## How to sell overseas A beginner's guide





As the world becomes ever more globalised and digital, the potential for you to reach out to new customers and lucrative new markets beyond the UK has never been greater.

Whatever your sector, there's a market out there for your products and services.

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## Partner Foreword

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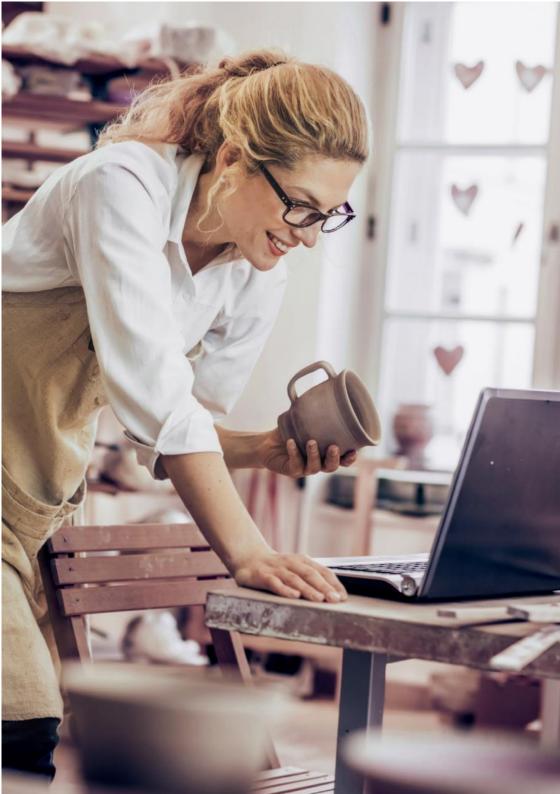
## People are looking for your goods, skills and services

If you have a product or service that is performing well at home, there will almost certainly be demand for it overseas. If you're a small company in an unusual sector don't be put off - two out of five companies with fewer than 10 employees are already doing business in at least one high-growth market.

Not only is exporting a way to grow your business, research shows that companies that sell overseas are more productive, innovative and resilient to economic downturns than those that don't.

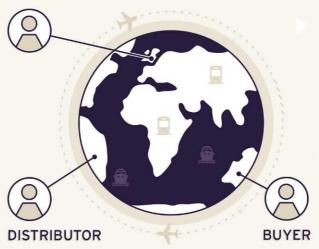






## What selling overseas can do for you

MANUFACTURER



Whatever your size or sector, the rewards from selling your products or services abroad can be huge.

## Doing business outside the UK can:



Make you more profitable, competitive and innovative.



Help you get better economies of scale that aren't always possible at home.



Boost your profile at home and internationally.



Give your products and services a longer commercial life, because you have access to new customers and markets.



Help you grow your business, because you're selling to new customers and accessing new revenues.



Transform your financial performance and balance sheet.



Make you more resilient and allow you to spread your business risk.

## Success stories: if we can, you can



## Eco Glitter Fun

Sophie Awdry and Noemi Lamanna created biodegradable glitter to replace common plastic glitter that harms the environment. Their London-based company Eco Glitter Fun supplies parties and festivals all over the world, including in India.



## **Forest Gin**

Lindsay and Karl Bond developed their own hand-crafted, small-batch gin using botanicals native to Macclesfield Forest. Now their company Forest Gin exports to Germany..





## Norton Motorcycles

Norton motorbikes, which are hand-built in Castle Donington, are once again exported to the US after a 30-year gap.

## Tangerine

London-based design consultancy Tangerine works for global brands such as British Airways, Virgin Australia, Samsung C&T, Sky and Nikon. The award-winning company also has overseas offices in Korea and Brazil.



## Get ready to export



## Eig ht things to consider:



Have I protected my intellectual property, completed my research and conducted due diligence?



Do I need to work with an overseas partner to succeed?



Have I evaluated the potential business risks?



What are the legal issues I need to consider?



What do I need to do to get paid and deliver my products on time?



Who will be leading this project in my company?



Do I have the resources – finance, time, expenses and skills – I need to deliver this project?



In which country, region, sector or segment should I start?

## Four steps to exporting

## There are four tried and tested steps you should take to help you write your export plan.

You can get help and support for each of these steps with a visit to great.gov.uk







## Research

Market and customer research is essential, along with understanding how to protect your rights.

## Ask yourself:

Who is your target customer? Define them in detail and build a profile of what they look like.

Where is the overseas **demand** for your product or service?

Who is your **competition** and how do you compare?

What are the legal, financial and cultural differences of your target market?

How can you protect your intellectual property (IP)? It's one of the most valuable assets you own so you need to know how IP rights vary across your markets. Basic support and information, as well as business tools from the Intellectual Property Office (IPO) are freely available at: www.gov.uk/guidance/seekingintellectual-property-advice Find out from **HM Revenue and Customs** about the classification of goods, duty relief, VAT, taxes and exchanges rates.

Visit www.gov.uk/business-tax/ import-export to get you started

Could you **get funding** for a visit to where you're planning to export? Trade shows are where you'll make contacts with potential trading partners and get advice from trade experts. Find out more at:

www.gov.uk/guidance/ tradeshow-access-programme

Use **great.gov.uk** to gauge overseas demand for your product or service and decide which market is best for you



## Finance

Find out as much as you can about the finance you'll need to grow your business abroad. That includes the extra investment you'll need for advertising, research and other essentials.

## Be sure to:

Talk to your **bank**, **accountant** or one of the many finance providers here in the UK about the money you'll need.

Review the **extra finance** you may need to fund your move overseas, remembering that working capital requirements may need to take into account extended shipping times or payment terms. Always **think long-term** being realistic about the time it will take you to get established and make a profit in your planning, so you have the resources you need to keep going.

## **UK Export Finance (UKEF)**

UKEF is the UK's export credit agency and is part of the Department for International Trade. UKEF can help finance an export deal if your bank can't do it on their own and can also provide insurance to protect against the risk of not getting paid.

They make sure that no viable export fails for lack of finance or insurance and provide financial support for any size of exporter across all sectors.

### With UKEF's help you'll:

- win export contracts because you can offer attractive financing terms to your buyers
- fulfil your contracts because you have a working capital loan
- get paid because you're insured against the risk of non-payment

UKEF works with 70 private credit insurers and lenders to find you the right financial solution, whether that's from a private provider or from the government.



## Plan

Once you've completed your research and explored finance options, you need an export plan that sets out how you'll break into your new market.

## An export plan is similar to a business plan but with an international focus.

It should outline your objectives, strategy and preparations for selling your product or service in a new or existing overseas market. It will also help you evaluate risks and benefits.

### To get your plan started you should:

- Set out how you'll launch your product or service
- Decide if you want to sell directly, online or through an agent or distributor.
- If you're selling online find out about E-Commerce Advisers and getting help and advice on building your e-commerce presence with the DIT's E-Exporting Programme.
- Plan your routes and choose the most efficient transport method.
- Are your goods insured?
- Think about capital, resources, logistics, distribution and customer support.

## Your export plan should include:

A marketing strategy

Any modifications you need to make to your product or service

Your preferred route to market – what's your most cost effective and efficient distribution channel?

Your chosen business model – agent, distributor, B2B, B2C?

Whether you need to establish an overseas presence - such as a sales office or by forming a strategic alliance, joint venture or subsidiary

Your financial resources and how to get paid

The right people to help you develop your new export markets

Relevant info about your chosen market

# Customers

How will you find customers? Should you use an agent or distributor, or maybe just sell online or directly?

## Depending on your product and its shelf life, there is a range of ways you can sell to your customers.

This could be selling directly, online or via agents or distributors – you can find out more about all of these on great.gov.uk

## **Selling Online to Overseas Customers**

The Department for International Trade's E-Exporting Programme gives you access to the Selling Online Overseas Tool, a free to use, online service that allows you to click, connect, prepare and sell on global e-marketplaces, such as Amazon, eBay and Rakuten, based on your product category and export market of choice. Through the tool, you can also access discounts, including waived commissions and special marketing packages.

## Selling through a partner

Some businesses choose to work with a partner who is already familiar with a particular market. There are two types – distributors and agents. A distributor will buy your products directly from you and re-sell them locally. They will be responsible for any profit or loss in stocking and selling on your goods. Agents will arrange sales on your behalf and receive commission on the sale once payment is made. In both cases they are an invaluable, on the ground resource to feed back market intelligence.

## Getting help and advice

Of course, making the move into any new market – especially when you're dealing with a different language, culture or set of regulations – can feel like a leap into the unknown.

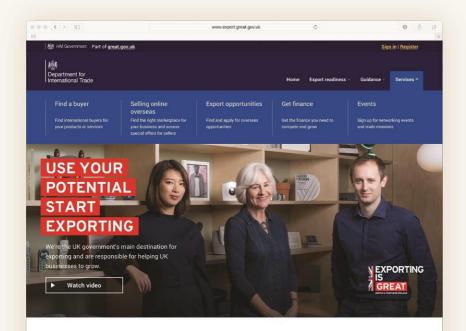
## But with the right help and support you can do it.



## The demand is out there. You should be too.



## great.gov.uk



### Build your own exporting journey

Answer some simple questions about your sector, experience and business ambitions to get:

- information that's relevant to your answers with tasks to help you learn
- access to worldwide statistics so you can research your market

Get started



**great.gov.uk** is the ideal starting point for UK businesses that are looking to export for the first time or increase the amount of exports they produce.

It brings together the best information across government and suitable partners.

## On great.gov.uk you'll



## Find a buyer / Find a supplier

**UK businesses can create their international profile** on the 'Find a Buyer' section of the great.gov.uk website. International buyers view these profiles through the 'Find a Supplier' service on the same site.



## Find the right online marketplace

Selling online overseas helps businesses find the best online marketplaces to sell their products and take advantage of preferential deals.

Live export opportunities

Guidance on how to research export markets

Seminars and webinars on starting to export or exporting to new markets

Details of forthcoming trade missions

How to find your nearest trade adviser who has specialist sector and market knowledge

## You can get help from these government departments

## Department for International Trade

## (DIT)

The Department for International Trade has a network of experienced international trade advisers across the country as well as staff based in UK Embassies and other Diplomatic Offices around the world. They're all ready to provide you with expert trade advice, market know-how and practical support to grow your business internationally.

Contact the Department for International Trade regional office nearest you, details can be found at the back of this brochure.

## HM Revenue and Customs

## (HMRC)

HMRC can give you expert assistance on a number of matters relating to the importing and exporting of goods.

This includes information and guides covering topics such as the classification of goods, trading in the EU, imports from outside the EU, duty relief on imports and exports, import and export controls and procedures, VAT, export licences, export taxes and exchange rates.

www.gov.uk/business-tax/ import-export

You can also get advice from your bank, accountant or lawyer and from your local Chambers of Commerce or trade association.

## UK Export Finance (UKEF)

UKEF is the UK's export credit agency. It helps UK exporters by providing insurance to exporters and guarantees to banks to share the risks of providing export finance. In addition, it can make loans to overseas buyers of goods and services from the UK. UKEF works closely with exporters, banks, buyers and project sponsors to support exports to, and investments in, markets across the world.

### www.gov.uk/uk-export-finance

## Intellectual Property Office

(IPO)

The IPO is the government body responsible for intellectual property (IP) rights including patents, designs, trademarks and copyright.

The IPO operates and maintains a clear and accessible intellectual property system in the UK. The IPO can also help you protect and benefit from your ideas or inventions at home and abroad. This includes access to a range of IP events, guidance, tools and case studies to support your export ambitions.

www.gov.uk/ipo

## Partner Contacts



## Help and advice in your region

The Department for International Trade has a network of experienced international trade advisers across the country based in our local offices listed here:



## UK export support, outside of England, is also available from:

### **Business Wales**



businesssupport@ wales.gsi.gov.uk

• 0300 060 3000

### Invest NI

- enquiry@investni.com
- 0800 181 4422

### **Scottish Enterprise**

0300 365 1000



(within Scotland) • 0300 013 3542







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## great.gov.uk

### DIT

As part of HM Government, the Department for International Trade (DIT) has overall responsibility for promoting UK trade across the world and attracting foreign investment to our economy. DIT has responsibility for negotiating international trade policy, supporting business, as well as delivering an outward-looking trade diplomacy strategy.

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Published November 2017 by Department for International Trade.

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