN MEXICO.”

FONTERRA MEXICO

Learn when ‘yes’ is ‘yes’

Learn about Mexican people and culture. Ask an experienced exporter or New Zealand Government advisor for help in deciphering the Mexican sub-text for ‘Yes’ and ‘No’. Appointments are usually scheduled in advance and confirmed at least a couple of days before they happen but it doesn’t always mean they’ll show up.

Address perceived risks

Show how perceived risks associated with doing business with New Zealand can be mitigated.

- **Distance:** superior logistics, technology
- **Price:** flexible payment terms, currency FX
- **Size/scale:** Show how you can meet the demands of ‘niche’ in Mexico.

ALL SOUNDING TOO HARD?

It is a challenging market to enter, but New Zealanders hold two strong cards.

- We are a nation of people known for our integrity and are seen as good to do business with.
- Our reputation for being flexible and collaborative is highly valued. This puts New Zealand above other countries who are not willing to negotiate for a mutually beneficial outcome.

“NEW ZEALAND COMPANIES SPEAK THE SAME ‘LANGUAGE’. THERE IS A UNIVERSAL UNDERSTANDING. COMPANIES FROM OTHER COUNTRIES DO NOT RESPECT THESE RULES.”

MEXICAN RETAILER

HOW DO WE CREATE PERSUASIVE MESSAGING AND STORIES FOR MEXICO?

There is a journey we need to take Mexico on – from where we are now to a place that has broader meaning and relevance. While there will be a different set of messages for different sectors, here is a good overall guide to that journey.

- Show an advanced and progressive society
- Show an aspirational lifestyle
- Show vibrant and urban environments
- Show Māori culture

While on the surface there is a lot that makes us seem different to Mexico, our people offer a way to connect, as we are seen as more similar compared to some other competitors exporting to Mexico.

THE JOURNEY BEGINS WITH WHAT THEY KNOW

- Nature, young country
- Safe, welcoming people
- Quality food

QUICKLY EXPAND TO LEVERAGE SIMILIARITIES AND HIGHLIGHT UNIQUE CULTURAL DIFFERENCES

Part of the challenge is to leverage the similarities to make them feel at home but also highlight cultural differences that are perceived to be interesting and unique:

- Show a youthful country with opportunities
- Show modern cities and spaces
- Show welcoming people and diversity

“WE HAVE FOUND A VERY RECEPTIVE AUDIENCE, OPEN TO FRESH THINKING, ENTHUSIASTIC ABOUT A NEW ZEALAND STORY. IN FACT, WE ARE FINDING THAT MEXICO IS IN A GREAT POSITION TO BE A LATIN AMERICAN BEACHHEAD FOR BUILDING DISTRIBUTION THROUGHOUT THE REGION.”

EPIOLOGY



MESSAGING CONCEPTS

WE ARE ALREADY KNOWN FOR THIS

- Nature and primary industries
 - already accepted by Mexican consumers and it can be used as a credible foundation.
- Flexible and openness – already accepted that we are a nation that can be trusted in business dealings.

NOW WE NEED TO BUILD ON EXISTING PERCEPTIONS

- Unique offering – we need to be better at explaining the uniqueness of our offerings.
- Expertise and credibility – provide proof of existing successes and expertise outside of nature and food production.
- Ingenuity – surprise them with stories of how New Zealand businesses have created something from nothing and made it world class.
- Value-add – the preceding concepts provide evidence that we have unique perspectives and knowledge to offer Mexico and the world, now and in the future.



FINAL THOUGHTS

As an emerging trading partner for New Zealand, Mexico is an important market for exporters to understand.

The research has shown cultural differences are significant, but opportunities exist to connect through our people, diversity and welcoming culture.

Key among these differences is the tension that exists between this highly collective people who are challenged by inequality and hierarchy and the influence of spiritual and traditional culture on their everyday life.

Three key perceptions that represent potential barriers for New Zealand exporters have been identified. These boil down to us being seen as remote, cold, and rural, rather than globally competitive, advanced and aspirational.

This means that beyond nature and primary industries, Mexican consumers and businesses can struggle to see what our country has to offer. There are strategies, however, that New Zealand companies should adopt to overcome these identified hurdles. We are already starting from a positive place in Mexican minds.

Within the B2B space, interpersonal relationships must be carefully nurtured.

The clear advice is to make an effort to understand the market and culture, and remember to play a long game rather than aiming for quick wins. This will help you create mutually beneficial relationships.

The challenge is to shift away from focusing on 'what' we supply, towards using credible evidence to show 'how' we excel, as well as telling stories about 'why' we strive to innovate and add value. The communications journey will ideally start to tell an expanded narrative. We need to highlight New Zealand's internationally aspirational lifestyle, welcoming people and unique Māori culture, and surprise them with the unexpected by showing our innovations.

As Mexican consumers and buyers become increasingly sophisticated, we can no longer continue to sell at a product level. We need to expand the narrative that moves beyond landscapes and nature.

MEXICO REPRESENTS SIGNIFICANT BUSINESS OPPORTUNITIES

Awareness of New Zealand is relatively low in Mexico and what they do know of our country is often based on what they know about Australia. Despite this low awareness, we are starting from a good place, as perceptions of New Zealand are positive and they are keen to find out more. Our clean green image cues positive associations like 'sustainability' and 'clean energy', which provides us with a good platform to build a deeper story.

PUT OURSELVES INTO THEIR WORLD

Developing a plan for the Mexican market is key. It's important to understand Mexican culture and find ways to position New Zealand products and services as unique and complementary to their Mexican lifestyle. Don't be scared to educate Mexican consumers on new categories e.g. manuka honey, wine.

BE CLEAR ON YOUR MEXICAN TARGET MARKET

Mexico is a huge country, so you need to be clear on who you are targeting. A growing part of the population is looking outwards and are open to considering imported products. New Zealand products are often seen as 'premium' but remember that premium and niche in Mexico is still big volume, given the large population size. Don't dismiss the opportunity to target middle-class consumers in Mexico, think carefully about how

you position your product, as what resonates with this part of the market is evolving beyond traditional bright, garish codes.

TURN YOUR DIFFERENCES INTO YOUR STRENGTHS

Tell an experiential story that will connect with consumers at an emotional level. Build your story off what New Zealand is known for and use imagery that will surprise Mexican consumers and encourage them to buy.

AND DON'T FORGET THE PEOPLE SIDE OF YOUR STORY

It takes time to succeed in the Mexican market and relationships are key. New Zealanders are seen as friendly people who are flexible and easy to do business with, so take time to build relationships with Mexican businesses. Face to face communication is best, so jump on a plane and visit the country. The New Zealand Embassy/NZTE contacts in Mexico are valuable ways to help you open doors and get started.

***IT'S A HIGHLY EXPERIENTIAL
STORY THAT WE NEED TO BUILD
FOR THIS MARKET. IT NEEDS TO
LEVERAGE SIMILARITIES BUT
ALSO HIGHLIGHT OUR UNIQUE
DIFFERENCES.***

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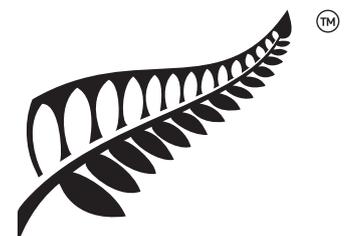
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