



[10 tips for doing business with European home decoration & home textiles buyers](#)

The European market for home decoration and home textiles is very competitive and diverse. If you want to succeed on this market as a supplier from a developing country, there are a many aspects to take into consideration. In this document, which complements our other studies on this market, we have collected some key tips for doing business with European home decoration & home textiles buyers.

1. Comply with the requirements of buyers

Every product has to comply with certain legal requirements to be allowed onto the European market. These requirements are mostly related to consumer health and safety. They involve anything from dyes that might damage the skin to electrical fittings for lighting. Some requirements involve the protection of endangered plants and animals and the protection of copyright.

Tips:

- Read our general study about [buyer requirements in the European home decoration and home textiles sector](#).
- Read our factsheets for information about requirements for specific products, for example about [dinnerware](#), [sleepwear](#), [cutlery](#) or [garden furniture](#). Or check the overview of all of our factsheets on '[Promising Export Products](#)'.
- Check the [EU Export Helpdesk](#) for information about import procedures, customs clearance, VAT etc. Always consult your buyers and prospects for their specific requirements: they will see your inquiries as a sign of professionalism and commitment.
- Take action if you don't comply with requirements, or your product will not be allowed in the market;
- If you do comply, tell your buyers and your potential buyers about it (e.g. in terms, on your website).

2. Prepare your own terms and conditions

When a buyer places an order with you, you enter into an agreement together. This agreement includes all kinds of general and special arrangements, as well as provisions, requirements, rules, specifications and standards.

You should have your own set of terms and conditions before you enter negotiations about the agreement. The advantages of having your own terms and conditions are:

- Trade on your own terms, or at least have a starting point for talks with your buyers;
- Avoid misunderstandings;
- Save time on discussing basic issues;

- Clarity in case of disputes;
- Strengthen your image as a professional business partner.

Terms and conditions generally include details on:

- Order confirmation;
- Payment terms;
- Delivery terms;
- Minimum order quantity (both in value and quantity);
- Labeling and packaging.

Specific terms for this sector can include:

- Design rights;
- Customized developments;
- Quality specifications.

It is advisable to include your terms and conditions from the very start, when you send a buyer your first quotation. By doing this you will answer a lot of the questions a buyer may have and create a solid basis for negotiations.

Tip:

- Read CBI's special report on terms & conditions for more information on this topic.

3. Package your product well

It is important that you package and transport your product in the right way, in order to get it to your buyers on time and in one piece. These are the steps you should take:

- Ask your buyers about their requirements related to packing, labelling, container size and treatment, possible preferential agents, date and port of arrival etc. Never assume you know, but be sure. This is part of the contract and you need to know all requirements beforehand in order to assess costs and possibilities. Avoid using too much material, as it may reduce the number of items shipped in the container and push up costs. Be aware that buyers need to pay for their waste, so excess packaging raises cost at the receiver's end. Package your products to a maximum level to protect them and to avoid claims for breakage and rejects.
- Explain realistically what you can do in terms of packaging, labelling etc. Suggest various options. Some of these options might be better than your buyer's requirements;
- Agree on a final course of action and make sure it is stated in the order specifications sent along with the purchase order;

Tips:

- Be aware of environmental issues related to the use of packaging materials. See the EUR-Lex website for [more information about packaging an package waste rules](#).
- Pack your products cleverly to avoid shipping air. Develop a package for difficult shapes or extra vulnerable items before you offer them in your new collection.
- Standard packaging is part of your terms of trading and therefore also part of your pricelist. Try to accommodate any specific additional buyer requirements with regards to packaging - without extra charge, if possible. Your FOB price will include standard packaging, however, special packaging - for example, using extra thick cardboard - can raise the cost. Make sure you clearly define what you mean by standard packaging in your terms and conditions.

- Check our factsheets for information about packaging specific products. See for example our factsheet about [coasters](#), [bird houses](#) or [blankets](#). For the other factsheets, check our page about [exporting home decoration and home textiles to Europe](#).
- Check the EU Export Helpdesk for [useful information on legal requirements with regard to the use of certain packaging materials](#) (e.g. wooden crating).

4. Be flexible

A lot of European buyers today want shorter lead times and smaller order quantities. This is a result of the economic crisis and of the fact that buyers want to offer more variety to remain competitive. Shorter lead times and smaller volumes decrease their financial risk (smaller investments, shorter pre-financing periods) and increase their chances of commercial success (more exclusive offers and a collection that changes more quickly).

As a small to medium sized producer, you have a distinct competitive edge over larger producers when it comes to flexibility in production. Smaller, more frequent orders can even help you in ensuring production throughout the year.

Tips:

- Show new design ideas and samples throughout the year;
- Stay in touch, also after supplying an order;
- Be aware of the buying and selling cycles of your buyers;
- Ensure timely delivery (this is becoming more important, as cycles get shorter and more frequent);
- Ask buyers to share their ideas and trend information with you, so you can anticipate;
- Work together on a projection of future sales, so you can start planning production;
- Keep your most important raw materials in stock, so you can decrease production time;
- Transport is a major part of the cost, so actively seek new solutions for transportation (of smaller quantities) and shop around at different transport agents.

5. Show interest in the business of your buyers

Buyers often complain that producers are too preoccupied with selling. It is important for buyers that you show interest in his business, market and customers and that you try to find out how you can serve him and his customers better. This approach takes more time and effort than merely doing sales, but it will enable you to grow your business together over time, rather than focussing only on quick wins.

Tips:

- Show your buyer you are ready to make an actual commitment. This may involve pre-stocking part of his basics collection, pro-actively investing in product development and sampling, tendering with transport agents to get a better deal for the buyer as well as for yourself etc.

- Think along with your buyer, e.g. by considering possible cost-reducing measures, looking at alternative or new raw materials to reduce cost and increase design flexibility, or consolidating orders on behalf of your buyer.
- Stay involved, also after supplying the order.
- Share risks and responsibilities, such as in working capital (order funding), in testing procedures, the cost of certification, or through exclusivity deals on lines developed by and for a specific buyer.
- Be proactive, rather than passive.
- To gain insight into what is popular on the European market, check CBI's studies on [home decoration and home textiles trends](#) and on [demand in the home decoration and home textiles markets](#).
- Check CBI's study on Finding Buyers in the European market for home decoration & home textiles.

6. Communicate in a clear and honest way

A key-component in a good relationship between you and your buyer is clear and honest communication. European buyers usually communicate quite directly and they expect the same kind of clarity from you – not only when things are proceeding as planned, but especially when things are not going according to plan (delays in production, quality issues etc.).

Tips:

- Be to the point, realistic and honest;
- Be clear about what you have to offer;
- Communicate in proper English;
- If things are not going as planned or agreed, inform your buyer as soon as possible;
- Respond to emails within a day;
- If an email from a buyers contains a complicated request, acknowledge that you have received it and ask for time to get it sorted out.

7. Always try to engage in personal contact with prospects

Today's digital communication technologies, such as email and Whatsapp, make it easy to touch base with prospects and customers quickly and efficiently. Nevertheless, nothing surpasses personal contact if you want to gain trust and build a lasting relationship.

Meeting your buyers in person and having face-to-face contact is the best way to develop a strong business relationship. In a personal meeting, you can share ideas and backgrounds, talk through challenging issues and build a basis of trust. While mailings and emails may seem quick and effective, personal meetings will yield far better business results.

Tips:

- Invite prospects to visit your country – and when they come, make sure you take time for them, give them excellent treatment and provide them with a realistic understanding of what you have to offer.
- Buyers also often make use of trade fairs to meet with potential or existing suppliers. It may be an option for you to combine trade fair attendance – even if you are not exhibiting – with customer appointments or a field trip that includes several visits to tour operators' offices. Do not plan this too far in advance; send an email or call one week before you plan to visit their country, mentioning that you will be at the fair.
- If there is no possibility to meet at the fair, you have a good reason to suggest a visit to the office. The advantage of this approach is that you can meet multiple prospects during one trip. That way, you will reduce travel cost and combine meetings with catching up on the latest trends at the trade fair.
- If a personal encounter is not immediately possible, you can find other ways of making your contact as personal as possible. Consider telephone calls, Skype or other VOIP methods.

8. Show buyers you want to understand their business needs and wishes

A complaint often uttered by buyers is that producers are predominantly occupied with selling only, rather than thinking along with their buyer. It is important to show an interest in the buyer, his business and market. And to find out how you can be of more service to your buyer- not just to be polite, but because it will help you be a better partner and sell more products. Working in this manner, rather than focussing only on quick wins, will allow you to grow your business over time.

Tips:

- Avoid short-term thinking, focus on a long-term relationship
- Show you are ready to make an actual commitment
- Think along with your buyer
- Stay involved, also
after supplying the order
- Share responsibilities
- Be proactive rather than passive

Check CBI's study on [Finding Buyers in the European market for home decoration & home textiles](#).

9. Accept longer payment terms

Due to the economic recession, payment terms in Europe are getting longer and down payments are become less common.

- Be prepared to wait for your money – and that suppliers who have the financial resilience to do

this will have more chance of securing orders.

- Larger buyers in Europe, especially, will lay down their own payment times, often 90 days or longer, offering no room for negotiation. If you can negotiate, realise that you must offer good value – for example, extra services or better delivery times – in order to get easier payment terms.

10. Specialise!

A lot of suppliers targeting the European market for home decoration and home textiles are generalists. This means they offer products similar to those already being offered by many others. One of the best ways to capture the attention of buyers in Europe is to offer something that is special, unique, distinct.

- Make sure your company has a strong focus: rather than telling buyers you can do ‘everything’, specialise in some area, such as production methods, materials, functionalities, design, marketing and communication or a combination of factors like these.
- Ask yourself what your business – as well as suppliers and your employees – are best at. Decide whether that specialty offers you an opportunity to stand out from others. If it does, do everything you can to become an expert in that area, or to train your employees into becoming experts.
- Get inspired by browsing the overview of all of our factsheets on [‘Promising Export Products’](#).