

## 10 tips for doing business with European buyers

Identifying and finding the right type of buyer is only the first step in doing business. The biggest challenge is convincing potential buyers to do business with you. This requires a clear understanding of European business culture and buyer expectations. This report will help you understand what is needed to gain a competitive edge, to successfully approach a potential buyer and how you can develop a long-lasting business relationship with them.

### Contents of this page

1. [Try to connect with buyers both personally and professionally](#)
2. [Advertise your unique selling points](#)
3. [Always be honest](#)
4. [Present your products in a logical manner](#)
5. [Offer a substantiated price quotation](#)
6. [Be prepared to make a good impression at trade fairs and personal visits](#)
7. [Stay in contact with your buyer regularly](#)
8. [Keep buyers happy by finding out their expectations, then try to exceed them](#)
9. [Join an export coaching programme](#)
10. [Focus and expand your business](#)

### COVID-19 and its effect on the European fashion industry

Due to the COVID-19 pandemic, much of the European fashion industry has been in crisis mode during the year 2020. This has had serious consequences for suppliers, with billions of US dollars in orders being cancelled at factories worldwide. Both buyers and manufacturers have begun the process of re-thinking their business setup. This means risks for manufacturers, but it can also offer opportunities. Buying closer to the market and keeping stock as low as possible are a few of the solutions that European buyers are looking for.

There are different ways to accommodate buyers while protecting your own business:

- Source from fabric suppliers that can manufacture fabric faster to improve your lead time and responsiveness.
- Source from fabric suppliers that can offer you stock service.
- Keep stock fabrics (pre-paid by the buyer).
- Change your manufacturing setup to create the ability to manufacture small orders.
- Ask for prepayments and investigate the financial stability of new buyers.

### COVID-19 prevention on the work floor

Expect EU buyers to be unable to travel during the COVID-19 pandemic due to travel restrictions. They will expect you to follow local rules and regulations concerning worker safety and COVID-19 protection. Make sure you communicate this properly and show the steps you have taken to protect your workers and to create a safe working environment.

#### Tips:

Read the [CBI study on how to respond to COVID-19 in the apparel sector](#).

Read [McKinsey's The State Of Fashion 2020 Coronavirus Update](#) for an analysis of how the fashion industry is adapting to the coronavirus pandemic.

For updates on policy responses to COVID-19 in different European countries, check the [IMF's COVID-19 Policy Tracker](#).

## 1. Try to connect with buyers both personally and professionally

When doing business with European apparel buyers, connecting with them personally is just as important as talking business. Most buyers are looking for long-term business relationships because switching buyers too often results in extra costs and uncertainty. When you present yourself for the first time to a potential buyer, introduce your company and yourself first. After your introduction, talk about products and prices. Try to understand your prospective buyer's cultural and personal background and make them understand yours.

Approaching potential buyers directly works best. The most cost and time efficient way is calling the company you have identified as an interesting prospect or sending them a personal message via internet. You can do this by email or using a [LinkedIn](#) message (see section 2). When a prospective buyer is interested and the situation allows it, try to arrange a meeting, for instance, at an (online) event you are both attending. Exposure in popular European trade media helps build authority and makes it easy for prospects to find you.

There are cultural differences between European countries. On average, countries in Northern and Western Europe have an informal business culture, putting more emphasis on flexibility and quickly working towards a mutual understanding. The countries in Southern and Eastern Europe have a business culture that is a bit more formal, with emphasis on hierarchy. In any case, connecting with a buyer personally, in addition to having a good business proposition, of course, is the best guarantee of smooth communication.

### Tips:

When first contacting a prospect, try to direct your telephone call or online message to the right person. When emailing, avoid general company addresses such as info@companyname.com. Try to find personal telephone numbers or email accounts via an online search engine, on the company's website (search for 'our team', for example) or on [LinkedIn](#). When introducing yourself, always make clear how you got the contact information.

Always start a conversation with an introduction of your company and your personal background. After you have made a personal connection, elaborate on products and prices.

A shared friend is often the easiest way of opening doors. Find out if you have mutual connections in your network, for example, when a buyer is already sourcing in your country. You can also search for shared connections on LinkedIn.

Even before the COVID-19 pandemic, communication tended to be primarily digital. Personal, physical meetings used to be very important as well, but the current COVID-19 policies in many countries do not always allow this. If you both feel comfortable meeting and you see an opportunity, try to schedule an appointment and follow COVID-19 prevention rules. Otherwise, arrange an online video call.

When you have managed to get the attention of your prospect in a personal setting, focus on your conversation partner. Ask questions. Try to listen more than talk and keep your phone on silent mode.

Bringing a gift to a first meeting is acceptable, but only when the gift does not represent a substantial value.

## 2. Advertise your unique selling points

If you want to turn leads into buyers, it is very important that you advertise your company's unique selling

points (USPs). Good quality, competitive pricing and on-time delivery are not USPs. They are non-negotiable requirements. Unique selling points are qualities of your organisation or product that make you stand out in the crowd of suppliers, such as: unique designs, flexibility with low minimum order quantities, extra-fast delivery, high service levels, transparent supply chain and a good corporate social responsibility strategy.

Always try to understand the specific requirements, challenges and ambitions your prospect has. Check your buyer's website. What kind of collections do you see? What is the main target group? Which certifications does he or she require? What are the company values? Read trade media, such as [FashionUnited](#), [Just-Style](#) and [The Business of Fashion](#) to learn about trends and challenges your buyer might face. When making first contact, show that you have understood these issues by adjusting your story to your buyer's specific needs.

You are selling your company just as much as you are selling your product. A potential buyer needs to be convinced that your factory is reliable and will comply with all their legal and non-legal requirements. If your factory cannot comply, your prospect will not start business with you, even if your products and prices are exactly what he or she is looking for. It works to describe your factory on your website and on promotional material. Make sure to include professional pictures and quotes from your management team and employees.

Figure 1: Example of a garment manufacturer's webpage promoting its USPs



Source: FT Journalistiek

### Tips:

Find out what your USPs are. Ask both your current buyers and your employees what they appreciate in your company. A good way to guide your thinking process is to do a SWOT analysis. [This Youtube video explains how to do it.](#)

Never approach potential buyers with a generic offer. Always investigate their needs and ambitions and adjust your story accordingly. Use your USPs to connect with the buyer's specific challenges and ambitions.

Make a nice presentation of your company and your products in PDF or Microsoft PowerPoint. Include pictures from the production floor, short descriptions and quotes from your management team and production staff. Also include professional photographs and clear descriptions of your products. (see also section 4).

If you don't know how to make a professional presentation, hire a marketing professional to do it for you. Use [Upwork](#) or [Fiverr](#) to find suitable marketing professionals.

Get inspiration from the following manufacturers, which do a very good job of showing their USPs: [Hawthorn](#) (low MOQ), [Crystal Group](#) (company story first, product later), [Kanoria Africa](#) (sustainable production).

### 3. Always be honest

Trying to impress a potential buyer with unrealistic claims is a trap many manufacturers fall into. It is true that you have many competitors from all over the world and most European buyers receive multiple offers from manufacturers a day, mostly via email or LinkedIn. Making unrealistic promises, however, is not a good way to win over buyers. Buyers usually know that such promises are unrealistic. Even when they don't know beforehand, you will not be able to keep them. Always be honest when you connect with a potential buyer.

#### Tips:

Never introduce yourself as the best manufacturer in your country. If you are, the buyer would probably have known you already.

Don't claim that you can make 'any product' or 'do everything'. Buyers will not believe you, because even the biggest, most innovative factories specialise in a product category. They may also suspect that you use subcontractors. Speak only about the products that you specialise in, which will much more likely convince any buyer to do business with you.

Don't offer an unrealistically low price. Most buyers have a very clear picture of the prices that manufacturers can handle. Don't try to win over potential buyers with a low price only to disappoint them later in the process with a higher price.

Only use true references on your website. It is easy for buyers to investigate if you have really produced for certain brands and retailers, especially if their price range and market segment don't match your company's capabilities.

Answer your buyer's questions. If they have questions that you don't know how to answer, try your best to find an answer. If you can't find a good answer, say so honestly. This will make you look more professional than simply ignoring certain questions or making up answers.

### 4. Present your products in a logical manner

When you first advertise your products to buyers, don't present every product in your collection, but advertise your skills and associated machinery. Show detailed pictures on your website or other promotional material of

representative styles and include information on the materials you can work with. Show technical details regarding stitching and seaming techniques, prints and washings. Later, when your buyer has placed an order with you, he or she will use a 'tech pack' with all the technical specifications needed to make the item.

### Tips:

Invest in good product photograph. Check, for example, how [Zalando](#) does it. Apparel items should always be photographed in the same manner. Never present an expensive item in a cheap manner.

Build an easily accessible archive of product photos, including salesman samples, collection samples and production samples. This way you can always provide new buyers with examples of styles you have made in the past.

Don't forget to include the bill of materials (BOM) in your archive. This is the costing sheet for all the materials needed for a certain style. This way you can estimate a price fast.

Read [this article on Techpacker for background information on making a costing sheet](#).

## 5. Offer a substantiated price quotation

Most European buyers know very well which costs are involved in making and delivering a certain product. Show that you know, too, when you make a price quotation. This will improve your negotiating position and make it easier to negotiate a deal that is satisfactory for both you and your buyer.

Buyers expect to pay less per piece when they order large quantities. Don't quote too high when they want to start with small quantities. It is normal that they want to test the business relationship. Just agree that they will increase order quantities if the collaboration is successful. On the other hand, buyers may ask for a price based on a quantity but lower the quantity once they place the production order. Always mention that your buyer will face an upcharge in case the order quantity is below the quantity mentioned in your quotation.

Although there are no standard discounts, promotions or other incentives in the apparel industry, some buyers may request discount percentages, such as 'no claim', 'marketing costs' and 'end-of-year bonus'. Expect requests for discount percentages between 1% and 5% per discount. Do not forget that you need to include such special discounts in your costing.

There are no standard gross profit margins for garment manufacturers. This does not mean you can always calculate any gross profit margin you like. Try to keep your margin realistic. Expect anything between 12% for a big order for a value retailer, such as [Primark](#), for example, to 100% for a small order of 100 pieces, for instance, for a small brand. Try to calculate at least 20% on the FOB (Free on Board) price for any order that covers your minimum order quantity (MOQ).

### Aim low

Before COVID-19, European fashion CEOs [expected the value and discount markets to do well in the coming years, together with the luxury market](#). In 2020, all European fashion market segments are struggling, leading to [cancellation of billions of US dollars in orders](#) and plummeting prices. This means it is more important than ever that your price-quality ratio is right and that your price range is as competitive as possible. It also means you must make sure you get paid for the orders that you produce.

### What to include in a costing sheet

When making a price quotation, at least the following costs should be included: CM (working hours for 'cut and make'), fabrics, size breakdown, labels, buttons, badges, embroidery, printing, sewing thread, interlining,

padding, hang tags, safety tags, polybag, carton box, export carton, and wastage.

Other factors that influence costing are quantity, quality, delivery date, and payment terms. Don't forget to address each of these issues in your quotation, or you might end up quoting too low and losing money. Check [Ordnur from Bangladesh](#) for a very useful selection of costing sheets for different apparel items.

### **Tips:**

Most buyers will ask for FOB delivery. This means that you need to arrange all components of the product and, once produced, handover the shipment to a nominated forwarder. If your buyer nominates suppliers, it is important to check their costing and delivery times before you quote a price. Nominated suppliers are often more expensive than your own.

Never forget to include the cost of salesmen samples (SMS) in your quotation. In case your buyer requires SMS and is not willing to compensate you for the cost of preparing and delivering them, calculate 1,5 to 2x FOB for the samples.

Sometimes buyers will specify a requested quality with only minimal information, such as '100% cotton'. In such cases, ask for details such as yarn count, weight and finishing. If your buyer can't specify their requests, then select an existing quality from your collection that is similar to the requested quality.

Always mention that your quotation is valid for a limited-time period, such as 10 days. This is to prevent the risk of higher costs for you when you start production because the currency exchange rate or fabric price has changed.

## **6. Be prepared to make a good impression at trade fairs and personal visits**

Studying your potential buyers, analysing your USPs and preparing nice promotional material is only half the work. The other half is making a professional impression when meeting buyers. This can be online in a personal meeting, at an online trade mission or fair or, if the situation allows it, at a physical trade fair, at a matchmaking event or during a personal visit.

One of the biggest mistakes manufacturers make when meeting buyers is to first throw a large selection of samples on the table. Remember: Always try to connect on a personal level first. Then tell about your company's history, values and ambitions. You are trying to sell your company more than you are trying to sell your products.

Now that most interactions with potential and existing buyers can only occur online, it will be more difficult to impress them. This makes it extra important to prepare a professional and creative presentation to help you stand out. Invest in professional photography, videos and presentations. This will decide the success of your participation in any online event. For instance, check how Hong Kong-based manufacturer Neo Concept presents its products in [a nice interactive slide show](#) with clear explanations and references to fashion trends.

### **Your country's image counts**

Some production countries have a difficult reputation in Europe. For example, after the Rana Plaza factory disaster in Bangladesh in 2013, many European buyers became wary of buying in Bangladesh. This worsened after safety incidents involving foreigners. Pakistan also suffers from an image of being unsafe to travel. A country like Ethiopia is considered risky by some European buyers because of low wages being paid. In such cases, you should try to adjust your company policy to mitigate these perceptions.



Study your country's score for [ease of doing business](#), [level of corruption](#), [safety risks](#) and [CSR risks](#), and try to adjust your company policy to address possible issues. For instance, when buyers are wary of sourcing in your country because of [living wage issues](#), try to set up a living wage programme. Dutch workwear manufacturer [Schijvens](#) is a good example. If buyers don't want to meet you in your country because of safety risks, try to meet them in another country.

### Tips:

When participating in an event where you can meet potential buyers, such as an online matchmaking event, a trade mission or a physical trade fair (if the situation allows it), create a list of potential buyers and inform them about your participation. Do the same for current buyers. Research the target group, prepare a nice-looking presentation or a booth in the case of a physical trade fair (hire a professional designer), create a special collection using unique designs and qualities and advertise your USPs clearly.

Check upcoming online trade shows at [Fibre2Fashion](#) and [FashionUnited](#). The FashionUnited calendar does not specifically list online events, but most tradeshow listed here have gone online.

When you participate in a physical trade fair and potential buyers are passing your booth, make them feel welcome. Stand up, don't eat in your booth and don't stare at your phone all the time. When you are talking to a potential buyer, put your phone on silent mode.

When wrapping up a conversation, confirm the agreements that you have made during the conversation. Never say goodbye before you both agree on the follow-up.

Follow up on appointments that you have made with a potential buyer within 24 hours. Send promotional materials, samples or answers that they have asked for. If you don't have any materials, samples or answers yet, at least manage expectations. Thank your buyer or prospect for the chance to connect and tell them when they can expect to hear from you again.

## 7. Stay in contact with your buyer regularly

One of the main complaints that European buyers express about suppliers from developing countries is that they do not communicate well. In this matter, there is little difference from buyers from different parts of Europe. If you want to grab — and hold — the attention of your buyer or prospect, you need to be proactive, punctual, polite and clear.

This means, for example, that you must be prompt and honest in answering emails, provide clear information, be reachable to your customers, notify them of changes, delays or problems, and stay informed about their business by following their developments, asking questions and trying to understand their challenges.

If this is too much work for one person, you can connect your buyer with different members of your team in different steps of the buying process: the sales manager, production manager, logistics manager, etc. Make sure they speak proper English or arrange a translator. Connecting your buyer to multiple employees guarantees that he or she will always find someone available at your company that can help with questions.

### Tips:

Always reply an email or call from a buyer or prospect within 24 hours, even if it is just to confirm that you have received the message and you will reply more elaborately at a later moment.

If you don't speak the same language as your buyer, or you can't fall back on English, which can

sometimes be the case in Spain, France, Italy or Greece, for example, try to communicate via email or arrange for someone who speaks the buyer's language, when you have to make a call.

Try to minimise the number of emails. Make a T&A (time and arrival) plan, in which you indicate what type of information is to be exchanged next, or which action is to be taken, and when.

For short updates via text, photo or video, try [WeChat](#), [WhatsApp](#) or [Signal](#). To make free video and conference calls, you can also try [Skype](#) or [Google Meet](#).

Make it part of your strategy to regularly contact and visit your buyers if the situation allows it. Try to see your buyer face to face at least once every season.

Be honest and upfront if problems arise. It is better to try to find a solution at an early stage than to put off until matters are getting 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.

## 8. Keep buyers happy by finding out their expectations, then try to exceed them

Finding new buyers takes a lot of effort, so it is important to keep the ones you have. On top of all legal requirements and the non-negotiable requirements your buyer has, he or she also has many expectations of you. Try to find out what they are. If you don't yet meet all these expectations, try to improve. If you do already meet them, still try to improve and exceed them. This should be a continuous process.

It is not very common in the fashion industry to share evaluations between buyers and suppliers. By doing this, you can stand out of the crowd. Define a set of key performance indicators (KPIs) and measure them throughout the year. For example: 'How much time do I spend on this buyer? What is the ratio between samples and actual orders? How many rejections do I get? How many claims? What is my revenue?'

Your buyer will have KPIs for you too, although he or she may not share them with you. Buyers will measure things like: 'How many orders has this supplier delivered on-time? How many quality complaints do I have? How is the design input and the fabric sourcing? What is the price level compared to my other suppliers? How are the items selling in the shop?' By measuring your performance and asking for a yearly evaluation meeting, you can find out your buyers' implicit requirements, prevent issues and work to exceed expectations.

### Tips:

Ask your buyers what they precisely expect regarding product quality, rejections (acceptable quality level), price level, delivery speed, flexibility, product design, fabric sourcing, communication, service level, transparency and CSR. Also try to find out how your buyer expects this to develop in the future.

Define KPIs for your business relationship with your buyer, measure and ask for a yearly meeting with your buyers to evaluate your relationship.

Read the CBI study on [apparel buyer requirements](#) to learn what mandatory requirements and other expectations European buyers have.

Avoid building and maintaining a relationship only with your buyer's sourcing manager. Try to get in contact with the management team as well. Sourcing managers tend to regularly change jobs. When you have a good relationship with management, you don't have to start all over with the new sourcing manager.

When your sourcing manager changes jobs, stay in contact. They may introduce you to a new buyer.



## 9. Join an export coaching programme

Don't underestimate how difficult it is to strike the right chord with European buyers if you have never done business with them before. Even if you have, it can be difficult to engage with buyers in a professional and convincing manner. If you need help with understanding European business culture, analysing your USPs and doing business with European buyers, connect with an export coaching programme in your country. Several international support organisations help the apparel industry in developing countries with export coaching.

Such organisations will help you analyse your performance and train or coach you to improve, from sourcing materials to production and sales and marketing. Many programmes also have a matchmaking component, meaning they will get you into contact with suitable potential buyers, during a trade mission or at a trade fair.

### Tips:

CBI offers export coaching, including marketing advice and matchmaking, such as in trade fair participation, to SMEs in 35 countries. Check the CBI website for an [overview of current apparel programmes](#).

Other organisations that regularly offer coaching programmes for apparel exporters in developing economies include the [UNDP](#), [DFID](#), [DANIDA](#), [ITC](#), [GIZ](#), [ICCO](#) and [Solidaridad](#).

[PUM](#) is a Dutch NGO that offers practical, on-site support by senior apparel industry experts from the Netherlands. Be specific in your request. Some PUM coaches are experts in production management, others know more about marketing and sales.

Investigate if your country has a support organisation for exporting apparel to Europe, such as India's [AEPC](#), Egypt's [ETDA](#) and Ethiopia's [ETIDI](#).

Connect with different NGOs active in your country and ask if you can join an export coaching programme.

## 10. Focus and expand your business

Many manufacturers make the mistake of doing business with many different buyers in different niches and price segments. Although it is not easy to turn down a request for quotation or to stop your business with an existing buyer, having too many different buyers complicates business and will hamper your growth. With every buyer comes a different communication process, different materials, machines, machine settings and skills. Your employees won't specialise themselves when they always work on different styles. This hampers efficiency. Focus on the buyers and the orders that can make your business grow.

### Tips:

Regularly analyse your buyer portfolio. A rule of thumb is that your top-three buyers should represent 80% of your total turnover. The remaining 20% can be a mix of many different buyers. At the same time, prevent your company from becoming too dependant on one buyer. Always make sure your buyer portfolio enables you to move in case of changing business or price pressure.

Investigate your prospect or buyer to decide if he or she fits your company strategy. If that is not the case, you should consider turning down a request for quotation or stopping the business, if it is an existing buyer).

When you are working successfully for a department within a buying company, the women's fashion department, for example, it makes sense to approach other departments in the same company, such as men's or children's fashion. This prevents too much dependency on one department or one contact person.


## Further reading

- The CBI's [10 Tips for Finding European Buyers](#) will help you understand where you can find interesting prospects and how to approach them.
- The CBI's [10 Tips for Organising your Exports to Europe](#) will give you quick answers to the most pressing issues that come into play when organising your product's shipment to Europe.


This study has been carried out on behalf of CBI by [FT Journalistiek](#).

Please review our [market information disclaimer](#).

Follow us for the latest updates

(opens in a new tab)  Twitter

(opens in a new tab)  Facebook

(opens in a new tab)  LinkedIn



[RSS](#)