



German Business Customs And Practices



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The Road To Global Success

While Germans and Americans have much in common, the information in this brochure highlights topics where cultural differences in behavior, values and priorities can come as unwelcome surprises. To make your experience at one of the trade shows in Düsseldorf as successful as possible, let this tips sheet be your introductory road map to intercultural business understanding with Germans.

- ◆ Be observant of details
- ◆ Listen for what is said and is not said
- ◆ Ask questions
- ◆ Keep their perspective in mind

At The Show

BUSINESS ATTIRE: German trade shows are conducted in a more formal manner than in the United States. Therefore, formal business attire is appropriate. Khakis and golf shirts are generally too informal for shows in Europe.

GREETINGS: Generally, German trade show participants do not wear name badges. Say, "How may I help you?", to start. Save introductions until the booth visitor has indicated interest. An introduction made too early would be considered intrusive and superficial.

BUSINESS CARDS: Business cards are not given out as freely in Germany as in the U.S. By giving the business card, the German is "granting permission" to contact him/her in the future. The business cards you collect should be treated as confidential, private property.

INTRODUCTIONS: Title etiquette is sensitive in Germany. Listen carefully to which titles are used during introductions and be sure to use them, too. Germans use salutations and titles (Mr., Mrs., Dr., etc.) and last names when they meet people for the first time. First name is getting more common but not universal. Wait for the German person to offer a first-name basis. Shake hands hello and goodbye with everybody using a firm grip (not crushing), and making good eye contact. Women, regardless of rank, are always greeted first.

BUSINESS TITLES: German business titles are usually functional (Division Head) or academic (Dr. or Dipl.). They do not necessarily correspond to U.S. business titles.

QUALIFYING PROSPECTS: Usually, very highly placed business people attend trade shows in Germany. Take the direct approach and ask if your booth visitor makes the purchasing decisions. Do not rely on the job title to indicate responsibility levels.

Product And Company

BUSINESS PRIORITIES: Long term commitment and company stability are top priorities. Therefore, Germans will want to know about your company (ownership, company history, product lines, other customers, affiliations and goals). References may be requested. As your company's representative, they are looking for honesty and reliability which must be proven over a long period of time. Trying to rush this process is considered rude or suspicious.

QUALITY: In Germany, quality equals durability. Detailed research documenting quality claims should be available, and printed materials should include product parts and information.

PRODUCT SPECIFICATIONS: If you do not already use metric measure in your product information, prepare a brief data sheet giving critical dimensions, weight and shipping volumes. In technical products, Germans may expect to receive exactly the same interior parts from the suppliers as were in the sample they examined before purchase. While you may feel that sometimes one supplier's parts are interchangeable with another's, the German customer may disagree.

ENVIRONMENT: Environmental issues are of major concern and are highly regulated in Germany. Be prepared to show how your company is addressing the environmental impact of its products and services.

Contracts, Negotiations

In negotiating, Germans tend to start with something close to what they expect to receive in the end. A supplier who asks for much more than they agree to in the end lacks credibility in the eyes of Germans. Yet, the German buyer is prepared to assist a trusted, long serving supplier if the supplier encounters unexpected costs and difficulties. Caution: be sure to agree to product specifications and supplier flexibility if needed.

Speaking With Non-Native English Speakers

Keep in mind that English may be the second, third or even fourth language of many Europeans. You should be prepared to meet them at least half-way by following these tips:

- ◆ Generally, most Germans attending trade shows speak good English
- ◆ In order to avoid misunderstandings, using a normal volume and enunciate clearly
- ◆ Use shorter sentences to explain complicated information.
- ◆ Eliminate jargon, especially sports analogies.

Written Communication

CREATING RAPPORT: Visitors are likely to investigate and conclude business deals at the show. In order to create trust and rapport, discussions should focus mainly on business. Stay away from personal topics and small-talk. American-style friendliness, though making business more enjoyable, doesn't factor into the trust equation. Follow the German's lead on what to discuss.

If you have serious prospects, consider extending your stay. Long-term or exclusive distribution agreements are often concluded on the last day or just after the show.

Germans tend to be very direct in their communication and may seem abrupt at times to an American especially if more contentious issues are discussed. However, some Germans tend to avoid admitting mistakes. The American way of dealing with things that went wrong in a very open way, is not that common.

"JA!": Don't mistake the German's listening habit of saying "Ja" to mean agreement. It means "I'm listening".

BODY LANGUAGE: Generally, business people have a more reserved style with few broad hand gestures. At first, greater personal distance is maintained. Later, it can be surprisingly close. Touching, such as a pat on the arm or back is not uncommon among people that know each other.

IN WRITING: In written correspondence, be sure to use the name with all academic titles as they appear on the business card. In email, always address the person, and start with the last name form (Dear Mr./Ms. XXX), if you receive a response where someone signs off with a first name only, you should also use the first name in future correspondence.

SCHEDULES: "Punctual" in Germany means a few minutes early. Germans take appointments and meetings as important commitments that should not be changed lightly. Yet, for "personal reasons" such as illness or vacation time, Germans are more flexible than Americans in accepting delays and making postponements.

DATES, TIMES AND NUMBERS: In Germany, dates are written "day.month.year". "Military" time is used e.g. Let's meet on 09.07.2019 at 14:00 (Jul 9, 2019 at 2:00 p.m.). For numbers, periods and commas are switched, e.g. €1.000,00=one thousand Euro. A million means a million in both countries, but a U.S. "billion" is a German "Milliarde" and a German "Billion" is a "trillion" in the U.S.!

Some useful conversions:

1 square meter = 10.764 square feet

1 meter = 3.28 feet

1 kilometer = 0.62 miles

1 kilogram = 2.2 pounds

Business Entertaining

Hospitality and refreshments should be available to your potential business partners at your booth, if possible. Entertaining is a step to show serious intent, and you should follow-through on any invitations issued by you or to you.

ETIQUETTE: Germans, Europeans for that matter, take table etiquette and manners more seriously than most Americans.

- ◆ Wait for everyone to get served before starting to eat.
- ◆ Do not expect coffee to accompany the noon or evening meal: it is served after.
- ◆ Do not use your fingers, even for french fries.
- ◆ Make eye contact before and after raising the glass in toast.

SMOKING: Smoking is prohibited inside restaurants, train stations, trains and taxis as well as on the fair grounds. Designated smoking corners are available in most places.

Logistics

EXCHANGE CURRENCY: We recommend withdrawing EURO currency from ATM-machines in Germany to obtain the best exchange rate. ATM-machines can be found at the airport, downtown, and at the fairgrounds.

TAXI: Taxi stands are commonly used, but you can also call a cab. Flagging down is not common and seldomly works. Let the driver load your luggage. Tip about 10% if service was good. Some cities have banned Uber and Lyft and other services.

TRAFFIC: Don't jaywalk, fines are high. When driving on the highway, never ever pass on the right. If the car behind you flashes its lights, move to the right as soon as you can. Parking is sometimes allowed in unusual places such as sidewalks. Drunk driving laws are strictly enforced. Our advice is to take a taxi or use public transportation.

RESTAURANTS: Germans take their meal at a leisurely pace, and the bill will only be brought out upon request. Water does not accompany the meal and can be ordered by the bottle. Beer and soft drinks are not served as cold as Americans may be used to. Free refills also don't exist. Remember, a really good Pilsner takes 7 minutes to draft before serving! Relax and enjoy.

TIPPING: Service charge is included in the bill. When paying and you feel the service was good, you should leave an additional 10%, which is handed directly to the waiter/waitress.

Business Customs Quiz

Answer True or False

1. Only after about 1 year of working together do Germans call each other by first names.
2. Jaywalking is fined in Germany
3. In Germany, good table manners dictate that the left hand is kept in the lap when not in use.
4. For a German, quality means everything from good packaging to the best product.
5. Line-waiting etiquette requires you to wait patiently and show restraint in any impatient mannerism or comments.
6. German companies have more levels of hierarchy than most American companies.
7. In Germany, tipping 20% is common
8. Germans prefer conducting business in English to German.



Quiz Answers

1. False. Use last names until first names are offered by the German, there is no set time frame for this to happen
2. True, the fines start at EUR 5.
3. False. Hands are always visible with the fork in the left and knife right. When not in use, hands may rest on the edge of the table.
4. True.
5. False. Germans are generally very impatient while waiting in lines.
6. True. While American companies have a more horizontal structure they are hierarchically flatter.
7. False. Tips range around 10%
8. False. Even if Germans speak English well, they will appreciate someone who speaks German.