



## **Pains and mistakes on the road to export**

Deloitte Export Hub

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# Pains and mistakes on the road to export: a consultant's view

## What we learned during the two last years? (1/3)

### You are not ready to export if:



#### Language

You have no English-speaking employees to conduct visits to buyers and contact them by phone/e-mail.



#### Goal

You have no answer the question – “Why do you export?”.



#### Production facilities

You have no stock of production capacity (or precise plans for creating it upon request).



#### Brand

Exporting under own brand is expensive: high competition to push from the shelf. Preference is given to local manufacturers.



#### Terms

To create a contract, you need a product, price, contact and trust. The process takes at least 9 months, and first contacts are negative.



#### Negative response

Even if you have a prepared visit, you should consider a negative answer as “thanks for the feedback on the product, we will return with the updated option, count on us”.



#### Flexibility

It is necessary to be able to change the technology or packaging upon request regarding the price or appearance of the product.



#### Certificates

Even if there is no separate requirement from the buyer, investments in the corresponding certification are justified.

# Pains and mistakes on the road to export: a consultant's view

## What we learned during the two last years? (2/3)

### You are not ready to export if:



#### Transparency

To gain trust, you need to demonstrate the manageability and stability of the business: financial/non-financial reporting, mission and values, website etc.



#### Fast results

High marginality and fast result (contract) is an exception to the rules. The strategy should envisage more goals.



#### Studying the buyer

The personality of the buyer is important to create arguments in the negotiations. He/She considers new the suppliers only 5% of total working time. The share of Ukraine is small.



#### Logistics

Consider options for cooperating with other suppliers from Ukraine or creating trading companies abroad, or use of intermediaries.



#### Exhibitions

Even if you do not intend to exhibit, you have to choose important exhibitions and go to study and gain experience, appoint meetings there.



#### Execution of a contract

With the conclusion of the contract, the process of establishing the main trust starts: high-quality service (language, speed), additional services and fulfillment of promises.



#### Product

You should select only 1 product and have 1-2 alternatives. You might have a directory, but only offer what "hits the target".



#### Purpose of the buyer

KPI of a buyer is not to buy cheaply, but to sell with a certain margin. Your focus and arguments should account for the ultimate consumer.

# Pains and mistakes on the road to export: a consultant's view

## What we learned during the two last years? (3/3)

### You are not ready to export if:



#### Consultants

You should have a budget for consultants on issues where you can not cope alone (currently 90% effort).



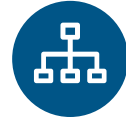
#### Local representatives

Contacts in a local language, warehouses or companies show the highest results.



#### Investments and donors

You should know about all the opportunities for obtaining knowledge or finance on concessional terms. If you need investment (for flexibility) - you need to plan.



#### Management system

Exports often requires fast solutions and instantaneous reactions. You should create reserves for such decisions (trips).

**To be continued...**



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