

Appendix B: PESTEL, Porter's Five Forces and Entry Modes Questionnaire

Analysis of the German cosmetics market as an entry opportunity for Colombian companies: an approach to the hair care segment			Score
Please rate the following factors in order of importance as key drivers that could impact the Colombian cosmetics enterprises. In a scale from 1 to 5, being 1 Very weak, 2 Weak, 3 Moderate, 4 Strong, 5 Very Strong Note: The information collected in this questionnaire will be administered confidentially and used for purely academic purpose			
General Question	Potential	1. Colombian cosmetics ingredients have potential in Germany	<input type="checkbox"/>
PESTEL ANALYSIS			
Political	Role of Government	2. Political risks (expropriations), taxes (sales taxes) and market structure (Perfect Competition Monopolistic Competition Oligopoly Monopoly) are potential risks for the entry of Colombian	<input type="checkbox"/>
Economic	Exchange Rates, Currency, Interest Rates	3. Economic conditions have a great influence on the entry of Colombian cosmetics companies into the German market (for example, exchange rates and interest rates)	<input type="checkbox"/>
Social	Shifts in Values, Lifestyle and Culture, Demography	4. The shifts in values, life style and demographics of German culture affect the entry of the Colombian enterprises	<input type="checkbox"/>
Technology	I&D, Patents, New Technology and New Products	5. According to data from Germany Trade & Invest, Germany ranks third in the world in terms of patent registration of chemical products for the pharmaceutical and cosmetic industry. The technological developments in the German cosmetic sector impact the entry of Colombian companies to the market.	<input type="checkbox"/>
Environment	Product Stewardship and Sustainable Development	6. The sustainable development of Germany impacts the entry of Colombian companies with the imposition of new legislation to protect the environment and the emergence of environmental quality certificate.	<input type="checkbox"/>
Legal	Employment and Product Safety	7. In order to Colombian cosmetics enter in Germany, the European Union's principle of safety must be complied. It regulates manufacturing properly, labeling, instructions for use, storage and distribution to protect the population. In your opinion, What extent these provisions impact the entry of Colombian companies to the German market	<input type="checkbox"/>
PORTER'S FIVE FORCES ANALYSIS			
Threat of Entry	Scale and Experience	8. German cosmetics companies have an advantage over experienced Colombian companies and lower production costs and the Colombian enterprises invest considerable sums of money to enter the German cosmetics market	<input type="checkbox"/>
	Access to Supply or Distribution Channel	9. Colombian companies in Germany have easy access to distribution channels and suppliers	<input type="checkbox"/>
	Expected Retaliation	10. German cosmetic companies with a new entrant perform aggressive price cutting, increase advertising and sales promotion.	<input type="checkbox"/>
Supplier Power	Legislation or Government Action	11. German legislation is a barrier to the access of Colombian companies to the cosmetics market	<input type="checkbox"/>
	Concentrated Supplier	12. The suppliers of chemical or organic products have the power to negotiate the prices of the raw materials of the cosmetics producers.	<input type="checkbox"/>
	Differentiated Products	13. Suppliers of chemical or organic products have differentiated raw materials that offer added value to the cosmetics producers. For example the combination of two active elements that generate benefits to the producer.	<input type="checkbox"/>
Buyer Power	Competition Threat	14. The suppliers of ingredients of cosmetic products come to act as intermediaries and negotiate directly with buyers (Drugstores, supermarkets, Cosmetics Stores).	<input type="checkbox"/>
	Concentrated Buyer	15. German Buyers of cosmetic products like supermarket, drugstores, hairdressers are in the position to negotiate prices.	<input type="checkbox"/>
	Low Switching Costs	16. German Buyers of cosmetic products (supermarket, drugstores, hairdressers) can easily change suppliers	<input type="checkbox"/>
Threat of Substitutes	Competition Threat	17. German Buyers of cosmetic products (supermarket, drugstores, hairdressers) can generate Backwards integration. The Backwards integrations is the ability that the buyers have to supply themselves.	<input type="checkbox"/>
	Price/Performance Ratio	18. Homemade cosmetics and counterfeit products offer better benefits than cosmetic products developed by the industry.	<input type="checkbox"/>
	Extra-Industry Cost	19. Homemade cosmetic products and the sale of counterfeit cosmetics impact the German market	<input type="checkbox"/>
Rivalry among existing Competitors	Competitor Concentration	20. German cosmetics industry has companies that account for more than 50% of total sales in the sector	<input type="checkbox"/>
	Industry Growth Rate	21. German cosmetics industry has a favorable growth rate	<input type="checkbox"/>
	High Fixed Costs	22. German cosmetic industry is characterized by high fixed costs	<input type="checkbox"/>
Laboratories Cosmetic Producers	High Exit Costs	23. Costs of leaving the German cosmetics industry are high. For example, the industry has large production plants that other market players would not buy.	<input type="checkbox"/>
	Low Differentiation	24. German cosmetic industry offer differentiated products with high technology and use of natural ingredients	<input type="checkbox"/>
		25. Do you consider that Colombian companies have differentiated raw material for cosmetic products to compete in the German market?	<input type="checkbox"/>
Market Entry Modes			
26. What is the best entry mode for the entry of Colombian cosmetics companies into the German market?			
Export Modes			<input type="checkbox"/>
Intermediate Modes			<input type="checkbox"/>
Hierarchical Modes.			<input type="checkbox"/>