

EMERGING MARKETS



TURKEY

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H O Ş G E L D İ N
W E L C O M E





TURKEY'S SIGNIFICANCE

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1

Strategic Location



- Bridge to Europe and Asia
- Situated at the crossroads of trade routes.
- Customs Union with EU.
- Central Asia's gateway for expansion.
- Historical and cultural ties with North Africa.

2

Young Growing Population



- 85 million people. Median age is 32.
- 15% Young people (15-25)
- Demographic dividend:
 - demands consumer goods, technology, and digital services.
- Growing Middle Class:
 - Consumer base for retail, automotive, electronics, food.

3

Diversified Economy



- Manufacturing, automotive, textiles, tourism and agriculture.
- Broad spectrum for investors.
- Automotive Industry:
 - Ford, Fiat, and Renault.
- E-commerce and Fintech expanding.

TURKEY'S SIGNIFICANCE

4

Circular Economy Initiatives



- Goal 60% recycle waste by 2030.
- Turkey is a good partner in sustainable practices.

5

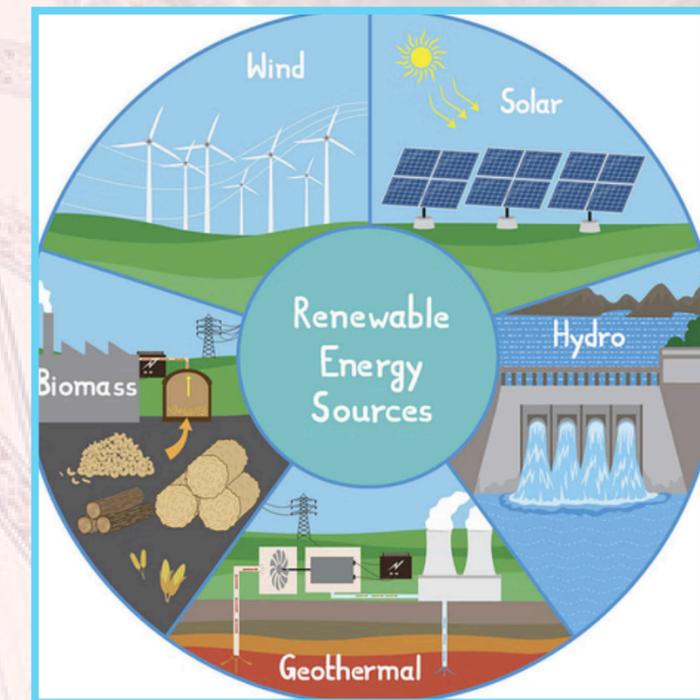
Investments Initiatives



- Turkish government encourages FDI.
- Favorable tax regimes, free zones, technology transfer, and innovation.
- Turkish authorities push for renewable energy solutions.

6

Renewable Energy Transition



- Promising market for renewable energy companies.
- Ranked top 10 countries in solar power capacity.



MACRO
ENVIRONMENTAL
FACTORS

PESTEL

MACROENVIRONMENT ANALYSIS

P

POLITICAL



- Crossroads of Europe & Asia
- EU membership stalled
- Political instability

E

ECONOMICAL



- High inflation
- Labour Market
- Trade Climate
- Government Policies

S

SOCIOCULTURAL



- Young population
- Rich, diverse cultural heritage
- Gender inequality persists
- Muslim majority

T

TECHNOLOGICAL



- Infrastructure Investments
- Growing tech sector and startups
- Encouraging R&D investment.
- Fosters innovation

E

ENVIRONMENT



- High air pollution
- Water Scarcity

L

LEGAL

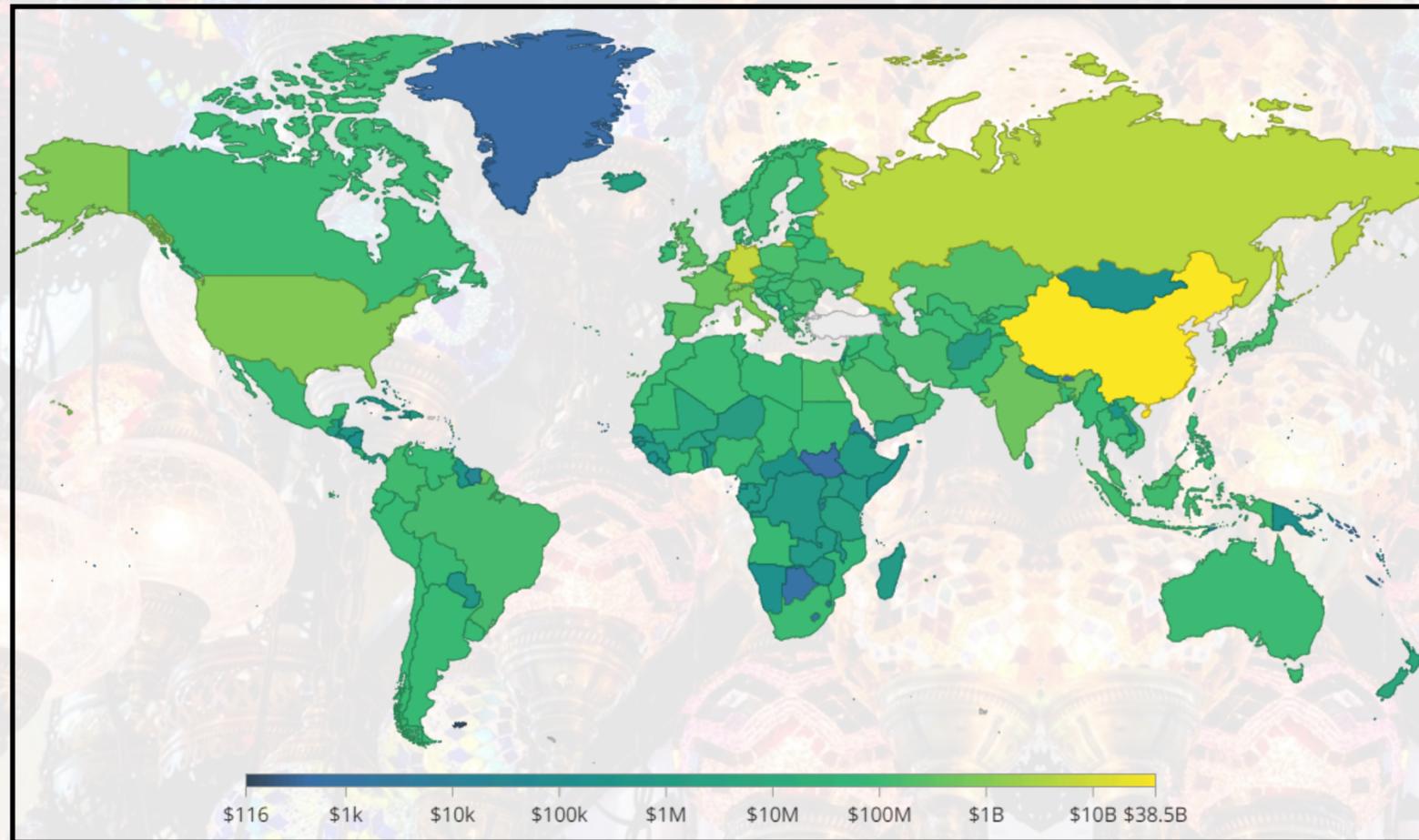


- IP Laws and IP rights
- Labor laws
- Wages



COMPETITIVE LANDSCAPE OF MARKET

COMPETITIVE LANDSCAPE



Global Competitive Index:

Score of 4.0, ranked 61st out of 140

Ease of Doing Business:

Ranked 33rd out of 190, indicating a favorable environment for new businesses

Turkey

61st / 141

Global Competitiveness Index 4.0 2019 edition

Rank in 2018 edition: 61st / 140

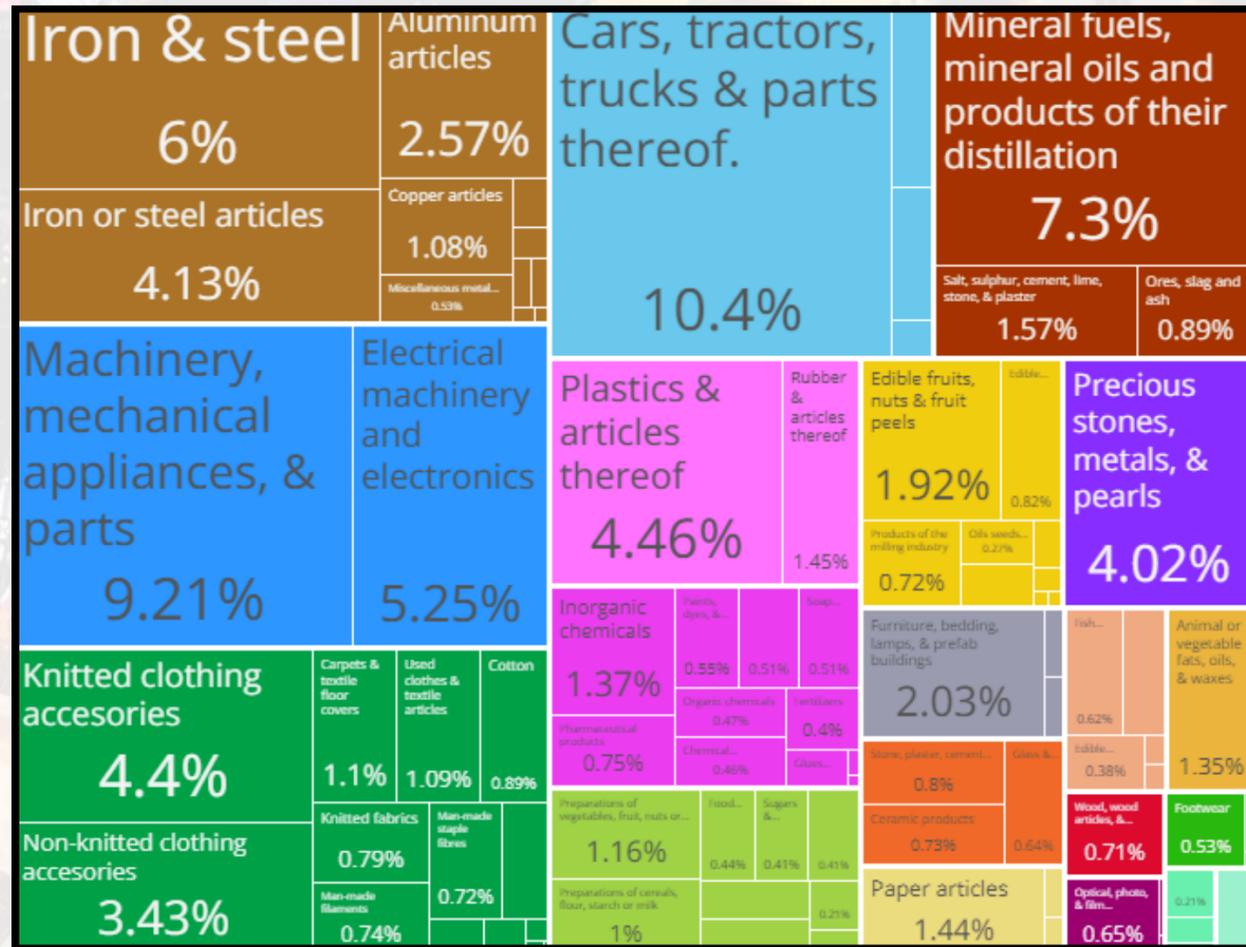
Performance Overview 2019

Key ◊ Previous edition ▲ Upper-middle-income group average □ Europe and North America average



Turkey is strategically located, serving as a bridge between Europe and Asia, with strong trade relationships with Germany, China, and Russia.

EXPORT

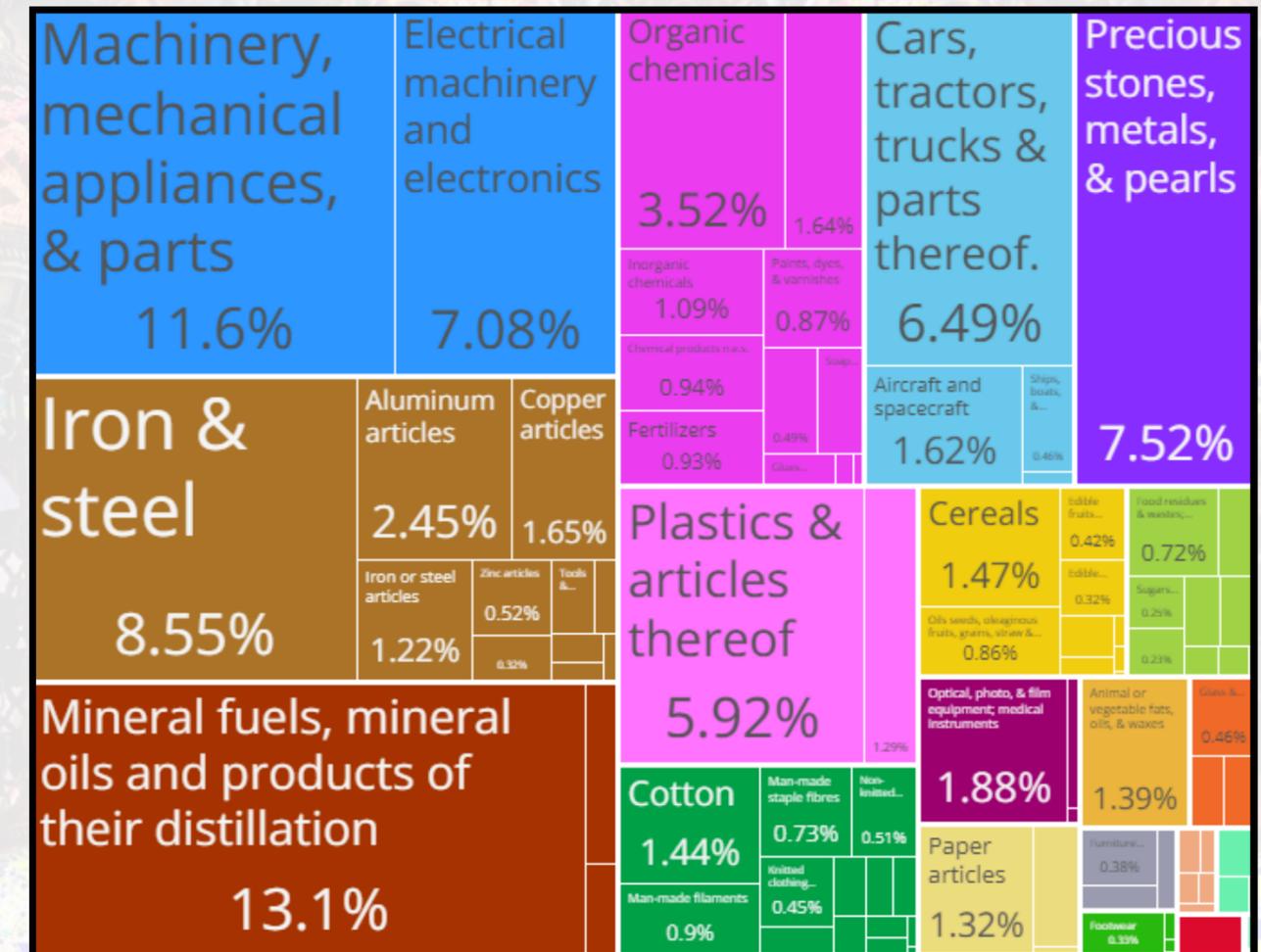


Niche Markets: Turkey's global leadership in products like raw iron bars and hand-woven rugs offers lower-competition niches. Success here will require understanding local craftsmanship and consumer demand.

Strong Local Manufacturing: New entrants need to differentiate with technology, cost, or unique designs.

Textile and Material Imports: Turkey's need for synthetic yarns and fibers offers potential in the textile sector, but competition from established suppliers is high.

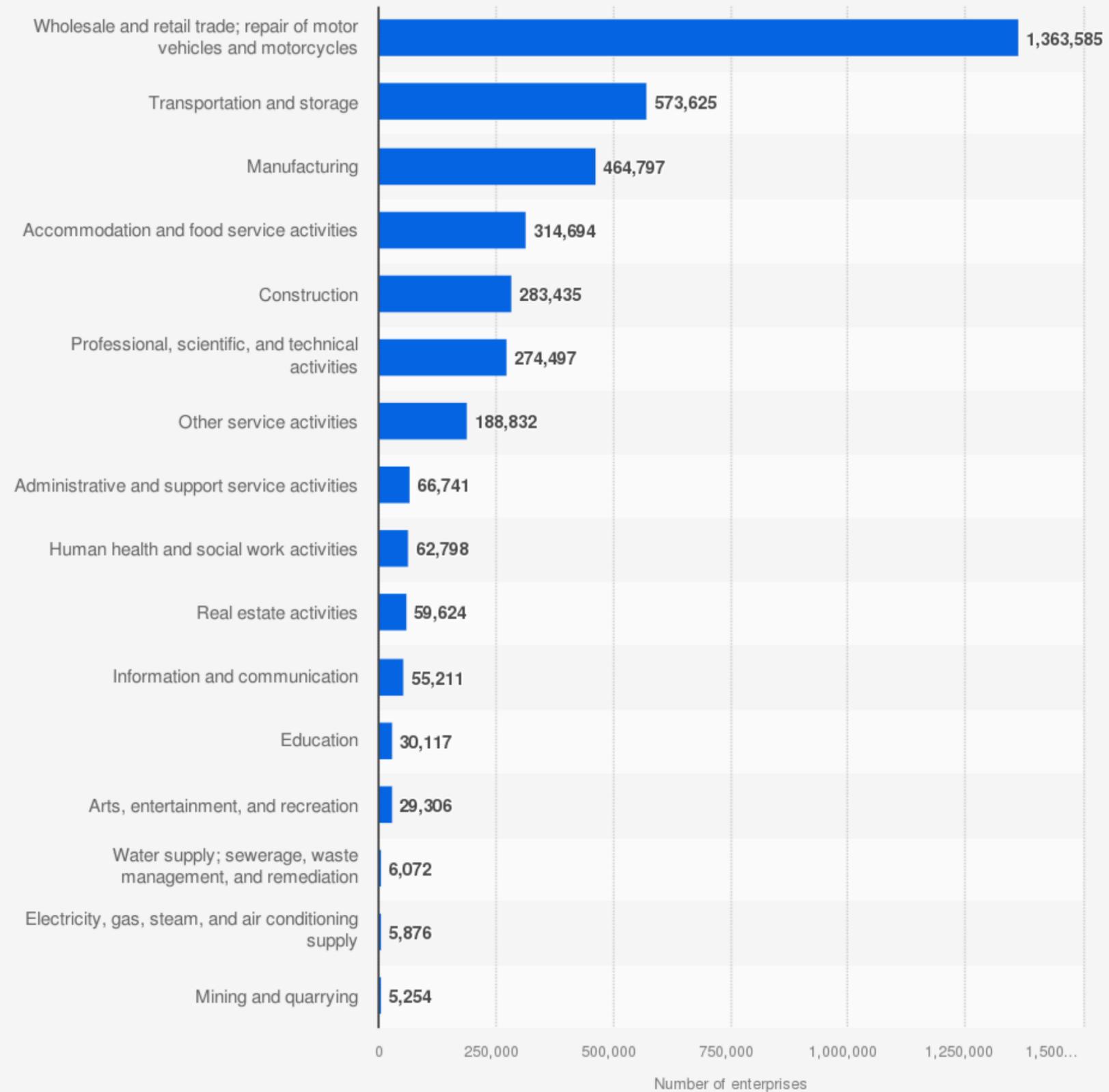
Raw Material Demand: Heavy reliance on imported materials (e.g., petroleum, gold) presents opportunities for suppliers.



IMPORT

COMPETITIVE LANDSCAPE

Number of enterprises in Turkey in 2022, by industry



Large SME Base

Turkey has approximately 3.8 million enterprises, with many in small and medium-sized business sectors

Key Sectors

these areas are highly competitive

Niche Opportunities

Companies offering unique products or specialized services can find growth potential by targeting underserved or niche markets



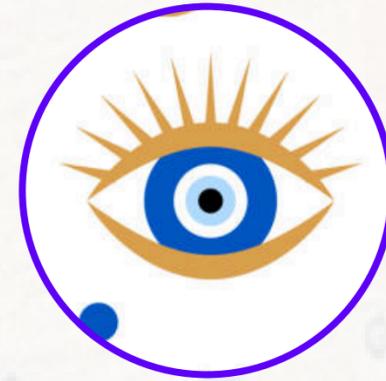
OPPORTUNITIES
&
RISK
ASSESSMENT

OPPORTUNITIES & RISK ASSESSMENT



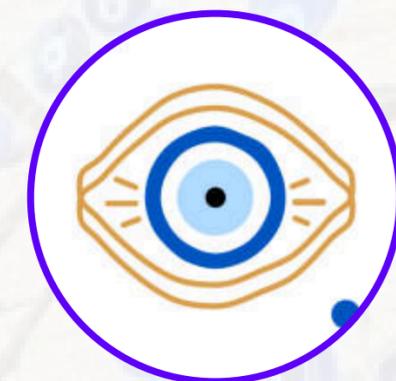
OPPORTUNITIES

- Growing Consumer Market
 - Young Population
 - Rising Middle Class
- Strategic Location
 - Gateway to Europe and Asia
 - Trade Agreements
- Sectoral Opportunities
 - Technology and Innovation
 - Renewable Energy
 - Healthcare
- Government Incentives
 - Investment Incentives
 - Special Economic Zones



RISKS

- Political and Economic Instability
 - Political Volatility
 - Economic Challenges
- Regulatory Environment
 - Unpredictable Regulations
 - Bureaucracy
- Cultural and Social Barriers
 - Cultural Differences
 - Social Tensions
- Infrastructure Challenges
 - Infrastructure Gaps
 - Energy Dependence



CONCLUSION

- Turkey presents a mix of significant opportunities and notable risks for businesses looking to expand. By carefully analyzing these factors and developing good strategies, companies can successfully navigate the Turkish market and capitalize on its potential



MARKET ENTRY STRATEGY

JOINT VENTURE

Why?



Access to Local Expertise

Easier Market Adaptation
with tailor products



Shared Risk & Investment

Stronger Market Position
with local partner's
established reputation and
network



Arguments Against

✗ Exporting: Limits control over marketing, distribution, and brand building; less effective for long-term growth.

✗ Mergers & Acquisitions: High upfront costs, cultural challenges, and potential integration issues.

✗ Local Subsidiary: Requires significant investment, higher risk, and more time to understand the local market without local insights.



TEŞEKKÜR
EDERİM

THANK
YOU

PLEASE FEEL FREE
TO ASK ANY
QUESTIONS