



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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