

Client services for fresh pineapples

Finding buyers is a very important part of the export process. Your challenge is to find the right trade partner that is suitable to handle your product and to whom you are able to supply. The essential element of any trading relationship is trust. If you choose for export, you must find a common understanding - even if your cultures are different - and speak a 'common language'. In your selection, the best would be to search trade partners (buyers) for a long period. Your own judgement and instincts are most important in this respect.

This module gives an overview of:

- 1. Punctuality, reliability and transparency
- 2. Knowing your trade partner
- 3. Being service-minded
- 4. Dealing with returning goods

1. Punctuality, reliability and transparency

In a dynamic international business environment, it will be necessary for you to be practical, be experienced and be prepared to unforeseen situations in your export business organisation to EU buyers.

Following tight delivery schemes is particularly complicated for African SME managers which understandably is closely related to a different business culture and unforeseen situations.

Most African managers struggle with a well-organised, efficient and increasingly fast way of doing business in Europe. This is exacerbated with problems in infrastructure, communication equipment (slow internet connections). These problems and the difference in culture can lead to misunderstandings, delays, awkward decisions or unclear behaviour.

However, the times are changing and the increasing globalization of the large agro-multinationals and the expansion of the Chinese on African continent, forces all African stakeholders to improve the competitiveness. A pro-active way of doing business and better organization will be very necessary to survive. This trend is spreading throughout all the exporting countries in Africa since Costa Rica has taken over the lead position from Cote d'Ivoire.

Punctuality, reliability, transparency → do's

- A good preparation in your organisation for export is necessary. There
 are still many companies who lack the necessary departments (e.g. overseas
 sales, customer service, and logistics) and personnel to establish an export
 business.
- Check your own infrastructure internally (order control/pads, shipping, customer service, the right sales and marketing people, English or French

language skills, capability of your own suppliers, and, of other stakeholders in the chain.

• Paying attention to the punctuality is a priority for many African entrepreneurs even if social events (wedding, ceremonies etc) still have a big impact on their (professional) life. Business comes first.

Example. The fruits packing station is located in a village. Suddenly, the chief dies and business must be closed during the funeral events. In this case, think about the consequences and inform clearly your client. Try to re-negotiate a new deadline with him or to try to contact another pineapple supplier who could help you out. Note that the pineapple quality should be identical to yours and agree with this supplier not to become your competitor!

- **Establish some preventive measures** (back up team...) so that they could be able to offer alternative solutions when you are faced with urgency. This is as well a commercial argument when you are prospecting buyers!
- **Traceability** is a part of quality and fair trade policy, use this tool to improve your transparency and reliability! This helps to build up customer loyalty and a cooperation that is more sustainable.
- Nowadays the expansion of fair trade is an opportunity for the value chain actors to growth in the sustainable way in offering tracking and tracing possibility to the client → Make this opportunity yours!
- **EU people value order, privacy and punctuality**. They are hardworking and also expect this from their suppliers. Once they are convinced that you take the cooperation very seriously, there will be a strong desire for belonging, as well as a sense of community to enter the market successfully.
- Your loyalty-building strategy should look for continual ways to communicate with and educate your client about the benefits of the cooperation and transparency. You could do this through building trust and openness in your pineapple production, or in your country, newsletters or incentives. A newsletter, especially by e-mail on a regular basis is a very popular and cost-effective way of doing this.

Punctuality, reliability, transparency → don'ts

 Avoid an attitude that is likely to be interpreted like fatalism except if your clients adhere to it. Otherwise buyers could think you cannot keep business under control.

Example. You can't say to your buyer: 'We missed the ship - that was god's willing'. As this won't be taken as an excuse, try to explain him what went wrong and what you will do to prevent this in future.

- Don't share your contract details with supermarkets or retailers but stay confidential about this.
- **Don't be late** while having a meeting with the importer. If the meeting is held in Europe, carefully check before the 'd date' how to get to the meeting point, how long it takes to get there etc. Try to be there 15 minutes in advance to be on the safe side and to anticipate on transport delays. If so, call him and tell him about your delay.
- Don't sell merchandise which in fact you are not able to supply. Even if you are relying on your local business partner/small holder for supply, make first sure what quality/quantity of goods are available, and when exactly they are able to supply this.
- Don't sell the crop to a buyer, while you already sold this to another buyer. Even if you are attracted to the higher price of the other buyer, it will harm your image.

- Don't be a short-term entrepreneur you could run your enterprise by involving more stakeholders to prevent bankruptcy.
- **Don't bypass** importers and wholesalers and deal direct with retailers or to supply supermarkets unless they have approved this. This will add up to your reliability.

2. Knowing your trade partner

African exporters have had several trainings from NGOs and Trade Promotion Organizations in partnership with the local authorities. However, the gap in business culture is still significant. If you choose for exports try to know your business partner better and stay update by staying connected.

Business culture

Talk the right language. For Francophone exporters, the English language is still a big barrier for EU market access. The best is to learn English. If this is really impossible employ someone who speak good English and use a professional translator during business meetings or presentations.

Appointments and greeting. Business cards in English are usually acceptable. Appointments must be made 1 to 2 weeks in advance. Punctuality is taken extremely seriously. A firm handshake is the traditional greeting. Wait to be introduced.

Business culture is different. For each EU country you can find more information on business culture (etiquette, customs and protocol) and some advice on the site of kwintessential

Presentations

Make sure you have the appropriate information to back up the points you are making. A clearly argued presentation is preferred to a lively one.

Keep the language simple and direct. Europeans often look for faults and highlight them openly. Do not take such comments personally, as they are objective comments based on information they are presented with. Try to anticipate potential criticism, otherwise your negotiating position could be undermined.

Staying connected

- Get connected with your sector specific networks (BSO) to keep up to
 date on the regulations or on what's on in discussion groups (Linkedin), or
 start up a discussion yourself. Look at sites of relevant conferences.
- Try to gather as much as possible relevant information from your connections such as consultants, colleague exporters or BSO institutions.
- Take some time for market intelligence and read the documents, or hire a marketing staff who can select the most relevant insights for you.

3. Being service-minded

The export services include instructions given to packers and road, railways, sea carriers and all related documentation and correspondence. Most often smaller and medium sized exporters do not have such proper export services. This customer service is crucial, even if you have this carried out by a special crew.

Being service minded → do's

- When you are in charge of providing cardboard boxes, they must meet all importers' and logistical specifications (size, weight etc).
- All documentation that must travel with the fruits must be compliant with international rules and trade regulations. If the documentation is wrong or missing - but the cargo has been already loaded on the ship - your commercial partner will spend time and probably money to resolve the paperwork. This will be with your involvement!
- These documents are (non-exhaustive list): invoice, packing lists, certificate of origin, phytosanitary inspections reports etc. Documentation must be fulfilled accurately.
- Traceability and quality management system are necessary to provide better client service.
 KPI (Key Performance Indicators) could be applied to: growers, harvesters, technical trainers, brokers, carriers etc. Give them incentives to keep their service aligned with your export market needs.
- Ask your client's opinion on how they use your service and how you can improve this for them.
- Stay in control of your delivery service by checking regularly the updates on the non-tariff barriers e.g. on the CBI site or the WATH (West African Trade Hub - www.watradehub.com
- The best is to anticipate on upfront problems and warn the clients. You will feel appreciated and this will improve the business atmosphere.
- Do raise infrastructural issues to your nearest BSO; they are your 'bridge' to the ministry
 of commerce that finances road, warehousing and multimodal service centers.

Being service minded → don'ts

- Don't sell the packaging of a specific client to someone else, without prior approval.
- Have someone speaking English to discuss logistical or customer service issues with your client.
- Never hesitate to demand the forwarder to update you on the shipment status (even in case of FOB) and inform the client. E.g. vessel is delayed because of weather etc.

4. Dealing with claims

The return to the buyer' is not in use in the fruit and vegetable business. Either the lot is good and it is sold as it is - or it is deemed of lesser quality and sold for cheap or almost nothing to cover transport costs. Transport costs are 'very' expensive. When an exporter is not sure of the quality there is no need for him to export.

In the case of air transport fruit arrive ready to eat, if quality is not good then there is no need to pay extra transport costs to send it back. Paying for the return trip would exceed by far the worth of the lot. The importer will rather pay for its destruction (a certificate is delivered in such case).

In the case of sea transport, the reasoning is the same, as the fruit will be so old after being returned that nobody will pay for this.

Claims → do's

- Make sure you have mentioned in the sales contract how non-compliant orders are carried out - refund, destruction, alternative uses, offering a discount? In case of no contract, you can discuss this with your client.
- Reserve some money for covering discount sales or loss so that you can keep having cash flow.
- Have an appropriate carriage insurance policy.

Claims → don'ts

- Never act otherwise but according to what the sale contract indicates or what you have agreed with your client.
- Don't forget to act quickly in case of dispute in order to find a common ground.

This survey was compiled for CBI by **Searce** in collaboration with Thierry Paqui and Aziz Dabo

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