

About this guide. A concise, executive orientation to the Step 2 report: what it evaluates, how the decision is developed, and what it does and does not conclude. It is a report guide, not a software manual.

1 PURPOSE

To determine whether the opportunity identified in Step 1 is **commercially real and relevant to the company's specific offer** — and whether it warrants in-market validation before any commitment to entry.

2 CLIENT VALUE

Step 2 protects management from committing on the strength of headline attractiveness alone. It converts market, competitive and company-specific evidence into a disciplined, evidence-based decision on whether, and under what conditions, an opportunity should proceed to in-market validation.

3 WHERE STEP 2 FITS

Step 2 is the **Validate** stage of the AdvantAsia market-entry progression. It sits between market selection and strategy, and its role is to establish confidence before commitment.



Step 1 asked “**which markets deserve a closer look?**” Step 2 answers “**is the opportunity real, and are we ready?**” Proceeding from Step 2 means proceeding to the required **in-market validation** — not entering the market.

4 WHAT THIS REPORT EVALUATES

The report brings together the executive decision and four validation dimensions. Each answers a specific management question.

Executive Opportunity Validation	The integrated Step 2 decision, combining the market opportunity with the company's readiness and risk position. Answers: should this opportunity proceed, and on what basis?
Market Demand & Commercial Opportunity	Certified trade-flow evidence for the defined product scope, with multi-year trajectory. Answers: is there commercially relevant demand, and is it growing?
Competitive & Channel Landscape	Competitive structure, verified competitors and observed route-to-customer evidence. Answers: what will the company face, and how are customers reached?
Operating & Regulatory Environment	Product-specific market access, approvals, standards and operating conditions. Answers: can the product legally and practically access the market?
Export Readiness & Evidence	The company's capability to pursue the opportunity, and the confidence of the evidence. Answers: is the company prepared, and how strong is the evidence?

5 METHODOLOGY

Step 2 tests whether a screened opportunity is genuinely real and relevant, then integrates three governing inputs into a single, disciplined decision.

Market Intelligence

The validated external opportunity — demand, competitive and operating-environment evidence for the defined product scope.

Export Readiness

Whether the company is prepared to pursue the opportunity — company capability, not market attractiveness.

Market Entry Risk

The material commercial, country/regulatory and execution risks of entering the market.

The three integrate into one conclusion, governed by a constraint: **Constraint = MAX(Export Readiness, Market Entry Risk)**. A strong market opportunity does not override a material company-readiness or market-entry-risk constraint.

From this, the report derives a single, colour-coded **Opportunity Validation decision**.

Proceed to In-Market Validation

Evidence supports field validation of the remaining assumptions before Step 3.

Proceed with Conditions

Real opportunity; defined readiness or risk conditions must be resolved and validated in-market.

Further Investigation Required

Evidence or constraints are not yet sufficient to justify committing to fieldwork.

Do Not Proceed

Current evidence does not justify further investment at this stage.

Proceed to In-Market Validation authorises field validation of the remaining assumptions — it is not a decision to enter the market.

6 MARKET DATA & ADVANTASIA ASSESSMENT TOOLS

Market intelligence → company-specific assessment → professional judgement. Proprietary AdvantAsia assessment tools structure the company-specific evidence that professional judgement integrates into the Step 2 decision. Each follows one architecture — **assessment app → assessment result → Step 2 input → Opportunity Validation decision**.

Export Readiness Assessment App	Completed six-dimension assessment → produces the Step 2 Export Readiness input (0–100) → governing input to the Opportunity Validation decision.
Market Entry Risk Assessment App	Completed ten-category assessment across Commercial, Country & Regulatory and Execution Risk → produces the Step 2 Market Entry Risk input (0–100) → governing input to the Opportunity Validation decision.
Competitive Landscape Assessment	Verified competitive and channel evidence → supports Competitive & Channel Landscape analysis; does not determine final route-to-market or strategic positioning.
PESTLE / Operating Environment Assessment	Structured operating-environment evidence → supports Market Intelligence ; does not by itself establish product-specific market access.

Evidence confidence is distinct from how favourable an assessment is; missing evidence remains visible and is never treated as zero.

7 HOW TO INTERPRET THE REPORT

Read Step 2 as evidence for a decision, not a commitment to enter. The executive decision tells you **whether** to proceed; the dimensions tell you **why**.

- A **strong market opportunity** does not override a material readiness or market-entry-risk constraint.
- **Export Readiness** measures the company's capability, not the market.
- **Verified competitor and partner evidence** is desk-verified; partner candidates still require in-market qualification.
- **Higher Market Entry Risk** is a constraint on proceeding, not automatically a stop.

The purpose of Step 2 is validation: confirming the opportunity is real and relevant, and deciding whether to proceed to in-market validation — not deciding to enter.

8 USING THE REPORT CONTROLS

A short practical note; the report is designed to be read without technical steps.

- Use the **Market** selector to examine an individual ASEAN market.
- Use the **Year** selector where year-specific analysis applies.
- Demand is compared on a common year for like-for-like comparison, with the full multi-year period preserved so momentum remains visible.

9 USING THE FINDINGS

Step 2 is a management decision tool. Use it to:

- Confirm whether an opportunity is commercially real and relevant to your specific offer.
- Decide whether to proceed to in-market validation.
- Define the readiness or risk conditions that must be resolved before commitment.
- Target the fieldwork — trade shows, trade missions, customer and distributor meetings — that will confirm the desk evidence.
- Avoid committing to entry on headline attractiveness alone.

10 WHAT STEP 2 DOES NOT TELL YOU

Step 2 is validation and a decision to investigate further. On its own it does **not** establish:

- Confirmed customer demand for your specific offer.
- Customers' willingness to pay.
- Partner suitability and availability.
- Final competitive positioning.
- The Market Entry Strategy.
- The Go-to-Market Plan.
- The Execution Plan.
- A decision to enter the market.

These require in-market validation and the subsequent Step 3 work.

11 NEXT STEP

Opportunities that pass Step 2 move into **Step 3 — Position → Enter → Go-to-Market → Execute**, where the **Market Entry Strategy, Go-to-Market Plan and Execution Plan** are developed. A decision to proceed authorises in-market validation of the remaining assumptions — not entry itself.

IMPORTANT NOTES

- Trade and market data reflect the periods stated; demand is compared on a common year with multi-year trends preserved.
- Net demand is shown only where both imports and exports are reported; missing observations are never zero-filled.
- Company-specific assessments depend on the quality of the evidence entered.
- Partner and competitor findings are desk-verified and require in-market validation.
- Step 2 conclusions authorise in-market validation, not market entry.
- Findings should be updated as new market evidence becomes available.

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