



WUSATA Tips | Meeting With Foreign Buyers

Meeting one-on-one with foreign buyers is one of the best ways to gain entry into a foreign market for your company's product. Below are some guidelines that may help you maximize your meetings.

Preparation

A] Research the country that the buyers are coming from. There will be many similarities, as well as major differences. It's easy - our Foreign Agricultural Service has done the work for you! Here is the Web site to go to: <https://gain.fas.usda.gov/>

B] Know what type of company you will be sitting down with. There are three different types of companies that you could be meeting with and they each play a pivotal role in getting your products into that market.

1] The Retail buyer: Some retail buyers can and will buy direct, but for the most part they will ask who is selling or distributing your product in their country. If you meet directly with a retail buyer, know your shipping costs to that country and be very well prepared.

2] The Distributor: Many retailers do not want to or have the time to organize freight and delivery schedules for all or any of the products they buy. They usually prefer to work with a distributor who has your product ready at hand and can deliver when stocks get low. Some of the big Distributors will also sell your product, but begs the question: "If a distributor has thousands of skews then how much time realistically can they devote to your company?"

3] The Broker: This is your potential sales rep. They know the market, positions and preps your brand to sell in that country, and makes connections with retailers that they deal with and who are best suited for your company's products.

C] Know the companies and individuals. Before any mission with WUSATA, you will get a profile on every buyer with whom you will be meeting. In addition, it's a smart idea to google them - they probably googled you!

D] Be ready to demonstrate how Export Ready your company is. Buyers may be interested in the following and your willingness to have this information on hand to share or leave with them can help show them you are serious about entering their market.

- Are you export ready?
- Have you exported before?
- What is your pricing? Do you have export pricing? As a useful option in addition to having your price ex-works, also have in your back pocket-pricing FOB to your nearest major port
- Do you have any certifications pertaining to export?
- What are your sales? If you aren't comfortable sharing a specific number, you can share a range such as are you larger or smaller than \$200K annual sales?
- How is your product shipped? Any special logistics to consider? How many of your items in a case? How many cases in a pallet? How many pallets of your product will fit in a standard twenty foot shipping container?

Execution

- Bring your buyer profiles with you to the meeting.
- A buyer will probably be seeing many companies during their visit. Bring good literature and information that you can leave with them after the meeting.
- Establish your street cred. Let the buyer know if you are dealing with any well-known retail stores stateside or major grocery chains.
- It's a plus to let the buyer know if you are already exporting or that you are export ready. If you are not yet exporting, let them know that your company has an export plan in place and that you are now in a position to export.
- Good prep and research can separate yourself from the pack. Let them know why you think there is a demand / market for your product in their market and what edge you have.
- If you are meeting with a broker or distributor, treat the meeting as a two way street. They also need to be a good fit for your company, so ask lots of questions.
- If talks are progressing well, let the buyer/ broker/distributor know you have export funding support available, that you can tap into to help with labeling, trade shows and other potential export activities.

- Some countries, for example Japan, may want smaller sized servings or containers. Is this an option for you? Some retailers may want to explore private label – Is this an option?
- Samples for the buyers. Bring samples for the buyers to take away. However, if the buyer does not have room in their luggage and you are making a good connection, then offer to send samples to them.

Follow through

- We all wish a deal will be made on the spot – and some do! But it is a rarity, and in some countries it can take a long time while a decision goes up the chain. It's vital that you have good communication and follow up after the mission.
- It's a good idea to wait at least three to four days after the mission and then follow up initially with an e-mail. Remember the buyer, especially at a trade show, may have seen many companies so include a reminder of yourself and your product.
- If you do not hear back then do not be afraid to wait a bit and to re send.
- If you need feedback or have questions then don't hesitate to call or e-mail the in-country contractor who brought the buyers over, or the State rep who was in charge of the mission.

Frequently Asked Questions

Q: If I want some feedback after the mission on what the buyers in general thought of my product, who can I ask?

A: After the mission, the in-country contractor will be following up with the buyers and should have a good feel on the companies that garnered interest. Follow up with the contractor or the project manager.

Q: Can I get in contact with the contractor after the mission and ask questions.

A: Of course, the contractor can provide you with help and suggestions. If you need an in depth market assessment for your brand or product in that country the contractor can help too, but there will be a fee.

Q: If I have general export questions such as labelling and other export requirements to a given country who do I contact?

A: Your State Department of Agriculture has trained specialists on hand to guide you.

Q: I met with a broker and they were interested in representing and selling my product, but they wanted a fee- what is this?

A: A sales rep or broker may ask for a fee to cover the time that they are working to get your company ready to sell into a market and positioning your brand. During this time, the broker is making no commission but doing a lot of work, so the retainer or pioneering fee is to cover some expenses and time until your product is selling and the broker can then switch to a straight commission. These fees are usually negotiable. Consider the cost if you had to do all this work yourself from scratch!

Q: Is there financial help if I choose to start exporting to a given country.

A: Yes. With the WUSATA Fund Match program, companies can receive up to 50% reimbursement of eligible export activities and costs. Call WUSATA to find out how to take advantage of this program.

Q: What commission does a Distributor charge?

A: In the range of 10 to 35% depending on the country.

Q: What commission does the Broker/Sales Rep charge?

A: 3-5% is pretty normal in a lot of countries and comparable to the U.S.

Q: I see there is sometimes a charge to participate in an inbound or outbound mission. What is this money for?

A: For an outbound mission the costs are split between the companies participating and federal dollars. The split can vary and mission cost is determined by the project manager costing out a project and how much they can contribute using federal funding available.

For an Inbound mission there is a small participation fee that companies pay and this money is used to buy items that one generally cannot use Federal funds for. Example: Food or beverage during the meetings or other miscellaneous costs.

Q: How much does it actually cost to bring in foreign buyers to meet with us?

A: If your company privately wanted to hire a contractor and headhunt five buyers and fly them in for a week of meetings it would cost your company around \$25,000.

By getting multiple States and companies to see the buyers, it costs the taxpayer at a rough guide between \$1,000 to \$1,500 per company.