

10 tips for doing business in the European footwear buyers

The European footwear market is massive, difficult to penetrate and very diverse. Although import regulations are the same throughout the European Union, each country in the EU has its own language, culture and customs, tastes and trends. As a manufacturer based in a developing country you can easily waste time and money on the wrong market segments and prospects. In this document we have put together some basic tips to help you avoid that pitfall and do business successfully with European buyers.

1. Use market research to position yourself clearly in the market

Before looking for buyers on the European – or any other export – market, you need to take a careful look at what your own company has to offer. Conducting market research will help you define your own profile.

Tips:

In your market research, focus in questions like these: What makes your company or products special, different than the rest? What is your strategy? For instance, do you want to be the cheapest footwear supplier in your country? Do you want to compete by developing innovative materials and concepts? Or do you aim to diversify, offering a wide range of footwear products and accessories in a certain segment? What are your unique selling points?

Only by recognising what makes your own company and products special will you be able to find suitable matches, which is the next thing to focus on in your research: look for European players who offer products and prices similar to yours (see point 2).

- [Learn more in general about footwear demand in Europe.](#)

2. Conduct thorough research to find the most suitable partners

In order to make good contacts and get yourself established in the European market, you first need to find the right businesses and the right people to connect with. Find as many as you can, possibly in different countries, and compare them carefully, to find which ones best match your business. The best place to start is by conducting thorough research. It can be time-consuming, but in the long run it will save you time and, as you work on targeting your efforts carefully, it will produce better results.

Tips:

Your main focus on researching potential new markets and customers should be on finding a good match in terms of products and pricing.

Once you have managed to find a list of suitable matches, your next step is to carry out a credit check in order to minimize potential risks.

And finally, you will then be ready to get contact information and start preparing your first contact.

- [Learn more about market research and about contacting potential buyers through CBI's study Finding Buyers on the European Footwear Market.](#)

- Learn more about the different [European footwear channels and segments](#) available to you.
- Find out about footwear products that are especially promising on the European market, such as [specialty footwear](#), [fashion footwear](#), [mass market sports footwear](#) or [performance sports footwear](#).

3. Perform credit checks on prospects to ensure financial reliability

The European market today is demanding longer payment terms. This means more risk for you as a supplier. In this pressurized business climate, it is important that you determine whether a customer is 'safe' before agreeing on transactions, so you will know who you are dealing with financially. You can do this by means of a credit check.

Tips:

Research business information on the Internet and in the business press to get an idea of the stability of prospective customers.

Use credit check services to help you find out more, such as the service offered by [Graydon](#) or [companycheck.co.uk](#).

4. Tap into the need among European buyers for lower costs

The European footwear industry is seeing its sales decrease and its costs rise, largely due to the economic recession. The pressure on margins is heavy, forcing buyers to be creative in looking for cheaper alternatives: lower-cost sourcing, cheaper materials and so on.

Tips:

Don't let the current crunch on the European market scare you away; on the contrary, be aware that it is a major opportunity for developing country suppliers like yourself, due to the relatively low production costs in DCs.

If you are based in a country that enjoys free trade with the EU, make sure you communicate this advantage to buyers.

If you can, access or develop new materials that are cheaper than leather or high-grade synthetics, for example, yet have a 'rich' look and feel.

Bring whatever cost advantages you might have to the attention of buyers.

5. Study Europe's many requirements for footwear imports - and stick to them

Of great importance - and a stumbling block for many an unaware manufacturer from a developing country - are all the European requirements placed on footwear products and their production. Think about regulations concerning chemical substances and materials used in manufacture, product safety, labelling rules.

Tips:

Be aware of the fact that accessing EU or USA markets means you will face the toughest requirements – both legislative and non-legislative – in the world. Make sure this fits your strategy.

Read up on [footwear requirements in Europe](#).

If you use materials from endangered plants or animals, for example, make sure you are in compliance with the [CITES](#) rules.

Another area in which you must be alert is that of [intellectual property \(IP\) rights](#).

A major issue in the European market is [Corporate Social Responsibility](#). How sustainable are your business practices and production processes? What are the labour conditions of your workers and those who work for your suppliers? Increasingly on today's European footwear and apparel markets, CSR performance can determine whether a company sinks or swims – and it goes beyond rhetoric to being able to provide proof of working conditions. Compare your CSR performance and ambitions with those of various potential markets and segments to chart your possibilities. For instance, some markets in eastern and southern Europe are less demanding with regard to CSR than most of the markets in northwest Europe. A good place to begin finding out more about European CSR standards is the website of [BSCI](#).

As a footwear exporter, you cannot access EU markets without adopting with the [REACH](#) scheme, which deals with the use of chemicals in consumer goods. If you are not yet familiar with it or have not yet implemented it, check out what it involves and what might be a realistic compliance strategy for your company. The greatest challenge faced by many manufacturers is to find suppliers offering REACH-compliant raw materials, particularly the specific contrast materials needed in very small volumes. Although the REACH scheme is widely known and followed in today's footwear business, there are still a lot of (raw materials) suppliers in developing countries who underestimate its importance.

Visit the website of [EU Export Helpdesk](#) for more information on the REACH standard and the specific (contrast) materials you must avoid.

Check [CBI's study on REACH](#).

Examples of substances commonly used in footwear and subject to restrictions in Europe include: azo dyes (leather and textile), chromium VI (leather), organotin compounds (especially PVC parts), lead or phthalates (in PVC), perfluorooctane sulphonate (PFOS) and short-chain chlorinated paraffins (SCCPs).

6. Follow and predict new trends and developments

The market as well as the requirements of buyers are dynamic. Make sure that you are constantly up to date with what is happening, or even one step ahead, preparing for the next trends. Follow developments in the fashion and textile world and keep an eye on trend forecasting websites and blogs.

Tips:

Know your stuff! Take time to make sure you know what is going on, especially in your market niche

A regular quick glance at relevant websites and blogs can keep you ahead of the game. Here are some examples:

fashionunited.nl
textilwirtschaft.de
stylesight.com
wgsn.com
footwearnews.com
wwd.com

7. Make appointments and travel as efficiently as possible

After you have made yourself and your company known to potential customers, it is very important that you meet them. Make personal contact, while also, of course, letting them see and feel your products first-hand.

- Make your business trip efficient by preparing it well. Organize as many appointments as possible in a short time schedule and in a logical geographical sequence, taking into account the fact that your prospects may be spread throughout the EU.
- In Europe it is often easier and cheaper to travel by train than by plane. Make sure you always have a valid visa and invitations from customers that you can show during a possible customs check. And don't just take along a suitcase with samples. Your products must have a packing list or be labelled as having 'No commercial value', or you may end up having to pay import duties during transit.
- If you are going to be late for an appointment, for whatever reason, make sure you always inform the buyer of your delay at least 30 minutes before the scheduled appointment. This will gain respect and let them use their time more efficiently. Punctuality and clear communication are very important to Europeans (see also point 3).

8. Communicate clearly and promptly

The basis of every successful collaboration is good communication. Lack of communication will lead to misunderstandings, which sooner or later may kill business. Bring your communication habits in line with what European buyers are used to. This includes the way you and your staff present yourselves at trade fairs or meetings, the way you deal with phone calls and emails, the way you handle delivery problems and misunderstandings etc. In everything, aim for clarity and punctuality.

Tips:

Create a strong first impression prior to your first meeting with a prospect by making sure you respond to all emails and phone calls promptly (preferably within 24 hours). This will convince the prospect that you are efficient and that you want to take him or her seriously. It will put him or her in a positive frame of mind even before meeting you personally.

First impressions are very important: the future of your business relationships can depend on them. At a first meeting, the 'chemistry' between you and the buyer is important; unconscious signals can create feelings of trust or suspicion. You can influence this chemistry by making sure you've done your homework and have a serious attempt to understand the challenges and needs of this particular buyer. This proactive, helpful approach can help you find common ground and develop a sense of mutual understanding. It can help you to get on well and have respect for each other, laying a strong foundation for business.

Don't avoid mentioning problems. These should be communicated as soon as possible. It is much better to try and find a solution at an early stage than to put off until matters are out of hand. Try to

resolve any issues face to face (or at least by phone). Taking the trouble to discuss problems openly will strengthen the collaboration, as you work together to find solutions. A problem that has been resolved can cement a good working relationship. Note that just sending an email about a problem often causes more confusion: think about the problem before you bring it up, then approach the buyer personally to suggest your solution and to hear what he or she has in mind.

Don't promise what you can't deliver. Be honest and reliable. Reliability is crucial in building up a good business relationship. Also be clear about what you expect from the buyer.

Make sure you complete each call or visit with a clear objective. Each meeting should be followed by a meeting recap so that both parties know what to expect and what to do next.

Plan the next step and make 'T&A plan' (time and arrival), in which you indicate what type of information is to be exchanged next, or which action is to be taken, and when.

For general information on business practices and cultures in specific countries, including communication expectations, check the World Bank Groups' [Doing Business](#) website and the EU-supported website of [Passport to Trade](#).

9. Get personally acquainted at the first meeting

In preparing your first meeting with a prospect, make sure you carefully consider your priorities and goals.

Tips:

A mistake many suppliers make is to focus too much on their product in the first meeting they have with a prospect. The most important goal of a first meeting is simply to get acquainted and to develop a basis of trust. Finding out if whether you have things in common, such as hobbies or interests – whether sports, travelling, gardening or cinema – can help you build good contact on a personal level. Even if you have different interests, it is good to know more about the person you are dealing with, what they find interesting, what their views are on life and business.

The next thing to discuss after you have made acquaintance is not your products, but your organization. A potential buyer will be looking for certain criteria to determine whether your company fits his or hers. Think of aspects such as capacity, delivery times, specializations, flexibility etc. Only after you have established a common basis does it make sense to start discussing products and prices.

An important part of the initial conversation is to give the buyer a good idea of your unique selling point (see also point 1).

It is also important to establish the conditions of payment during a first call.

10. Focus on moving forward together, always making an effort to keep listening to your buyer

Continuity is essential. A buyer will always measure your performance after the first season. If you want your business relationship to grow well, it is important that you invest extra time and effort in making sure the first season runs smoothly. Listen carefully to what your customer says about your performance, his or her needs and market developments in general; and try to find out what their expectations are and focus on those. Build

relationships at every level, from assistant to top management (don't rely too much on one person). And remember that listening is a skill that is often neglected in business!

Tips:

When you evaluate and discuss plans for moving forward, compare the growth potential and capabilities of the two companies to make sure they match at the organizational and service levels. Make sure the discussions about plans are realistic and practical. The better you manage to align expectations and goals, the more likely it is that the relationship will develop positively.

It is important to make sure that you develop relationships at every level of the other company or organization, so that your business does not depend on just one person. This involves making visits, taking time to get to know the different parts of the buyer organization etc.

Once your relationship is underway and you have done business together for one or two seasons, it is time to start a collection and/or development process. That way you will be able to develop customer-specific products and to home in on specific trends and customer expectations. You and your buyer will now grow as partners, establishing a firm position together in your specific market.